

**SUBSTITUTE FOR
HOUSE BILL NO. 4434**

A bill to amend 1936 (Ex Sess) PA 1, entitled
"Michigan employment security act,"
by amending sections 2 and 32b (MCL 421.2 and 421.32b), section 2
as amended by 2011 PA 268 and section 32b as amended by 2011 PA
269, and by adding section 32e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) The legislature acting in the exercise of the
2 police power of ~~the~~**this** state declares that the public policy of
3 ~~the~~**this** state is as follows: Economic insecurity due to
4 unemployment is a serious menace to the health, morals, and welfare
5 of the people of this state. Involuntary unemployment is a subject
6 of general interest and concern ~~which~~**that** requires action by the
7 legislature to prevent its spread and to lighten its burden, which



1 so often falls with crushing force upon the unemployed worker and
 2 his or her family ~~—~~to the detriment of the welfare of the people
 3 of this state. Social security requires protection against this
 4 hazard of our economic life. Employers should be encouraged to
 5 provide stable employment. The systematic accumulation of funds
 6 during periods of employment to provide benefits for periods of
 7 unemployment by the setting aside of unemployment reserves to be
 8 used for the benefit of ~~persons—~~**individuals** unemployed through no
 9 fault of their own, thus maintaining purchasing power and limiting
 10 the serious social consequences of relief assistance, is for the
 11 public good, and the general welfare of the people of this state.

12 **(2) The unemployment agency shall use plain language in all of**
 13 **the following under this act, whether in a print, electronic, or**
 14 **other format:**

15 **(a) Correspondence and documents related to the taxes or**
 16 **reimbursing charges of employers and the benefits of individuals.**

17 **(b) References or citations to either of the following that**
 18 **are in a document or correspondence sent to or used by a claimant**
 19 **or employer:**

20 **(i) A policy the unemployment agency implements.**

21 **(ii) A rule the unemployment agency promulgates.**

22 **(3) ~~(2)~~—**The legislature finds that from time to time high
 23 levels of unemployment have resulted in the exhaustion of the funds
 24 in this state's account of the unemployment trust fund, ~~has~~**have**
 25 required advances or loans to ~~the—this~~ state from the federal
 26 account of the unemployment trust fund, and ~~has~~**have** caused the
 27 imposition of lawful penalty taxes and solvency taxes to repay
 28 those advances and the interest on those advances. The financing
 29 and payment of the outstanding principal amount ~~heretofore or~~



1 ~~hereafter~~ advanced or loaned to this state from the federal account
 2 of the unemployment trust fund and the interest on those loans, if
 3 any, the funding of unemployment compensation benefits, and the
 4 financing and funding of this state's account in the unemployment
 5 trust fund including, without limitation, the funding of sufficient
 6 fund balances in the unemployment trust fund, are ~~an~~ essential
 7 governmental ~~function~~ **functions** and public ~~purpose~~ **purposes** of this
 8 state. The legislature further finds that the issuance of bonds by
 9 the Michigan finance authority or other issuer to finance the
 10 foregoing payments and to avoid or reduce the imposition of penalty
 11 taxes and solvency taxes will further and facilitate an essential
 12 governmental function and public purpose of this state that will
 13 encourage the development of industry and commerce, foster economic
 14 growth, provide employment opportunities for the ~~citizens and~~
 15 ~~residents~~ **people** of this state and further other economic
 16 development and activities in this state, and in general promote
 17 the public health and general welfare of the people of this state.

18 **(4) As used in this section, "plain language" means language**
 19 **that meets all of the following requirements:**

20 **(a) Is clear and concise.**

21 **(b) Avoids complex vocabulary and contradictory statements.**

22 **(c) Is based on a fourth-grade reading level.**

23 Sec. 32b. (1) The unemployment agency shall establish and
 24 provide access to a secure internet site to enable employers to
 25 determine if correspondence sent to the unemployment agency by the
 26 employer has been received.

27 (2) Within 10 days of receiving a protest or appeal from an
 28 employer or employing unit, the unemployment agency shall post a
 29 statement confirming receipt of the protest or appeal from that



1 employer or employing unit on the internet site required under
2 subsection (1).

3 (3) A protest or appeal ~~shall~~**must** be signed or verified in a
4 manner prescribed by administrative rule and ~~shall~~**must** be
5 transmitted to the **unemployment** agency by mail ~~or~~ facsimile ~~or~~
6 other electronic method approved by the **unemployment** agency. If a
7 party submits an unsigned or unverified protest or appeal, the
8 unemployment agency shall notify the party of the defect that
9 prevents the agency from accepting the protest or appeal.

10 (4) **The unemployment agency shall include all of the following**
11 **in each determination and redetermination the unemployment agency**
12 **provides to a claimant or employer:**

13 (a) A clear, concise, and factual reason for the determination
14 or redetermination that includes particularized facts specific to
15 the claimant's or employer's claim.

16 (b) A summary of the claimant's or employer's right to appeal
17 determinations and redeterminations, including the length of time
18 the claimant or employer has to file an appeal, as provided for in
19 section 32a.

20 (c) A summary of the claimant's or employer's right to request
21 a reconsideration of a determination or redetermination within 1
22 year after the mailing date of the determination or redetermination
23 as provided for in section 32a.

24 (d) A summary list of all of the determinations and
25 redeterminations related to the claimant's or employer's claim. The
26 list must include all of the following information for each
27 determination and redetermination:

28 (i) The outcome.

29 (ii) The date of issuance.



1 (iii) The date by which the claimant or employer must file an
2 appeal under section 32a.

3 (iv) The date by which the claimant must request a
4 reconsideration of the determination or redetermination under
5 section 32a.

6 (5) The unemployment agency shall consolidate all
7 determinations related to an issue into 1 determination.

8 (6) The unemployment agency shall consolidate all
9 redeterminations related to an issue into 1 redetermination.

10 Sec. 32e. Except as otherwise provided in section 32b(4), the
11 unemployment agency shall include both of the following in the
12 notification it provides to an employer or a claimant regarding a
13 denial, modification, or cessation of benefits:

14 (a) A clear and concise statement of the reason for the
15 denial, modification, or cessation. The statement must include both
16 of the following:

17 (i) The particularized facts specific to the claimant's or
18 employer's claim that support the denial, modification, or
19 cessation.

20 (ii) The legal reason for the denial, modification, or
21 cessation.

22 (b) If applicable, the appeal rights that the employer or
23 claimant has with respect to the denial, modification, or
24 cessation.

