

HOUSE BILL NO. 4335

February 24, 2021, Introduced by Reps. Sabo, Cavanagh, Brabec, Tate, Witwer, Rabhi, Haadsma, Brenda Carter, Shannon, Sowerby, Morse, LaGrand, Sneller, Ellison, Coleman, Hope, Young, Koleszar, Manoogian, Puri, Steenland, Hertel, Aiyash, Cherry, Cambensy, Tyrone Carter, Steckloff, Garza, Peterson, Weiss, Neeley, Brixie, Hammoud, Scott, Bolden, Hood, Stone, Cynthia Johnson, Clemente, Thanedar, Liberati, Kuppa, Breen, Pohutsky, Camilleri, Lasinski, Jones, Anthony and Yancey and referred to the Committee on Commerce and Tourism.

A bill to amend 1936 (Ex Sess) PA 1, entitled
"Michigan employment security act,"
by amending section 27 (MCL 421.27), as amended by 2020 PA 258.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 27. (a) (1) When a determination, redetermination, or
2 decision is made that benefits are due an unemployed individual,
3 the benefits become payable from the fund and continue to be
4 payable to the unemployed individual, subject to the limitations
5 imposed by the individual's monetary entitlement, if the individual

continues to be unemployed and to file claims for benefits, until the determination, redetermination, or decision is reversed ~~, or a~~ determination, redetermination, or decision on a new issue holding the individual disqualified or ineligible is made. ~~, or, for~~ ~~benefit years beginning before October 1, 2000, a new separation issue arises resulting from subsequent work.~~

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

(b)(1) Subject to subsection (f), ~~the weekly benefit rate for an individual, with respect to benefit years beginning before October 1, 2000, is 67% of the individual's average after tax weekly wage, except that the individual's maximum weekly benefit rate must not exceed \$300.00. However, with respect to~~ **for** benefit years beginning on or after October 1, 2000, ~~the~~**an** individual's weekly benefit rate is 4.1% of the individual's wages paid in the calendar quarter of the base period in which the individual was paid the highest total wages, plus \$6.00 for each dependent as defined in subdivision (4), up to a maximum of 5 dependents, claimed by the individual at the time the individual files a new claim for benefits, except that the individual's maximum weekly benefit rate must not exceed ~~\$300.00~~ **\$362.00 for claims filed** before ~~April 26, 2002~~ **January 1, 2021** and ~~\$362.00~~ **\$593.00** for claims filed on and after ~~April 26, 2002~~. ~~The weekly benefit rate for an individual claiming benefits on and after April 26, 2002 must be recalculated subject to the \$362.00 maximum weekly benefit rate.~~ **January 1, 2021.** The unemployment agency shall establish the procedures necessary to verify the number of dependents claimed. ~~If a person~~ **An individual who** fraudulently claims a dependent ~~, that~~

~~person~~ is subject to the penalties set forth in sections 54 and 54c. For benefit years beginning on or after ~~October 2, 1983,~~ **January 1, 2022,** the **unemployment agency shall adjust the maximum weekly benefit rate to an amount equal to 58% of the state average weekly wage.** The weekly benefit rate must be adjusted to the next lower multiple of \$1.00.

(2) For benefit years beginning ~~before October 1, 2000,~~ **on or after January 1, 2021,** the state average weekly wage for a calendar year is computed on the basis of the 12 months ending the June 30 immediately ~~before~~ **preceding** that calendar year.

(3) For benefit years beginning before October 1, 2000, a dependent means any of the following ~~persons~~ **individuals** who are receiving and for at least 90 consecutive days immediately before the week for which benefits are claimed, or, in the case of a dependent husband, wife, or child, for the duration of the marital or parental relationship, if the relationship has existed less than 90 days, has received more than 1/2 the cost of his or her support from the individual claiming benefits:

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

(b) The husband or wife of the individual.

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

1 (d) A brother or sister of the individual if the brother or
2 sister is orphaned or the living parents are dependent parents of
3 an individual, and the brother or sister is under 18 years of age,
4 or 18 years of age or over if, because of physical or mental
5 infirmity, the brother or sister is unable to engage in a gainful
6 occupation, or is a full-time student as defined by the particular
7 educational institution, at a high school, vocational school,
8 community or junior college, or college or university and is less
9 than 22 years of age.

10 (4) For benefit years beginning on or after October 1, 2000, a
11 dependent means any of the following ~~persons~~**individuals** who
12 received for at least 90 consecutive days immediately before the
13 first week of the benefit year or, in the case of a dependent
14 husband, wife, or child, for the duration of the marital or
15 parental relationship if the relationship existed less than 90 days
16 before the beginning of the benefit year, has received more than
17 1/2 the cost of his or her support from the individual claiming the
18 benefits:

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

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

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

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

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

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

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

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

(1) Each eligible individual must be paid a weekly benefit rate ~~with respect to the~~ **for a** week ~~for which~~ **that** the individual earns or receives no remuneration. Notwithstanding the definition of week in section 50, if within 2 consecutive weeks in which an individual was not unemployed within the meaning of section 48

1 there was a period of 7 or more consecutive days for which the
2 individual did not earn or receive remuneration, that period is
3 considered a week for benefit purposes under this act if a claim
4 for benefits for that period is filed not later than 30 days after
5 the end of the period.

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

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

29 (4) If the reduction in a claimant's benefit rate for a week

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

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

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

11 (a) The number of individuals whose weekly benefit rate was
12 reduced at the rate of ~~40 or~~ 50 cents for each whole \$1.00 of
13 remuneration earned or received over the immediately preceding
14 calendar year.

15 (b) The number of individuals who received or earned partial
16 remuneration at or exceeding the applicable limit of $1\frac{1}{2}$ ~~or $1\frac{3}{5}$~~
17 times their weekly benefit amount prescribed in subdivision (3) for
18 any 1 or more weeks during the immediately preceding calendar year.

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

21 (d) Subject to subsection (f) and this subsection, the maximum
22 benefit amount payable to an individual in a benefit year for
23 purposes of this section and section 20(d) is the number of weeks
24 of benefits payable to an individual during the benefit year,
25 multiplied by the individual's weekly benefit rate. The number of
26 weeks of benefits payable to an individual ~~shall be~~ **is** calculated
27 by taking 43% of the individual's base period wages and dividing
28 the result by the individual's weekly benefit rate. If the quotient
29 is not a whole or half number, the result is rounded down to the

1 nearest half number. ~~However, for each eligible individual filing~~
 2 ~~an initial claim before January 15, 2012, not more than 26 weeks of~~
 3 ~~benefits or less than 14 weeks of benefits are payable to an~~
 4 ~~individual in a benefit year.~~ For each eligible individual filing
 5 an initial claim on or after January 15, 2012, not more than 20
 6 weeks of benefits or less than 14 weeks of benefits are payable to
 7 an individual in a benefit year. The limitation of total benefits
 8 set forth in this subsection does not apply to claimants declared
 9 eligible for training benefits in accordance with subsection (g).
 10 Notwithstanding any other provision of this act, and subject to
 11 subsection (q), with respect to benefit years and claims for weeks
 12 beginning before April 1, 2021, for each eligible individual who
 13 files a claim for benefits and establishes a benefit year, not more
 14 than 26 weeks of benefits or less than 14 weeks of benefits may be
 15 payable to an individual in a benefit year.

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

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

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

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

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

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

1 benefit rate of the claimant as otherwise established under this
2 act is not reduced ~~due to receipt of~~ **because the claimant is**
3 **receiving or will receive** a retirement benefit.

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

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

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

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

1 (i) Provided as an incident of employment under an established
2 retirement plan, policy, or agreement, including federal Social
3 Security if subdivision (5) is in effect.

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

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

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

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

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

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

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

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

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

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

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

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

29 (h) A payment of accrued unemployment benefits is not payable

1 to an eligible individual or in behalf of ~~that~~**the** individual as
 2 provided in subsection (e) more than 6 years after the ending date
 3 of the benefit year covering the payment or 2 calendar years after
 4 the calendar year in which there is final disposition of a
 5 contested case, whichever is later.

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

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

29 (2) ~~With respect to~~**For** service performed in other than an

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

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

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

1 R 421.210 of the Michigan Administrative Code. ~~as promulgated by~~
2 ~~the commission.~~

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

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

1 longer applies, benefits are charged in accordance with the normal
2 sequence of charging as provided in section 20(b).

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

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

29 (9) In accordance with subdivisions (1), (2), and (3),

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

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

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

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

(3) If an individual's application for benefits would otherwise be approved, a determination that benefits to ~~that~~**the** individual are not payable because of the individual's alien status must not be made except upon a preponderance of the evidence.

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

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

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

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

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

(3) The amount of unemployment compensation subject to deduction under subdivision (2) is that portion that remains

1 payable to the individual after application of the ~~recoupment~~
2 **recovery** provisions of section 62(a) and the reduction provisions
3 of subsections (c) and (f).

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

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

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

22 (7) As used in this subsection:

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

28 (b) "Child support obligations" includes only obligations that
29 are being enforced pursuant to a plan described in 42 USC 654 that

1 has been approved by the Secretary of Health and Human Services
2 under 42 USC 651 to 669b.

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

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

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

1 of employment had been given, the individual is entitled to a
 2 retroactive payment of benefits under this subsection for each week
 3 that the individual previously filed a timely claim for benefits.
 4 An individual may apply for any retroactive benefits under this
 5 subsection in accordance with R 421.210 of the Michigan
 6 Administrative Code.

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

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

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

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

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

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

1 seasonal employer.

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

7 (8) At the time an employee is hired by a seasonal employer,
8 the employer shall notify the employee in writing if the employee
9 will be a seasonal worker. The employer shall provide the worker
10 with written notice of any subsequent change in the employee's
11 status as a seasonal worker. If an employee of a seasonal employer
12 is denied benefits because that employee is a seasonal worker, the
13 employee may contest that designation in accordance with section
14 32a.

15 (9) As used in this subsection:

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

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

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

28 (d) "Seasonal employer" means an employer, other than an
29 employer in the construction industry, who applies to the

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

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

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

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

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

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

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