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UNEMPLOYMENT BENEFIT: INCREASE WEEKLY BENEFIT RATE

House Bill 4166

Sponsor: Rep. Jack Minore

Committee: Employment Relations,
Training and Safety

Complete to 4-10-03

A SUMMARY OF HOUSE BILL 4166 AS INTRODUCED 2-5-03

Currently, an individual's weekly unemployment benefit rate is 4.1 percent of his or her wages paid in the calendar quarter of the base period in which the individual was paid the highest total wages, plus \$6 for each dependent up to a maximum of five dependents. For claims filed after April 26, 2002, the maximum weekly amount that an individual may receive is capped at \$362 (\$300 a week for claims filed prior to that date). House Bill 4166 would amend the Michigan Employment Security Act to increase the multiplier from 4.1 percent to 4.4 percent; the maximum weekly benefit amount that an individual could receive would remain at \$362.

Under the act, the number of weeks of benefits payable to an individual is calculated by taking 43 percent of the individual's base period wages, and then dividing that by the weekly benefit rate, though a 26-week limit is specified in the law. The bill would retain this provision, but increase the percent of the individual's base period wages use in the calculation from 43 percent to 45 percent.

Lastly, the Michigan Employment Security Commission is required to deduct and withhold obligations from any unemployment compensation payable to an individual who owes child support by using one of three specified methods. One of the methods specifies amounts otherwise required to be deducted and withheld from unemployment compensation pursuant to legal process, as that term is defined in federal law, that is properly served upon the commission. The bill would delete the phrase referencing the federal law.

MCL 421.27

Analyst: S. Stutzky

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.