

**SUBSTITUTE FOR
SENATE RESOLUTION NO. 132**

1 A resolution to condemn Governor Gretchen Whitmer's inaction
2 in addressing issues at the Unemployment Insurance Agency with
3 residents filing for and receiving unemployment benefits and to
4 urge the Governor to promptly sign Enrolled Senate Bill No. 690 of
5 2020.

6 Whereas, The COVID-19 Pandemic has disrupted life for all
7 Michigan residents. Since the virus reached the state in early
8 March, tens of thousands of Michigan residents have been infected,
9 and nearly 6,000 have lost their lives. Governor Whitmer has taken
10 dramatic action to mitigate the virus' spread, including closing
11 schools and all nonessential businesses and ordering residents to
12 stay home whenever possible; and

13 Whereas, Actions to address the COVID-19 Pandemic have led to
14 a historic surge in unemployment claims. More than 2 million people

1 were forced to file for benefits since the crisis began, bringing
2 the state's unemployment rate to 24 percent in April. Over this
3 period, more than \$11.4 billion in unemployment benefits have been
4 paid out; and

5 Whereas, The Unemployment Insurance Agency (UIA) has failed to
6 process claims in a timely manner, denying Michigan residents
7 desperately needed income to pay bills and feed their families.
8 More than 200,000 Michigan residents who have filed for benefits
9 have not received a payment or have had their payments halted
10 entirely; and

11 Whereas, The UIA has been unresponsive to the people they
12 serve. Far too many people have been unable to address potential
13 issues with their claims due to inaction or abysmal service by the
14 UIA. Some residents have gone months without a response and have
15 called and messaged the agency more than 1,000 times without being
16 able to speak with a staff member; and

17 Whereas, The UIA has mismanaged potential fraud within the
18 system, suspending benefits to deserving residents without
19 forewarning or any regard for the impact on their lives. The UIA
20 halted payments to 540,000 unemployment benefit accounts, without
21 proper investigation, due to suspected fraud. More than half of
22 these accounts have been cleared, an astounding error rate in
23 identifying fraudulent activity. About 240,000 potentially innocent
24 people are still waiting to see if their benefits will be approved
25 or reinstated; and

26 Whereas, Governor Gretchen Whitmer and the UIA have failed to
27 implement any meaningful changes to improve the situation. In any
28 properly managed organization, a failure of this magnitude would
29 have led to significant and timely changes in process, personnel,

1 or both. Yet, the Governor has ignored legislators' calls for
2 leadership changes at UIA, and her efforts to address the situation
3 have been wholly inadequate; and

4 Whereas, Governor Whitmer failed to address known issues at
5 the UIA when she had the opportunity. Even before the coronavirus
6 pandemic and the surge in claims, there was abundant evidence of
7 problems at UIA. The Auditor General found that, across 2018 and
8 2019, about 28 percent of callers hung up before they were able to
9 speak with UIA staff. While action was taken to address this
10 problem, it is clear that issues persist; and

11 Whereas, Governor Whitmer has demonstrated a lack of
12 preparedness, a lack of responsiveness, and ultimately, a lack of
13 leadership in addressing issues at the UIA. While quick to
14 unilaterally declare and extend orders that have impacted the lives
15 of every Michigander and their ability to earn a living, she has
16 been unacceptably slow in ensuring the proper systems were in place
17 to mitigate the adverse impacts of her actions. Governor Whitmer's
18 ineffective leadership and poor decision-making have exacerbated
19 the issues Michigan residents are facing during this deeply
20 uncertain and difficult period. She has failed to meet the trust
21 placed in her by the people of Michigan; and

22 Whereas, Promptly signing Enrolled Senate Bill No. 690 of 2020
23 will be a critical step in addressing the issues Governor Whitmer
24 has allowed to fester at the UIA. The bill provides funding for an
25 additional 500 temporary employees at the agency. This supplemental
26 workforce would greatly enhance the agency's ability to efficiently
27 process claims; now, therefore, be it

28 Resolved by the Senate, That we condemn Governor Gretchen
29 Whitmer's inaction in addressing issues at the Unemployment

1 Insurance Agency (UIA) with residents filing for and receiving
2 unemployment benefits; and be it further

3 Resolved, That we urge Governor Whitmer to promptly sign
4 Enrolled Senate Bill No. 690 of 2020 and provide critical resources
5 to address the backlog at the UIA; and be it further

6 Resolved, That copies of this resolution be transmitted to the
7 Governor, the Director of the Michigan Department of Labor and
8 Economic Opportunity, and the Director of the Unemployment
9 Insurance Agency.