

**SUBSTITUTE FOR  
HOUSE BILL NO. 5827**

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  
6 continues to be unemployed and to file claims for benefits, until  
7 the determination, redetermination, or decision is reversed ~~or~~ a  
8 determination, redetermination, or decision on a new issue holding  
9 the individual disqualified or ineligible is made. ~~or, for~~

1 ~~benefit years beginning before October 1, 2000, a new separation~~  
2 ~~issue arises resulting from subsequent work.~~

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

6 (b)(1) Subject to subsection (f), ~~the weekly benefit rate for~~  
7 ~~an individual, with respect to benefit years beginning before~~  
8 ~~October 1, 2000, is 67% of the individual's average after tax~~  
9 ~~weekly wage, except that the individual's maximum weekly benefit~~  
10 ~~rate must not exceed \$300.00. However, with respect to **for** benefit~~  
11 years beginning on or after October 1, 2000, ~~the~~**an** individual's  
12 weekly benefit rate is 4.1% of the individual's wages paid in the  
13 calendar quarter of the base period in which the individual was  
14 paid the highest total wages, plus \$6.00 for each dependent as  
15 defined in subdivision (4), up to a maximum of 5 dependents,  
16 claimed by the individual at the time the individual files a new  
17 claim for benefits, except that the individual's maximum weekly  
18 benefit rate must not exceed \$300.00 **for claims filed** before April  
19 26, 2002 and \$362.00 for claims filed on and after April 26, 2002.  
20 The weekly benefit rate for an individual claiming benefits on and  
21 after April 26, 2002 must be recalculated subject to the \$362.00  
22 maximum weekly benefit rate. The unemployment agency shall  
23 establish the procedures necessary to verify the number of  
24 dependents claimed. ~~If a person~~**An individual who** fraudulently  
25 claims a dependent ~~, that person~~ is subject to the penalties set  
26 forth in sections 54 and 54c. For benefit years beginning on or  
27 after October 2, 1983, the weekly benefit rate must be adjusted to  
28 the next lower multiple of \$1.00.

29 (2) For benefit years beginning ~~before October 1, 2000,~~**on or**

1 **after January 1, 2025**, the state average weekly wage for a calendar  
2 year is computed on the basis of the 12 months ending the June 30  
3 immediately ~~before~~**preceding** that calendar year.

4 (3) For benefit years beginning before October 1, 2000, a  
5 dependent means any of the following ~~persons~~**individuals** who are  
6 receiving and for ~~at least~~**not less than** 90 consecutive days  
7 immediately before the week for which benefits are claimed, or, in  
8 the case of a dependent husband, wife, or child, for the duration  
9 of the marital or parental relationship, if the relationship has  
10 existed less than 90 days, has received more than 1/2 the cost of  
11 ~~his or her~~**the individual's** support from the individual claiming  
12 benefits:

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

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

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

24 (d) A brother or sister of the individual if the brother or  
25 sister is orphaned or the living parents are dependent parents of  
26 an individual, and the brother or sister is under 18 years of age,  
27 or 18 years of age or over if, because of physical or mental  
28 infirmity, the brother or sister is unable to engage in a gainful  
29 occupation, or is a full-time student as defined by the particular

1 educational institution, at a high school, vocational school,  
2 community or junior college, or college or university and is less  
3 than 22 years of age.

4 (4) For benefit years beginning on or after October 1, 2000, a  
5 dependent means any of the following ~~persons~~**individuals** who  
6 received for ~~at least~~**not less than** 90 consecutive days immediately  
7 before the first week of the benefit year or, in the case of a  
8 dependent husband, wife, or child, for the duration of the marital  
9 or parental relationship if the relationship existed less than 90  
10 days before the beginning of the benefit year, has received more  
11 than 1/2 the cost of ~~his or her~~**the individual's** support from the  
12 individual claiming the benefits:

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

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

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

24 (d) A brother or sister of the individual if the brother or  
25 sister is orphaned or the living parents are dependent parents of  
26 an individual, and the brother or sister is under 18 years of age,  
27 or 18 years of age and over if, because of physical or mental  
28 infirmity, the brother or sister is unable to engage in a gainful  
29 occupation, or is a full-time student as defined by the particular

1 educational institution, at a high school, vocational school,  
 2 community or junior college, or college or university and is less  
 3 than 22 years of age.

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

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

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

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

19 (1) Each eligible individual must be paid a weekly benefit  
 20 rate ~~with respect to the~~ **for a** week ~~for which~~ **that** the individual  
 21 earns or receives no remuneration. Notwithstanding the definition  
 22 of week in section 50, if within 2 consecutive weeks in which an  
 23 individual was not unemployed within the meaning of section 48  
 24 there was a period of 7 or more consecutive days ~~for which~~ **that** the  
 25 individual did not earn or receive remuneration, that period is  
 26 considered a week for benefit purposes under this act if a claim  
 27 for benefits for that period is filed not later than 30 days after  
 28 the end of the period.

29 (2) ~~The weekly benefit rate is reduced with respect to each~~

1 ~~week in which the eligible individual earns or receives~~  
2 ~~remuneration at the rate of 40 cents for each whole \$1.00 of~~  
3 ~~remuneration earned or received during that week. Beginning October~~  
4 ~~1, 2015, an~~ **An** eligible individual's weekly benefit rate is reduced  
5 at the rate of 50 cents for each whole \$1.00 of remuneration in  
6 which the eligible individual earns or receives remuneration in  
7 that benefit week. The weekly benefit rate is not reduced under  
8 this subdivision for remuneration received for on-call or training  
9 services as a volunteer firefighter, if the volunteer firefighter  
10 receives less than \$10,000.00 in a calendar year for services as a  
11 volunteer firefighter.

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

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

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

1 preceding day.

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

5 (a) The number of individuals whose weekly benefit rate was  
6 reduced at the rate of 40 or 50 cents for each whole \$1.00 of  
7 remuneration earned or received over the immediately preceding  
8 calendar year.

9 (b) The number of individuals who received or earned partial  
10 remuneration at or exceeding the applicable limit of 1-1/2 or 1-3/5  
11 times ~~their~~**the individuals'** weekly benefit amount prescribed in  
12 subdivision (3) for any 1 or more weeks during the immediately  
13 preceding calendar year.

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

16 (d) Subject to subsection (f) and this subsection, the maximum  
17 benefit amount payable to an individual in a benefit year for  
18 purposes of this section and section 20(d) is the number of weeks  
19 of benefits payable to an individual during the benefit year,  
20 multiplied by the individual's weekly benefit rate. The number of  
21 weeks of benefits payable to an individual ~~shall~~**must** be calculated  
22 by taking 43% of the individual's base period wages and dividing  
23 the result by the individual's weekly benefit rate. If the quotient  
24 is not a whole or half number, the result is rounded down to the  
25 nearest half number. ~~However, for each eligible individual filing~~  
26 ~~an initial claim before January 15, 2012, not more than 26 weeks of~~  
27 ~~benefits or less than 14 weeks of benefits are payable to an~~  
28 ~~individual in a benefit year.~~ For each eligible individual filing  
29 an initial claim on or after January 15, 2012, not more than 20

1 weeks of benefits or less than 14 weeks of benefits are payable to  
2 an individual in a benefit year. The limitation of total benefits  
3 set forth in this subsection does not apply to claimants declared  
4 eligible for training benefits ~~in accordance with~~ **pursuant to**  
5 subsection (g). **For each eligible individual filing an initial**  
6 **claim on or after January 15, 2025, not more than 26 weeks of**  
7 **benefits or less than 14 weeks of benefits are payable to an**  
8 **individual in a benefit year.** Notwithstanding any other provision  
9 of this act, and subject to subsection (q), with respect to benefit  
10 years and claims for weeks beginning before April 1, 2021, for each  
11 eligible individual who files a claim for benefits and establishes  
12 a benefit year, not more than 26 weeks of benefits or less than 14  
13 weeks of benefits may be payable to an individual in a benefit  
14 year.

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

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



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

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

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

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

1 act is not reduced ~~due to receipt of~~ **because the claimant is**  
 2 **receiving or will receive** a retirement benefit.

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

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

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

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

29 (i) Provided as an incident of employment under an established

1 retirement plan, policy, or agreement, including federal Social  
2 Security if subdivision (5) is in effect.

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

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

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

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

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

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

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

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

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

29 (b) If any base period employer or chargeable employer has

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

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

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

28 (h) A payment of accrued unemployment benefits is not payable  
29 to an eligible individual or in behalf of ~~that~~**the** individual as

1 provided in subsection (e) more than 6 years after the ending date  
2 of the benefit year covering the payment or 2 calendar years after  
3 the calendar year in which there is final disposition of a  
4 contested case, whichever is later.

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

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

28 (2) ~~With respect to~~ **For** service performed in other than an  
29 instructional, research, or principal administrative capacity for

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

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

21 (4) If benefits are denied to an individual for any week  
22 solely as a result of subdivision (2) and the individual was not  
23 offered an opportunity to perform in the second academic year or  
24 term the service for which reasonable assurance had been given, the  
25 individual is entitled to a retroactive payment of benefits for  
26 each week for which the individual had previously filed a timely  
27 claim for benefits. An individual entitled to benefits under this  
28 subdivision may apply for those benefits by mail in accordance with  
29 R 421.210 of the Michigan Administrative Code as promulgated by the

1 ~~commission-unemployment agency.~~

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

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



1 sequence of charging as provided in section 20(b).

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

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

28 (9) In accordance with subdivisions (1), (2), and (3),  
29 benefits for any week of unemployment are denied to an individual

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

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

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

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

29 (3) If an individual's application for benefits would

1 otherwise be approved, a determination that benefits to ~~that~~**the**  
 2 individual are not payable because of the individual's alien status  
 3 must not be made except upon a preponderance of the evidence.

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

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

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

19 (b) The amount, if any, determined pursuant to an agreement  
 20 submitted to the ~~commission~~**unemployment agency** under 42 USC  
 21 654(19)(B)(i), by the state or local child support enforcement  
 22 agency.

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

27 (3) The amount of unemployment compensation subject to  
 28 deduction under subdivision (2) is that portion that remains  
 29 payable to the individual after application of the ~~recoupment~~

1 **recovery** provisions of section 62(a) and the reduction provisions  
2 of subsections (c) and (f).

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

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

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

21 (7) As used in this subsection:

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

27 (b) "Child support obligations" ~~includes~~**means** only  
28 obligations that are being enforced pursuant to a plan described in  
29 42 USC 654 that has been approved by the Secretary of Health and

1 Human Services under 42 USC 651 to 669b.

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

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

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

1 retroactive payment of benefits under this subsection for each week  
2 that the individual previously filed a timely claim for benefits.  
3 An individual may apply for any retroactive benefits under this  
4 subsection ~~in accordance with~~ **pursuant to** R 421.210 of the Michigan  
5 Administrative Code.

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

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

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

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

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

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

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

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

14           (9) As used in this subsection:

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

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

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

27           (d) "Seasonal employer" means an employer, other than an  
28 employer in the construction industry, who applies to the  
29 unemployment agency for designation as a seasonal employer and who



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

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

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

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