

**SUBSTITUTE FOR  
SENATE BILL NO. 40**

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), **except as otherwise provided in this  
16 subdivision**, up to a maximum of 5 dependents, claimed by the  
17 individual at the time the individual files a new claim for  
18 benefits, except that the individual's maximum weekly benefit rate  
19 must not exceed ~~\$300.00~~**\$362.00** before ~~April 26, 2002~~ and ~~\$362.00~~  
20 ~~for claims filed on and after April 26, 2002. The weekly benefit  
21 rate for an individual claiming benefits on and after April 26,  
22 2002 must be recalculated subject to the \$362.00 maximum weekly  
23 benefit rate.~~**January 1, 2025.** The unemployment agency shall  
24 establish the procedures necessary to verify the number of  
25 dependents claimed. ~~If a person~~**An individual who** fraudulently  
26 claims a dependent ~~, that person~~ is subject to the penalties set  
27 forth in sections 54 and 54c. For benefit years beginning on or  
28 after October 2, 1983, the weekly benefit rate must be adjusted to  
29 the next lower multiple of \$1.00. **Beginning January 1, 2025, an**~~

1 individual's weekly benefit rate must be calculated in accordance  
2 with this subdivision using the following monetary amounts for each  
3 dependent, if any, and must not exceed the following maximum weekly  
4 benefit rates:

5 (a) For a claim filed on or after January 1, 2025, \$12.66 for  
6 each dependent, and the maximum weekly benefit rate must not exceed  
7 \$446.00.

8 (b) For a claim filed on or after January 1, 2026, \$19.33 for  
9 each dependent, and the maximum weekly benefit rate must not exceed  
10 \$530.00.

11 (c) For a claim filed on or after January 1, 2027, \$26.00 for  
12 each dependent, and the maximum weekly benefit rate must not exceed  
13 \$614.00.

14 (d) For a claim filed on or after January 1, 2028, the  
15 adjusted monetary amount established under subsection (r) for each  
16 dependent, and the maximum weekly benefit rate must not exceed the  
17 adjusted maximum weekly benefit rate established under subsection  
18 (r).

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

23 (3) For benefit years beginning before October 1, 2000, a  
24 dependent means any of the following ~~persons~~**individuals** who are  
25 receiving and for at least 90 consecutive days immediately before  
26 the week for which benefits are claimed, or, in the case of a  
27 dependent husband, wife, or child, for the duration of the marital  
28 or parental relationship, if the relationship has existed less than  
29 90 days, has received more than 1/2 the cost of his or her support

1 from the individual claiming benefits:

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

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

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

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

22 (4) For benefit years beginning on or after October 1, 2000, a  
23 dependent means any of the following ~~persons~~**individuals** who  
24 received for at least 90 consecutive days immediately before the  
25 first week of the benefit year or, in the case of a dependent  
26 husband, wife, or child, for the duration of the marital or  
27 parental relationship if the relationship existed less than 90 days  
28 before the beginning of the benefit year, has received more than  
29 1/2 the cost of his or her support from the individual claiming the

1 benefits:

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

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

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

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

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

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

29 Failure on the part of an individual, ~~due to~~ **because of**

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

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

8 (1) Each eligible individual must be paid a weekly benefit  
9 rate ~~with respect to the~~ **for a** week ~~for which~~ **that** the individual  
10 earns or receives no remuneration. Notwithstanding the definition  
11 of week in section 50, if within 2 consecutive weeks in which an  
12 individual was not unemployed within the meaning of section 48  
13 there was a period of 7 or more consecutive days for which the  
14 individual did not earn or receive remuneration, that period is  
15 considered a week for benefit purposes under this act if a claim  
16 for benefits for that period is filed not later than 30 days after  
17 the end of the period.

18 (2) ~~The weekly benefit rate is reduced with respect to each~~  
19 ~~week in which the eligible individual earns or receives~~  
20 ~~remuneration at the rate of 40 cents for each whole \$1.00 of~~  
21 ~~remuneration earned or received during that week. Beginning October~~  
22 ~~1, 2015, an~~ **An** eligible individual's weekly benefit rate is reduced  
23 at the rate of 50 cents for each whole \$1.00 of remuneration in  
24 which the eligible individual earns or receives remuneration in  
25 that benefit week. The weekly benefit rate is not reduced under  
26 this subdivision for remuneration received for on-call or training  
27 services as a volunteer firefighter, if the volunteer firefighter  
28 receives less than \$10,000.00 in a calendar year for services as a  
29 volunteer firefighter.

1           (3) ~~An individual who receives or earns partial remuneration~~  
2 ~~may not receive a total of benefits and earnings that exceeds 1-3/5~~  
3 ~~times his or her weekly benefit amount. For each dollar of total~~  
4 ~~benefits and earnings that exceeds 1-3/5 times the individual's~~  
5 ~~weekly benefit amount, benefits are reduced by \$1.00. Beginning~~  
6 ~~October 1, 2015, the~~ **The** total benefits and earnings for an  
7 individual who receives or earns partial remuneration may not  
8 exceed 1-1/2 times his or her weekly benefit amount. The  
9 individual's benefits are reduced by \$1.00 for each dollar by which  
10 the total benefits and earnings exceed 1-1/2 times the individual's  
11 weekly benefit amount.

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

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

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

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

27           (b) The number of individuals who received or earned partial  
28 remuneration at or exceeding the applicable limit of 1-1/2 ~~or 1-3/5~~  
29 times their weekly benefit amount prescribed in subdivision (3) for

1 any 1 or more weeks during the immediately preceding calendar year.

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

4 (d) Subject to subsection (f) and this subsection, the maximum  
5 benefit amount payable to an individual in a benefit year for  
6 purposes of this section and section 20(d) is the number of weeks  
7 of benefits payable to an individual during the benefit year,  
8 multiplied by the individual's weekly benefit rate. The number of  
9 weeks of benefits payable to an individual ~~shall be~~ **is** calculated  
10 by taking 43% of the individual's base period wages and dividing  
11 the result by the individual's weekly benefit rate. If the quotient  
12 is not a whole or half number, the result is rounded down to the  
13 nearest half number. ~~However, for each eligible individual filing~~  
14 ~~an initial claim before January 15, 2012, not more than 26 weeks of~~  
15 ~~benefits or less than 14 weeks of benefits are payable to an~~  
16 ~~individual in a benefit year.~~ For each eligible individual filing  
17 an initial claim on or after January 15, 2012, not more than 20  
18 weeks of benefits or less than 14 weeks of benefits are payable to  
19 an individual in a benefit year. **For each eligible individual**  
20 **filing an initial claim on or after the effective date of the**  
21 **amendatory act that added this sentence, not more than 26 weeks of**  
22 **benefits or less than 14 weeks of benefits are payable to an**  
23 **individual in a benefit year.** The limitation of total benefits set  
24 forth in this subsection does not apply to claimants declared  
25 eligible for training benefits in accordance with subsection (g).  
26 Notwithstanding any other provision of this act, and subject to  
27 subsection (q), with respect to benefit years and claims for weeks  
28 beginning before April 1, 2021, for each eligible individual who  
29 files a claim for benefits and establishes a benefit year, not more



1 than 26 weeks of benefits or less than 14 weeks of benefits may be  
2 payable to an individual in a benefit year.

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

12 (f) (1) For benefit years beginning before October 1, 2000, and  
13 notwithstanding any inconsistent provisions of this act, the weekly  
14 benefit rate of each individual who is receiving or will receive a  
15 "retirement benefit", as defined in subdivision (4), is adjusted as  
16 provided in subparagraphs (a), (b), and (c). However, an  
17 individual's extended benefit account and an individual's weekly  
18 extended benefit rate under section 64 is established without  
19 reduction under this subsection unless subdivision (5) is in  
20 effect. Except as otherwise provided in this subsection, all other  
21 provisions of this act continue to apply in connection with the  
22 benefit claims of those retired ~~persons~~**individuals**.

23 (a) If and to the extent that unemployment benefits payable  
24 under this act would be chargeable to an employer who 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 must not receive unemployment benefits that would be

1 chargeable to the employer under this act.

2 (b) If and to the extent that unemployment benefits payable  
3 under this act would be chargeable to an employer who has  
4 contributed to the financing of a retirement plan under which the  
5 claimant is receiving or will receive a retirement benefit yielding  
6 a pro rata weekly amount less than the claimant's weekly benefit  
7 rate as otherwise established under this act, then the weekly  
8 benefit rate otherwise payable to the claimant and chargeable to  
9 the employer under this act is reduced by an amount equal to the  
10 pro rata weekly amount, adjusted to the next lower multiple of  
11 \$1.00, which the claimant is receiving or will receive as a  
12 retirement benefit.

13 (c) If the unemployment benefit payable under this act would  
14 be chargeable to an employer who has not contributed to the  
15 financing of a retirement plan under which the claimant is  
16 receiving or will receive a retirement benefit, then the weekly  
17 benefit rate of the claimant as otherwise established under this  
18 act is not reduced ~~due to receipt of~~ **because the claimant is**  
19 **receiving or will receive** a retirement benefit.

20 (d) If the unemployment benefit payable under this act is  
21 computed on the basis of multiemployer credit weeks and a portion  
22 of the benefit is allocable under section 20(e) to an employer who  
23 has contributed to the financing of a retirement plan under which  
24 the claimant is receiving or will receive a retirement benefit, the  
25 adjustments required by subparagraph (a) or (b) apply only to that  
26 portion of the weekly benefit rate that would otherwise be  
27 allocable and chargeable to the employer.

28 (2) If an individual's weekly benefit rate under this act was  
29 established before the period for which the individual first

1 receives a retirement benefit, any benefits received after a  
2 retirement benefit becomes payable must be determined in accordance  
3 with the formula stated in this subsection.

4 (3) When necessary to assure prompt payment of benefits, the  
5 ~~commission-unemployment agency~~ shall determine the pro rata weekly  
6 amount yielded by an individual's retirement benefit based on the  
7 best information currently available to it. In the absence of  
8 fraud, a determination must not be reconsidered unless it is  
9 established that the individual's actual retirement benefit in fact  
10 differs from the amount determined by \$2.00 or more per week. The  
11 reconsideration applies only to benefits that may be claimed after  
12 the information on which the reconsideration is based was received  
13 by the ~~commission-unemployment agency~~.

14 (4) (a) As used in this subsection, "retirement benefit" means  
15 a benefit, annuity, or pension of any type, or ~~that a~~ part thereof  
16 ~~that is as~~ described in subparagraph (b), that is both **of the**  
17 **following:**

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

21 (ii) Payable to an individual because the individual has  
22 qualified on the basis of attained age, length of service, or  
23 disability, whether or not the individual retired or was retired  
24 from employment. Amounts paid to individuals in the course of  
25 liquidation of a private pension or retirement fund because of  
26 termination of the business or of a plant or department of the  
27 business of the employer involved are not retirement benefits.

28 (b) If a benefit as described in subparagraph (a) is payable  
29 or paid to ~~the an~~ individual under a plan to which the individual

1 has contributed, **the benefit is treated as follows:**

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

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

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

12 (5) Notwithstanding any other provision of this subsection,  
13 for any week that ~~begins after March 31, 1980, and with respect to~~  
14 ~~which~~ an individual is receiving a governmental or other pension  
15 and claiming unemployment compensation, the weekly benefit amount  
16 payable to the individual for those weeks is reduced, but not below  
17 zero, by the entire prorated weekly amount of any governmental or  
18 other pension, retirement or retired pay, annuity, or any other  
19 similar payment that is based on any previous work of the  
20 individual. This reduction is made only if it is required as a  
21 condition for full tax credit against the tax imposed by the  
22 federal unemployment tax act, 26 USC 3301 to 3311.

23 (6) For benefit years beginning on or after October 1, 2000,  
24 notwithstanding any inconsistent provisions of this act, the weekly  
25 benefit rate of each individual who is receiving or will receive a  
26 retirement benefit, as defined in subdivision (4), is adjusted as  
27 provided in subparagraphs (a), (b), and (c). However, an  
28 individual's extended benefit account and an individual's weekly  
29 extended benefit rate under section 64 is established without

1 reduction under this subsection, unless subdivision (5) is in  
2 effect. Except as otherwise provided in this subsection, all the  
3 other provisions of this act apply to the benefit claims of those  
4 retired persons.—**individuals**. However, if the reduction would  
5 impair the full tax credit against the tax imposed by the federal  
6 unemployment tax act, 26 USC 3301 to 3311, unemployment benefits  
7 are not reduced as provided in subparagraphs (a), (b), and (c) for  
8 receipt of any governmental or other pension, retirement or retired  
9 pay, annuity, or other similar payment that was not includable in  
10 the gross income of the individual for the taxable year in which it  
11 was received because it was a part of a rollover distribution.

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

18 (b) If any base period employer or chargeable employer has  
19 contributed to the financing of a retirement plan under which the  
20 claimant is receiving or will receive a retirement benefit yielding  
21 a pro rata weekly amount less than the claimant's weekly benefit  
22 rate as otherwise established under this act, then the weekly  
23 benefit rate otherwise payable to the claimant is reduced by an  
24 amount equal to the pro rata weekly amount, adjusted to the next  
25 lower multiple of \$1.00, ~~which—that~~ the claimant is receiving or  
26 will receive as a retirement benefit.

27 (c) If no base period **employer** or separating employer has  
28 contributed to the financing of a retirement plan under which the  
29 claimant is receiving or will receive a retirement benefit, then

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

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

17 (h) A payment of accrued unemployment benefits is not payable  
18 to an eligible individual or in behalf of that individual as  
19 provided in subsection (e) more than 6 years after the ending date  
20 of the benefit year covering the payment or 2 calendar years after  
21 the calendar year in which there is final disposition of a  
22 contested case, whichever is later.

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

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

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

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

1           (3) ~~With respect to~~ **For** any service described in subdivision  
 2 (1) or (2), benefits are not payable to an individual based ~~upon on~~  
 3 service for any week of unemployment that commences during an  
 4 established and customary vacation period or holiday recess if the  
 5 individual performs the service in the period immediately before  
 6 the vacation period or holiday recess and there is a contract or  
 7 reasonable assurance that the individual will perform the service  
 8 in the period immediately following the vacation period or holiday  
 9 recess.

10           (4) If benefits are denied to an individual for any week  
 11 solely as a result of subdivision (2) and the individual was not  
 12 offered an opportunity to perform in the second academic year or  
 13 term the service for which reasonable assurance had been given, the  
 14 individual is entitled to a retroactive payment of benefits for  
 15 each week for which the individual had previously filed a timely  
 16 claim for benefits. An individual entitled to benefits under this  
 17 subdivision may apply for those benefits by mail in accordance with  
 18 R 421.210 of the Michigan Administrative Code. ~~as promulgated by~~  
 19 ~~the commission.~~

20           (5) ~~Benefits~~ **The unemployment agency shall not deny benefits**  
 21 based ~~upon on~~ services in other than an instructional, research, or  
 22 principal administrative capacity for an institution of higher  
 23 education ~~are not denied~~ for any week of unemployment commencing  
 24 during the period between 2 successive academic years or terms  
 25 solely because the individual had performed the service in the  
 26 first of the academic years or terms and there is reasonable  
 27 assurance that the individual will perform the service for an  
 28 institution of higher education or an educational institution other  
 29 than an institution of higher education in the second of the



1 academic years or terms, unless a denial is required as a condition  
2 for full tax credit against the tax imposed by the federal  
3 unemployment tax act, 26 USC 3301 to 3311.

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

20 (7) For benefit years beginning on or after October 1, 2000,  
21 and notwithstanding subdivisions (1), (2), and (3), the denial of  
22 benefits does not prevent an individual from completing  
23 requalifying weeks in accordance with section 29(3) and does not  
24 prevent an individual from receiving benefits based on service with  
25 another base period employer other than an educational institution  
26 for any week of unemployment occurring between academic years or  
27 terms, whether or not successive, or during an established and  
28 customary vacation period or holiday recess. However, if benefits  
29 are paid based on service with 1 or more base period employers

1 other than an educational institution, the individual's weekly  
2 benefit rate is calculated in accordance with subsection (b)(1) but  
3 during the denial period the individual's weekly benefit payment is  
4 reduced by the portion of the payment attributable to base period  
5 wages paid by an educational institution and the account or  
6 experience account of the educational institution is not charged  
7 for benefits payable to the individual. When a denial of benefits  
8 under subdivision (1) is no longer applicable, benefits are paid  
9 and charged on the basis of base period wages with each of the base  
10 period employers including the educational institution.

11 (8) For the purposes of this subsection, "academic year" means  
12 that period, as defined by the educational institution, when  
13 classes are in session for that length of time required for  
14 students to receive sufficient instruction or earn sufficient  
15 credit to complete academic requirements for a particular grade  
16 level or to complete instruction in a noncredit course.

17 (9) In accordance with subdivisions (1), (2), and (3),  
18 benefits for any week of unemployment are denied to an individual  
19 who performed services described in subdivision (1), (2), or (3) in  
20 an educational institution while in the employ of an educational  
21 service agency. For the purpose of this subdivision, "educational  
22 service agency" means a governmental agency or governmental entity  
23 that is established and operated exclusively for the purpose of  
24 providing the services to 1 or more educational institutions.

25 (j) Benefits are not payable to an individual on the basis of  
26 any base period services, substantially all of which consist of  
27 participating in sports or athletic events or training or preparing  
28 to participate, for a week that commences during the period between  
29 2 successive sport seasons or similar periods if the individual

1 performed the services in the first of the seasons or similar  
2 periods and there is a reasonable assurance that the individual  
3 will perform the services in the later of the seasons or similar  
4 periods.

5 (k) (1) Benefits are not payable on the basis of services  
6 performed by an alien unless the alien is an individual who was  
7 lawfully admitted for permanent residence at the time the services  
8 were performed, was lawfully present for the purpose of performing  
9 the services, or was permanently residing in the United States  
10 under color of law at the time the services were performed,  
11 including an alien who was lawfully present in the United States  
12 under section 212(d) (5) of the immigration and nationality act, 8  
13 USC 1182.

14 (2) Any data or information required of individuals applying  
15 for benefits to determine whether benefits are payable because of  
16 their alien status are uniformly required from all applicants for  
17 benefits.

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

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

1 for unemployment compensation.

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

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

8 (b) The amount, if any, determined pursuant to an agreement  
9 submitted to the ~~commission~~**unemployment agency** under 42 USC  
10 654(19)(B)(i), by the state or local child support enforcement  
11 agency.

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

16 (3) The amount of unemployment compensation subject to  
17 deduction under subdivision (2) is that portion that remains  
18 payable to the individual after application of the ~~recoupment~~  
19 **recovery** provisions of section 62(a) and the reduction provisions  
20 of subsections (c) and (f).

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

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

29 (6) Provisions concerning deductions under this subsection

1 apply only if the state or local child support enforcement agency  
2 agrees in writing to reimburse and does reimburse the unemployment  
3 agency for the administrative costs incurred by the unemployment  
4 agency under this subsection that are attributable to child support  
5 obligations being enforced by the state or local child support  
6 enforcement agency. The administrative costs incurred are  
7 determined by the unemployment agency. The unemployment agency, in  
8 its discretion, may require payment of administrative costs in  
9 advance.

10 (7) As used in this subsection:

11 (a) "Unemployment compensation", for purposes of subdivisions  
12 (1) to (5), means any compensation payable under this act,  
13 including amounts payable by the unemployment agency pursuant to an  
14 agreement under any federal law providing for compensation,  
15 assistance, or allowances with respect to unemployment.

16 (b) "Child support obligations" includes only obligations that  
17 are being enforced pursuant to a plan described in 42 USC 654 that  
18 has been approved by the Secretary of Health and Human Services  
19 under 42 USC 651 to 669b.

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

23 (n) Subsection (i)(2) applies to services performed by school  
24 bus drivers employed by a private contributing employer holding a  
25 contractual relationship with an educational institution, but only  
26 if at least 75% of the individual's base period wages with that  
27 employer are attributable to services performed as a school bus  
28 driver. Subsection (i)(1) and (2) but not subsection (i)(3) applies  
29 to other services described in those subdivisions that are

1 performed by any employees under an employer's contract with an  
2 educational institution or an educational service agency.

3 ~~(o) (1) For weeks of unemployment beginning after July 1, 1996,~~  
4 ~~unemployment benefits~~ **Benefits** based on services by a seasonal  
5 worker performed in seasonal employment are payable only for weeks  
6 of unemployment that occur during the normal seasonal work period.  
7 Benefits are not payable based on services performed in seasonal  
8 employment for any week of unemployment ~~beginning after March 28,~~  
9 ~~1996~~ that begins during the period between 2 successive normal  
10 seasonal work periods to any individual if that individual performs  
11 the service in the first of the normal seasonal work periods and if  
12 there is a reasonable assurance that the individual will perform  
13 the service for a seasonal employer in the second of the normal  
14 seasonal work periods. If benefits are denied to an individual for  
15 any week solely as a result of this subsection and the individual  
16 is not offered an opportunity to perform in the second normal  
17 seasonal work period for which reasonable assurance of employment  
18 had been given, the individual is entitled to a retroactive payment  
19 of benefits under this subsection for each week that the individual  
20 previously filed a timely claim for benefits. An individual may  
21 apply for any retroactive benefits under this subsection in  
22 accordance with R 421.210 of the Michigan Administrative Code.

23 (2) Not less than 20 days before the estimated beginning date  
24 of a normal seasonal work period, an employer may apply to the  
25 ~~commission~~ **unemployment agency** in writing for designation as a  
26 seasonal employer. At the time of application, the employer shall  
27 conspicuously display a copy of the application on the employer's  
28 premises. Within 90 days after receipt of the application, the  
29 ~~commission~~ **unemployment agency** shall determine if the employer is a

1 seasonal employer. A determination or redetermination of the  
2 ~~commission-unemployment agency~~ concerning the status of an employer  
3 as a seasonal employer, or a decision of an administrative law  
4 judge, the Michigan compensation appellate commission, or the  
5 courts of this state concerning the status of an employer as a  
6 seasonal employer, ~~which-that~~ has become final, together with the  
7 record thereof, may be introduced in any proceeding involving a  
8 claim for benefits, and the facts found and decision issued in the  
9 determination, redetermination, or decision ~~is-are~~ conclusive  
10 unless substantial evidence to the contrary is introduced by or on  
11 behalf of the claimant.

12 (3) If the **unemployment agency determines that an** employer is  
13 ~~determined to be~~ a seasonal employer, the employer shall  
14 conspicuously display on its premises a notice ~~of-that~~ **includes** the  
15 determination, ~~and~~ the beginning and ending dates of the employer's  
16 normal seasonal work periods, ~~. The commission shall furnish the~~  
17 ~~notice. The notice must additionally specify~~ **and a statement** that  
18 an employee must timely apply for unemployment benefits at the end  
19 of a first seasonal work period to preserve his or her right to  
20 receive retroactive unemployment benefits if he or she is not  
21 reemployed by the seasonal employer in the second of the normal  
22 seasonal work periods. **The unemployment agency shall provide the**  
23 **notice to the employer.**

24 (4) The ~~commission-unemployment agency~~ may issue a  
25 determination terminating an employer's status as a seasonal  
26 employer on the ~~commission's-unemployment agency's~~ own motion for  
27 good cause, or upon the written request of the employer. A  
28 termination determination under this subdivision terminates an  
29 employer's status as a seasonal employer, and becomes effective on

1 the beginning date of the normal seasonal work period that would  
2 have immediately followed the date the ~~commission~~**unemployment**  
3 **agency** issues the determination. A determination under this  
4 subdivision is subject to review in the same manner and to the same  
5 extent as any other determination under this act.

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

10 (6) If a seasonal employer informs an employee who received  
11 assurance of being rehired that, despite the assurance, the  
12 employee will not be rehired at the beginning of the employer's  
13 next normal seasonal work period, this subsection does not prevent  
14 the employee from receiving unemployment benefits in the same  
15 manner and to the same extent he or she would receive benefits  
16 under this act from an employer who has not been determined to be a  
17 seasonal employer.

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

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



1 32a.

2 (9) As used in this subsection:

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

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

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

15 (d) "Seasonal employer" means an employer, other than an  
16 employer in the construction industry, who applies to the  
17 unemployment agency for designation as a seasonal employer and who  
18 the unemployment agency determines is an employer whose operations  
19 and business require employees engaged in seasonal employment. A  
20 seasonal employer designation under this act need not correspond to  
21 a category assigned under the North American ~~classification system~~  
22 **Classification System** - United States Office of Management and  
23 Budget.

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

27 (10) This subsection does not apply if the United States  
28 Department of Labor finds it to be contrary to the federal  
29 unemployment tax act, 26 USC 3301 to 3311, or the social security

1 act, chapter 531, 49 Stat 620, and if conformity with the federal  
2 law is required as a condition for full tax credit against the tax  
3 imposed under the federal unemployment tax act, 26 USC 3301 to  
4 3311, or as a condition for receipt by the ~~commission~~**unemployment**  
5 **agency** of federal administrative grant funds under the social  
6 security act, chapter 531, 49 Stat 620.

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

14 (q) The extension of benefits for claims for weeks beginning  
15 after January 1, 2021 but before April 1, 2021 as described in  
16 subsection (d) does not take effect unless \$220,000,000.00 or more  
17 is appropriated as provided for in Senate Bill No. 748 of the 100th  
18 Legislature for deposit into the unemployment compensation fund to  
19 cover the extension of benefits. After March 1, 2021, from the  
20 funds appropriated in Senate Bill No. 748 of the 100th Legislature  
21 for Michigan unemployment compensation funds, \$220,000,000.00 shall  
22 be deposited into the unemployment compensation fund for the sole  
23 purpose of funding the extension of benefits for claims for weeks  
24 beginning after January 1, 2021 but before April 1, 2021 as  
25 described in subsection (d). If federal funds are available and  
26 expenditures are allowable under federal law, expenditures of  
27 federal funds under this subsection shall occur before the  
28 expenditure of state general fund appropriations made for the same  
29 purpose described in this subsection. State general fund

1 appropriations replaced by federal expenditures authorized under  
2 this subsection shall revert to the general fund.

3 (r) At the end of each calendar year after December 31, 2026,  
4 the state treasurer shall adjust the monetary amount for each  
5 dependent and the maximum weekly benefit rate in subsection (b)(1)  
6 by an amount determined by the state treasurer to reflect the  
7 cumulative annual percentage change in the Consumer Price Index. As  
8 used in this subsection, "Consumer Price Index" means the most  
9 comprehensive index of consumer prices available for this state  
10 from the Bureau of Labor Statistics of the United States Department  
11 of Labor.