



SENATE BILL No. 322

February 22, 1995, Introduced by Senators HONIGMAN, ROGERS, STEIL and SHUGARS and referred to the Committee on Human Resources, Labor and Veterans Affairs.

A bill to amend sections 19, 27, 28, 29, 43, 46, and 50 of Act No. 1 of the Public Acts of the Extra Session of 1936, entitled as amended

"Michigan employment security act,"

sections 19, 27, 29, 46, and 50 as amended by Act No. 162 of the Public Acts of 1994, section 28 as amended by Act No. 422 of the Public Acts of 1994, and section 43 as amended by Act No. 70 of the Public Acts of 1986, being sections 421.19, 421.27, 421.28, 421.29, 421.43, 421.46, and 421.50 of the Michigan Compiled Laws; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 19, 27, 28, 29, 43, 46, and 50 of Act
2 No. 1 of the Public Acts of the Extra Session of 1936, sections
3 19, 27, 29, 44, 46, and 50 as amended by Act No. 162 of the
4 Public Acts of 1994, section 28 as amended by Act No. 422 of the

1 Public Acts of 1994, and section 43 as amended by Act No. 70 of
2 the Public Acts of 1986, being sections 421.19, 421.27, 421.28,
3 421.29, 421.43, 421.46, and 421.50 of the Michigan Compiled Laws,
4 are amended to read as follows:

5 Sec. 19. (a) The commission shall determine the contribution
6 rate of each contributing employer for each calendar year after
7 1977 as follows:

8 (1) (i) Except as provided in paragraph (ii), an employer's
9 rate shall be calculated as described in table A with respect to
10 wages paid by the employer in each calendar year for employment.
11 If an employer's coverage is terminated under section 24, or at
12 the conclusion of 8 or more consecutive calendar quarters during
13 which the employer has not had workers in covered employment, and
14 if the employer becomes liable for contributions, the employer
15 shall be considered as newly liable for contributions for the
16 purposes of table A or table B of this subsection.

17 (ii) To provide against the high risk of net loss to the
18 fund in such cases, an employing unit which becomes newly liable
19 for contributions under this act in a calendar year beginning on
20 or after January 1, 1983 in which it employs in "employment", not
21 necessarily simultaneously but in any 1 week 2 or more individu-
22 als in the performance of 1 or more contracts or subcontracts for
23 construction in the state of roads, bridges, highways, sewers,
24 water mains, utilities, public buildings, factories, housing
25 developments, or similar construction projects, shall be liable
26 for contributions to that employer's account under this act for
27 the first 4 years of operations in this state at a rate equal to

1 the average rate paid by employers engaged in the construction
2 business as determined by contractor type in the annual report
3 published by the commission in the manner provided in table B.

4 (iii) For the calendar years 1983 and 1984, the contribution
5 rate of a construction employer shall not exceed its 1982 contri-
6 bution rate with respect to wages, paid by that employer, related
7 to the execution of a fixed price construction contract which was
8 entered into prior to January 1, 1983. Furthermore, such contri-
9 bution rate shall be reduced, by the solvency tax rate assessed
10 against the employer under section 19a, for the year in which
11 such solvency tax rate is applicable. Furthermore, notwithstand-
12 ing section 44, the taxable wage limit, for calendar years 1983
13 and 1984, with respect to wages paid under such fixed price con-
14 tract, shall be the maximum amount of remuneration paid within a
15 calendar year by an employer subject to the federal unemployment
16 tax act, 26 U.S.C. 3301 to 3311, to an individual with respect to
17 employment as defined in that act which is subject to tax under
18 that act during that year.

1

2

Table A

3

4

Year of Contribution
Liability

Contribution Rate

5

6

7

1

2.7%

8

2

2.7%

9

3

1/3 (chargeable benefits component)
+ 1.8%

10

11

4

2/3 (chargeable benefits component)
+ 1.0%

12

13

5 and over

(chargeable benefits component) +
(account building component) +
(nonchargeable benefits component)

14

15

16

17

Table B

18

19

Year of Contribution
Liability

Contribution Rate

20

21

22

1

average construction contractor rate
as determined by the commission

23

2

average construction contractor rate
as determined by the commission

24

25

3

1/3 (chargeable benefits component)
+ 2/3 average construction contrac-
tor rate as determined by the com-
mission

26

27

28

29

4

2/3 (chargeable benefits component)
+ 1/3 average construction contrac-
tor rate as determined by the com-
mission

30

31

32

33

5 and over

(chargeable benefits component) +
(account building component) +
(nonchargeable benefits component)

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36

37

(2) With the exception of employers who are in the first 4

38 consecutive years of liability, each employer's contribution rate

39 for each calendar year after 1977 shall be the sum of the follow-

40 ing components, all of which are determined as of the computation

41 date: a chargeable benefits component determined under

42 subdivision (3), an account building component determined under

1 subdivision (4), and a nonchargeable benefits component
2 determined under subdivision (5). Each employer's contribution
3 rate for calendar years before 1978 shall be determined by the
4 provisions of this act in effect during the years in question.

5 (3) (i) The chargeable benefits component of an employer's
6 contribution rate is the percentage determined by dividing: the
7 total amount of benefits charged to the employer's experience
8 account within the lesser of 60 consecutive months ending on the
9 computation date or the number of consecutive months ending on
10 the computation date with respect to which the employer has been
11 continuously liable for contributions; by the amount of wages,
12 subject to contributions, paid by the employer within the same
13 period. If the resulting quotient is not an exact multiple of
14 $1/10$ of 1%, it shall be increased to the next higher multiple of
15 $1/10$ of 1%.

16 (ii) For benefit years established before the conversion
17 date prescribed in section 75, the chargeable benefits component
18 shall not exceed 6.0%, unless there is a statutory change in the
19 maximum duration of regular benefit payments or the statutory
20 ratio of regular benefit payments to credit weeks. In the event
21 of a change in the maximum duration of regular benefit payments,
22 the maximum chargeable benefits component shall increase by the
23 same percentage as the statutory percentage change in the dura-
24 tion of regular benefit payments between computation dates. In
25 the event of an increase in the statutory ratio of regular bene-
26 fit payments to credit weeks, as described in section 27(d), the
27 maximum chargeable benefits component determined as of the

1 computation dates occurring after the effective date of the
2 increased ratio shall increase by 1/2 the same percentage as the
3 increase in the ratio of regular benefit payments to credit
4 weeks. If the resulting increase is not already an exact multi-
5 ple of 1/10 of 1%, it shall be adjusted to the next higher multi-
6 ple of 1/10 of 1%. For benefit years established after the con-
7 version date prescribed in section 75, the chargeable benefits
8 component shall not exceed 6.0%, unless there is a statutory
9 change in the maximum duration of regular benefit payments or the
10 percentage factor of base period wages, which defines maximum
11 duration, as provided in section 27(d). If there is a statutory
12 change in the maximum duration of regular benefit payments, the
13 maximum chargeable benefits component shall increase by the same
14 percentage as the statutory percentage change in the duration of
15 regular benefit payments between computation dates. If there is
16 an increase in the statutory percentage factor of base period
17 wages, as described in section 27(d), the maximum chargeable ben-
18 efits component determined as of the computation dates occurring
19 after the effective date of the increased ratio shall increase by
20 1/2 the same percentage as the increase in the percentage factor
21 of base period wages. If the resulting increase is not already
22 an exact multiple of 1/10 of 1%, it shall be adjusted to the next
23 higher multiple of 1/10 of 1%.

24 (4) The account building component of an employer's contri-
25 bution rate is the percentage arrived at by the following
26 calculations: (i) Multiply the amount of the employer's total
27 payroll ~~, as defined in section 18(f),~~ for the 12 months ending

1 on the computation date, by the cost criterion; ~~selected for the~~
2 ~~computation date under section 18(e);~~ (ii) Subtract the amount
3 of the balance in the employer's experience account as of the
4 computation date from the product determined under (i); and (iii)
5 if the remainder is zero or a negative quantity, the account
6 building component of the employer's contribution rate shall be
7 zero; but (iv) if the remainder is a positive quantity, the
8 account building component of the employer's contribution rate
9 shall be determined by dividing that remainder by the employer's
10 total payroll ~~, as defined in section 18(f),~~ paid within the 12
11 months ending on the computation date. ~~The account building~~
12 ~~component shall not exceed the lesser of 1/4 of the percentage~~
13 ~~thus calculated or 2%. However, except~~ EXCEPT as otherwise pro-
14 vided in this subdivision, ~~for calendar years after 1982,~~ the
15 account building component shall not exceed the lesser of 1/2 of
16 the percentage thus calculated or 3%, if on the June 30 of the
17 preceding calendar year the balance in the unemployment compensa-
18 tion fund was less than 50% of an amount equal to the aggregate
19 of all contributing employers' annual payrolls, for the 12 months
20 ending March 31, ~~as defined in section 18(f),~~ times the cost
21 criterion. ~~selected for the computation date under section~~
22 ~~18(e).~~ For calendar years after 1993, ~~and before 1999,~~ the
23 account building component shall not exceed the lesser of ~~.69~~
24 .50 of the percentage ~~thus~~ calculated, or 3%, if on the June 30
25 of the preceding calendar year the balance in the unemployment
26 compensation fund was less than 50% of an amount equal to the
27 aggregate of all contributing employers' annual payrolls, for the

1 12 months ending March 31, as defined in section 18(f), times the
2 cost criterion; selected for the computation date under
3 section 18(e). ~~The~~ IF THE account building component ~~thus~~
4 determined ~~, if~~ UNDER THIS SUBDIVISION IS not an exact multiple
5 of 1/10 of 1%, IT shall be adjusted to the next higher multiple
6 of 1/10 of 1%.

7 (5) The nonchargeable benefits component of employers' con-
8 tribution rates is the percentage arrived at by the following
9 calculations: (i) multiply the aggregate amount of all contrib-
10 uting employers' annual payrolls, for the 12 months ending March
11 31, as defined in section 18(f), by the cost criterion selected
12 for the computation date under section 18(e); (ii) subtract the
13 balance of the unemployment fund on the computation date, net of
14 federal advances, from the product determined under (i); and
15 (iii) if the remainder is zero or a negative quantity, the non-
16 chargeable benefits component of employers' contribution rates
17 shall be zero; but (iv) if the remainder is a positive quantity,
18 the nonchargeable benefits component of employers' contribution
19 rates shall be determined by dividing that remainder by the total
20 of wages subject to contributions under this act paid by all con-
21 tributing employers within the 12 months ending on March 31 and
22 adjusting the quotient, if not an exact multiple of 1/10 of 1%,
23 to the next higher multiple of 1/10 of 1%. The maximum non-
24 chargeable benefits component shall be 1%. However, for calendar
25 years after 1993, ~~and before 1999,~~ if there are no benefit
26 charges against an employer's account for the 60 months ending as
27 of the computation date, ~~and if the program provided for in~~

1 ~~section 5a is funded and operates for that fiscal year,~~ the
2 maximum nonchargeable benefit component shall not exceed 1/2 of
3 1%. FOR CALENDAR YEARS AFTER 1993, IF THERE ARE NO BENEFIT
4 CHARGES AGAINST AN EMPLOYER'S ACCOUNT FOR THE 72 MONTHS ENDING AS
5 OF THE COMPUTATION DATE, THE MAXIMUM NONCHARGEABLE BENEFIT COMPO-
6 NENT SHALL NOT EXCEED .4 OF 1%. FOR CALENDAR YEARS AFTER 1993,
7 IF THERE ARE NO BENEFIT CHARGES AGAINST AN EMPLOYER'S ACCOUNT FOR
8 THE 84 MONTHS ENDING AS OF THE COMPUTATION DATE, THE MAXIMUM NON-
9 CHARGEABLE BENEFIT COMPONENT SHALL NOT EXCEED .3 OF 1%. FOR CAL-
10 ENDAR YEARS AFTER 1993, IF THERE ARE NO BENEFIT CHARGES AGAINST
11 AN EMPLOYER'S ACCOUNT FOR THE 96 MONTHS ENDING AS OF THE COMPUTA-
12 TION DATE, THE MAXIMUM NONCHARGEABLE BENEFIT COMPONENT SHALL NOT
13 EXCEED .2 OF 1%. FOR CALENDAR YEARS AFTER 1993, IF THERE ARE NO
14 BENEFIT CHARGES AGAINST AN EMPLOYER'S ACCOUNT FOR THE 108 MONTHS
15 ENDING AS OF THE COMPUTATION DATE, THE MAXIMUM NONCHARGEABLE BEN-
16 EFIT COMPONENT SHALL NOT EXCEED .1 OF 1%. An employer with a pos-
17 itive balance in its experience account on the June 30 computa-
18 tion date preceding the calendar year shall receive for that cal-
19 endar year a credit in an amount equal to 1/2 of the extra fed-
20 eral unemployment tax paid in the preceding calendar year under
21 section 3302(c)(2) of the federal unemployment tax act,
22 26 U.S.C. 3302(c)(2), because of an outstanding balance of unre-
23 paid advances from the federal government to the unemployment
24 compensation fund under section 1201 of the social security act,
25 42 U.S.C. 1321. However, the credit for any calendar year shall
26 not exceed an amount determined by multiplying the employer's
27 nonchargeable benefit component for that calendar year times the

1 employer's taxable payroll for that year. Contributions paid by
2 an employer shall be credited to the employer's experience
3 account, in accordance with the provisions of section 17(5),
4 without regard to any credit given under this subsection. The
5 amount credited to an employer's experience account shall be the
6 amount of the employer's tax before deduction of the credit pro-
7 vided in this subsection.

8 (6) The total of the chargeable benefits and account build-
9 ing components of an employer's contribution rate shall not
10 exceed by more than 1% in the 1983 calendar year, 1.5% in the
11 calendar year 1984, or 2% in the 1985 calendar year the higher of
12 4% or the total of the chargeable benefits and the account build-
13 ing components which applied to the employer during the preceding
14 calendar year. For calendar years after 1985, the total of the
15 chargeable benefits and account building components of the
16 employer's contribution rate shall be computed without regard to
17 the foregoing limitation provided in this subdivision. During a
18 year in which this subdivision limits an employer's contribution
19 rate, the resulting reduction shall be considered to be entirely
20 in the experience component of the employer's contribution rate,
21 as defined in section 18(d).

22 (7) IN THE CASE OF AN ACTUAL OR POTENTIAL TRANSFER OF BUSI-
23 NESS, UNTIL THE COMMISSION ISSUES A RATE DETERMINATION IN ACCORD-
24 ANCE WITH SECTION 22 TO THE TRANSFEROR EMPLOYER OR TRANSFEREE
25 EMPLOYER FOR A CALENDAR YEAR, THE EMPLOYER SHALL BE LIABLE TO PAY
26 QUARTERLY CONTRIBUTIONS FOR THAT CALENDAR YEAR AT A TEMPORARY
27 RATE AS FOLLOWS:

1 (i) FOR A TRANSFEROR EMPLOYER WITH A CONTRIBUTION RATE BASED
2 ON 5 OR MORE YEARS OF EXPERIENCE, THE TEMPORARY RATE SHALL BE THE
3 EMPLOYER'S CONTRIBUTION RATE MOST RECENTLY DETERMINED FOR THE
4 EMPLOYER.

5 (ii) FOR A TRANSFEREE EMPLOYER WITH A CONTRIBUTION RATE
6 BASED ON 5 OR MORE YEARS OF EXPERIENCE, THE TEMPORARY RATE SHALL
7 BE THE EMPLOYER'S CONTRIBUTION RATE MOST RECENTLY DETERMINED FOR
8 THE EMPLOYER.

9 (iii) FOR A TRANSFEROR EMPLOYER WITH A CONTRIBUTION RATE
10 BASED ON AT LEAST 1 BUT LESS THAN 5 YEARS OF EXPERIENCE, THE TEM-
11 PORARY RATE SHALL BE 2.7% FOR AN EMPLOYER WITH A CONTRIBUTION
12 RATE BASED ON THE FIRST 2 YEARS OF EXPERIENCE, 3.8% FOR AN
13 EMPLOYER WITH A CONTRIBUTION RATE BASED ON THE THIRD YEAR OF
14 EXPERIENCE, AND 5.0% FOR AN EMPLOYER WITH A CONTRIBUTION RATE
15 BASED ON THE FOURTH YEAR OF EXPERIENCE.

16 (iv) FOR A TRANSFEREE EMPLOYER WITH A CONTRIBUTION RATE
17 BASED ON AT LEAST 1 BUT LESS THAN 5 YEARS OF EXPERIENCE, THE TEM-
18 PORARY RATE SHALL BE 2.7% FOR AN EMPLOYER WITH A CONTRIBUTION
19 RATE BASED ON THE FIRST 2 YEARS OF EXPERIENCE, 3.8% FOR AN
20 EMPLOYER WITH A CONTRIBUTION RATE BASED ON THE THIRD YEAR OF
21 EXPERIENCE, AND 5.0% FOR AN EMPLOYER WITH A CONTRIBUTION RATE
22 BASED ON THE FOURTH YEAR OF EXPERIENCE.

23 (v) FOR A TRANSFEREE EMPLOYER WITH NO PREVIOUS CONTRIBUTION
24 EXPERIENCE, THE TEMPORARY RATE SHALL BE THE STANDARD RATE AS PRO-
25 VIDED IN SECTION 13.

26 WHEN A RATE DETERMINATION REPLACING THE TEMPORARY RATE IS ISSUED
27 TO THE EMPLOYER, IT SHALL ONLY AFFECT THE CONTRIBUTION RATES FOR

1 THE CALENDAR YEAR IN WHICH IT IS ISSUED. AS TO ANY CALENDAR YEAR
2 BEFORE THE CALENDAR YEAR TO WHICH THE TEMPORARY RATE MAY HAVE
3 BEEN APPLIED, THE TEMPORARY RATE SHALL BE FINAL. HOWEVER, IF THE
4 RATE PROVIDED IN THE RATE DETERMINATION FOR ANY PRIOR YEAR IS
5 MORE FAVORABLE TO THE EMPLOYER THAN WAS THE TEMPORARY RATE FOR
6 THAT PRIOR YEAR, THE RATE PROVIDED IN THE RATE DETERMINATION
7 SHALL BE APPLIED RETROACTIVELY WITHOUT REGARD TO THE CALENDAR
8 YEAR LIMITATION OF THIS SUBPARAGRAPH.

9 (8) UNLESS AN EMPLOYER'S CONTRIBUTION RATE IS .1, FOR CALEN-
10 DAR YEARS BEGINNING AFTER DECEMBER 31, 1995, THE CONTRIBUTION
11 RATE CALCULATED UNDER THIS SECTION SHALL BE REDUCED BY 10% OR BY
12 DEDUCTING .1 FROM THE CONTRIBUTION RATE, WHICHEVER METHOD RESULTS
13 IN THE LOWER RATE, FOR EMPLOYERS WHO HAVE MADE CONTRIBUTIONS IN
14 ACCORDANCE WITH THIS ACT FOR MORE THAN 4 CONSECUTIVE YEARS, IF
15 THE BALANCE OF MONEY IN THE UNEMPLOYMENT COMPENSATION FUND ESTAB-
16 LISHED UNDER SECTION 26, EXCLUDING MONEY BORROWED FROM THE FED-
17 ERAL UNEMPLOYMENT TRUST FUND, IS EQUAL TO OR GREATER THAN 1.2% OF
18 THE AGGREGATE AMOUNT OF ALL CONTRIBUTING EMPLOYERS' ANNUAL PAY-
19 ROLLS FOR THE 12-MONTH PERIOD ENDING ON THE COMPUTATION DATE. AS
20 USED IN THIS SUBDIVISION:

21 (i) "FEDERAL UNEMPLOYMENT TRUST FUND" MEANS THE FUND CREATED
22 UNDER SECTION 904 OF TITLE IX OF THE SOCIAL SECURITY ACT, 42
23 U.S.C. 1104.

24 (ii) "PAYROLL" MEANS THAT TERM AS DEFINED IN SECTION 18.

25 (b) An employer previously liable for contributions under
26 this act which on or after January 1, 1978 filed a petition for
27 arrangement under the bankruptcy act of 1898, chapter 541,

1 30 Stat. 544, or on or after October 1, 1979 filed a petition for
2 reorganization under title 11 of the United States code, entitled
3 bankruptcy, 11 U.S.C. 101 to 1330 pursuant to which a plan of
4 arrangement or reorganization for rehabilitation purposes has
5 been confirmed by order of the United States bankruptcy court,
6 shall be considered as a reorganized employer and shall have a
7 reserve fund balance of zero as of the first calendar year imme-
8 diately following court confirmation of the plan of arrangement
9 or reorganization, but not earlier than the calendar year begin-
10 ning January 1, 1983, if the employer meets each of the following
11 requirements:

12 (1) An employer whose plan of arrangement or reorganization
13 has been confirmed as of January 1, 1983 shall, within 60 days
14 after January 1, 1983, notify the commission of its intention to
15 elect the status of a reorganized employer. An employer which
16 has not had a plan of arrangement or reorganization confirmed as
17 of January 1, 1983 shall, within 60 days after the entry by the
18 bankruptcy court of the order of confirmation of the plan of
19 arrangement or reorganization, notify the commission of its
20 intention to elect the status of a reorganized employer. An
21 employer shall not make an election under this subdivision after
22 December 31, 1985.

23 (2) The employer has paid to the commission all contribu-
24 tions previously owed by the employer pursuant to this act for
25 all calendar years prior to the calendar year as to which the
26 employer elects to begin its status as a reorganized employer.

1 (3) More than 50% of the employer's total payroll is paid
2 for services rendered in this state during the employer's fiscal
3 year immediately preceding the date the employer notifies the
4 fund administrator of its intention to elect the status of a
5 reorganized employer.

6 (4) The employer, within 180 days after notifying the com-
7 mission of its intention to elect the status of a reorganized
8 employer, makes a cash payment to the commission, for the unem-
9 ployment compensation fund, equal to: .20 times the first
10 \$2,000,000.00 of the employer's negative balance, .35 times the
11 amount of the employer's negative balance above \$2,000,000.00 and
12 up to \$5,000,000.00, and .50 times the amount of the negative
13 balance above \$5,000,000.00. The total amount so determined by
14 the commission shall be based on the employer's negative balance
15 existing as of the end of the calendar month immediately preced-
16 ing the calendar year in which the employer will begin its status
17 as a reorganized employer. If the employer fails to pay the
18 amount determined, within 180 days of electing status as a reor-
19 ganized employer, the commission shall reinstate the employer's
20 negative balance previously reduced and redetermine the
21 employer's rate on the basis of such reinstated negative
22 balance. Such redetermined rate shall then be used to redeter-
23 mine the employer's quarterly contributions for that calendar
24 year. Such redetermined contributions shall be subject to the
25 interest provisions of section 15 as of the date the redetermined
26 quarterly contributions were originally due.

1 (5) Except as provided in subdivision (6), the employer
 2 contribution rates for a reorganized employer beginning with the
 3 first calendar year of the employer's status as a reorganized
 4 employer shall be as follows:

6	Year of Contribution	Contribution Rate
7	Liability	
9	1	2.7% of total taxable wages paid
10	2	2.7%
11	3	2.7%
12	4 and over	(chargeable benefits component based upon 3-year experience) plus (account building component based upon 3-year experience) plus (nonchargeable benefits component)

17 (6) To provide against the high risk of net loss to the fund

18 in such cases, any reorganized employer which employs in
 19 "employment", not necessarily simultaneously but in any 1 week 25
 20 or more individuals in the performance of 1 or more contracts or
 21 subcontracts for construction in the state of roads, bridges,
 22 highways, sewers, water mains, utilities, public buildings, fac-
 23 tories, housing developments, or similar major construction
 24 projects, shall be liable beginning the first calendar year of
 25 the employer's status as a reorganized employer for contribution
 26 rates as follows:

28	Year of Contribution	Contribution Rate
29	Liability	
31	1	average construction contractor rate as determined by the commission
32	2	average construction contractor rate as determined by the commission
33	3	1/3 (chargeable benefits component) + 2/3 average construction
34		
35		
36		

1 contractor rate as determined by the
 2 commission
 3 4 2/3 (chargeable benefits component)
 4 + 1/3 average construction contrac-
 5 tor rate as determined by the com-
 6 mission
 7 5 and over (chargeable benefits component) +
 8 (account building component) +
 9 (nonchargeable benefits component)
 10 (c) Upon application by an employer to the commission for
 11 designation as a distressed employer, the commission, within
 12 60 days after receipt of the application, shall make a determina-
 13 tion whether the employer meets the conditions set forth in this
 14 subsection. Upon finding that the conditions are met, the com-
 15 mission shall notify the legislature of the determination and
 16 request legislative acquiescence in the determination. If the
 17 legislature approves the determination by concurrent resolution,
 18 the employer shall be considered to be a "distressed employer" as
 19 of January 1 of the year in which the determination is made. The
 20 commission shall notify the employer of such determination and
 21 notify the employer of its contribution rate as a distressed
 22 employer and the contribution rate that would apply if the
 23 employer was not a distressed employer. The distressed employer
 24 shall determine its tax contribution using the 2 rates furnished
 25 by the commission and shall pay its tax contribution based on the
 26 lower of the 2 rates. If the determination of distressed
 27 employer status is made during the calendar year, the employer
 28 shall be entitled to a credit on future quarterly installments
 29 for any excess contributions paid during that initial calendar
 30 year. The employer shall notify the commission of the difference
 31 between the amount paid and the amount which would have been paid
 32 if the employer were not determined to be a distressed employer

1 and the difference will be owed to the unemployment compensation
2 fund, payable in accordance with this subsection. Cumulative
3 totals of the difference must be reported to the commission with
4 each return required to be filed. The commission may periodi-
5 cally determine continued eligibility of an employer under this
6 subsection. When the commission makes a determination that an
7 employer no longer qualifies as a distressed employer, the com-
8 mission shall notify the employer of that determination. After
9 notice by the commission that the employer no longer qualifies as
10 a distressed employer, the employer will be liable for contribu-
11 tions, beginning with the first quarter occurring after receipt
12 of notification of disqualification, on the basis of the rate
13 that would apply if the employer was not a distressed employer.
14 The contribution rate for a distressed employer shall be calcu-
15 lated under the law in effect for the 1982 calendar year except
16 that the rate thus determined shall be reduced by the applicable
17 solvency tax rate assessed against the employer under section
18 19a. The taxable wage limit of such distressed employer for the
19 1983, 1984, and 1985 calendar years shall be the maximum amount
20 of remuneration paid within a calendar year by such an employer
21 subject to the federal unemployment tax act, 26 U.S.C. 3301 to
22 3311, to an individual with respect to employment as defined in
23 that act which is subject to tax under that act during that
24 year. Commencing with the fourth quarter of 1986, the distressed
25 employer will pay in 10 equal annual installments the amount of
26 the unpaid contributions owed to the unemployment compensation
27 fund due to the application of this subsection, without

1 interest. Each installment shall be made with the fourth
2 quarterly return for the respective year. As used in this sub-
3 section, "distressed employer" means an employer whose continued
4 presence in this state is considered essential to the state's
5 economic well-being and who meets the following criteria:

6 (1) The employer's average annual Michigan payroll in the 5
7 previous years exceeded \$500,000,000.00.

8 (2) The employer's average quarterly number of employees in
9 Michigan in the 5 previous years exceeded 25,000.

10 (3) The employer's business income as defined in section 3
11 of Act No. 228 of the Public Acts of 1975, being section 208.3 of
12 the Michigan Compiled Laws, has resulted in an aggregate loss of
13 \$1,000,000,000.00 or more during the 5-year period ending in the
14 second year prior to the year for which the application is being
15 made.

16 (4) The employer has received from the state of Michigan
17 loans totaling \$50,000,000.00 or more or loan guarantees from the
18 federal government in excess of \$500,000,000.00, either of which
19 are still outstanding.

20 (5) Failure to give an employer designation as a distressed
21 employer would adversely impair the employer's ability to repay
22 the outstanding loans owed to the state of Michigan or which are
23 guaranteed by the federal government.

24 (d) An employer may at any time make payments to that
25 employer's experience account in the fund in excess of the
26 requirements of this section, but these payments, when accepted
27 by the commission, shall be irrevocable. A payment made by an

1 employer within 30 days after mailing to the employer by the
2 commission of a notice of the adjusted contribution rate of the
3 employer shall be credited to the employer's account as of the
4 computation date for which the adjusted contribution rate was
5 computed, and the employer's contribution rate shall be further
6 adjusted accordingly. However, a payment made more than 120 days
7 after the beginning of a calendar year shall not affect the
8 employer's contribution rate for that year.

9 Sec. 27. (a)(1) When a determination, redetermination, or
10 decision is made that benefits are due an unemployed individual,
11 the benefits shall immediately become payable from the fund and
12 continue to be payable to the unemployed individual, subject to
13 the limitations imposed by the individual's monetary entitlement,
14 as long as the individual continues to be unemployed and to file
15 claims for benefits, until the determination, redetermination, or
16 decision is reversed, a determination, redetermination, or deci-
17 sion on a new issue holding the individual disqualified or ineli-
18 gible is made, or, for benefit years beginning before the conver-
19 sion date prescribed in section 75, a new separation issue arises
20 resulting from subsequent work.

21 (2) Benefits shall be paid in person or by mail through
22 employment offices in accordance with rules promulgated by the
23 commission.

24 (b)(1) Subject to subsection (f), the weekly benefit rate
25 for an individual, with respect to benefit years beginning before
26 the conversion date prescribed in section 75, shall be ~~70%~~ 65%
27 of the individual's average after tax weekly wage, except that

1 the individual's MAXIMUM weekly benefit rate shall not exceed
2 \$293.00. ~~58% of the state average weekly wage. However, the~~
3 ~~maximum weekly benefit amount established under this subsection~~
4 ~~shall not exceed \$293.00 for benefit years beginning on or after~~
5 ~~January 2, 1994 but before January 5, 1997. However, with~~
6 ~~respect to benefit years beginning on or after January 5, 1997,~~
7 ~~the individual's weekly benefit rate shall not exceed 53% of the~~
8 ~~state average weekly wage, and with respect to benefit years~~
9 ~~beginning on or after January 4, 1998, but before January 3,~~
10 ~~1999, the individual's weekly benefit rate shall not exceed 55%~~
11 ~~of the state average weekly wage. With~~ HOWEVER, WITH respect to
12 benefit years beginning after the conversion date as prescribed
13 in section 75, the individual's weekly benefit rate shall be 4.2%
14 of the individual's wages paid in the calendar quarter of the
15 base period in which the individual was paid the highest total
16 wages, plus \$6.00 for each dependent as defined in
17 subdivision (3), up to a maximum of 5 dependents, claimed by the
18 individual at the time the individual files a new claim for
19 benefits. With respect to benefit years beginning on or after
20 October 2, 1983, the weekly benefit rate shall be adjusted to the
21 next lower multiple of \$1.00.

22 (2) For benefit years beginning before the conversion date
23 prescribed in section 75, the state average weekly wage for a
24 calendar year shall be computed on the basis of the 12 months
25 ending the June 30 immediately preceding that calendar year. The
26 commission shall prepare a table of weekly benefit rates based on
27 an "average after tax weekly wage" calculated by subtracting,

1 from an individual's average weekly wage as determined in
2 accordance with section 51, a reasonable approximation of the
3 weekly amount required to be withheld by the employer from the
4 remuneration of the individual based on dependents and exemptions
5 for income taxes under chapter 24 of subtitle C of the internal
6 revenue code of 1986, 26 U.S.C. 3401 to 3406, and under
7 section 351 of the income tax act of 1967, Act No. 281 of the
8 Public Acts of 1967, being section 206.351 of the Michigan
9 Compiled Laws, and for old age and survivor's disability insur-
10 ance taxes under the federal insurance contributions act,
11 chapter 21 of subtitle C of the internal revenue code of 1986, 26
12 U.S.C. 3128. For purposes of applying the table to an
13 individual's claim, a dependent shall be as defined in
14 subdivision (3). The table applicable to an individual's claim
15 shall be the table reflecting the number of dependents claimed by
16 the individual under subdivision (3). The commission shall
17 adjust the tables based on changes in withholding schedules pub-
18 lished by the United States department of treasury, internal rev-
19 enue service, and by the department of treasury. The number of
20 dependents allowed shall be determined with respect to each week
21 of unemployment for which an individual is claiming benefits.

22 (3) For benefit years beginning before the conversion date
23 prescribed in section 75, a dependent means any of the following
24 persons who is receiving and for at least 90 consecutive days
25 immediately preceding the week for which benefits are claimed,
26 or, in the case of a dependent husband, wife, or child, for the
27 duration of the marital or parental relationship, if the

1 relationship has existed less than 90 days, has received more
2 than half the cost of his or her support from the individual
3 claiming benefits:

4 (a) A child, including stepchild, adopted child, or grand-
5 child of the individual who is under 18 years of age, or 18 years
6 of age or over if, because of physical or mental infirmity, the
7 child is unable to engage in a gainful occupation, or is a
8 full-time student as defined by the particular educational insti-
9 tution, at a high school, vocational school, community or junior
10 college, or college or university and has not attained the age of
11 22.

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

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

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

25 (4) For benefit years beginning after the conversion date
26 prescribed in section 75, a dependent means any of the following
27 persons who received for at least 90 consecutive days immediately

1 preceding the first week of the benefit year or, in the case of a
2 dependent husband, wife, or child, for the duration of the mari-
3 tal or parental relationship if the relationship existed less
4 than 90 days before the beginning of the benefit year, has
5 received more than 1/2 the cost of his or her support from the
6 individual claiming the benefits:

7 (a) A child, including stepchild, adopted child, or grand-
8 child of the individual who is under 18 years of age, or 18 years
9 of age and over if, because of physical or mental infirmity, the
10 child is unable to engage in a gainful occupation, or is a
11 full-time student as defined by the particular educational insti-
12 tution, at a high school, vocational school, community or junior
13 college, or college or university and has not attained the age of
14 22.

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

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

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

1 (5) For benefit years beginning before the conversion date
2 prescribed in section 75, dependency status of a dependent, child
3 or otherwise, once established or fixed in favor of an individual
4 continues during the individual's benefit year until terminated.
5 Dependency status of a dependent terminates at the end of the
6 week in which the dependent ceases to be an individual described
7 in subdivision (3)(a), (b), (c), or (d) because of age, death, or
8 divorce. For benefit years beginning after the conversion date
9 prescribed in section 75, the number of dependents established
10 for an individual at the beginning of the benefit year shall
11 remain in effect during the entire benefit year.

12 (6) For benefit years beginning before the conversion date
13 prescribed in section 75, failure on the part of an individual,
14 due to misinformation or lack of information, to furnish all
15 information material for determination of the number of the
16 individual's dependents when the individual files a claim for
17 benefits with respect to a week shall be considered good cause
18 for the issuance of a redetermination as to the amount of bene-
19 fits based on the number of the individual's dependents as of the
20 beginning date of that week. Dependency status of a dependent,
21 child or otherwise, once established or fixed in favor of a
22 person is not transferable to or usable by another person with
23 respect to the same week.

24 For benefit years beginning after the conversion date as
25 prescribed in section 75, failure on the part of an individual,
26 due to misinformation or lack of information, to furnish all
27 information material for determination of the number of the

1 individual's dependents shall be considered good cause for the
2 issuance of a redetermination as to the amount of benefits based
3 on the number of the individual's dependents as of the beginning
4 of the benefit year.

5 (c) Subject to subsection (f), ~~each~~ ALL OF THE FOLLOWING
6 APPLY TO ELIGIBLE INDIVIDUALS:

7 (1) EACH eligible individual shall be paid a weekly benefit
8 rate with respect to the week for which the individual earns or
9 receives no remuneration. ~~or remuneration equal to less than 1/2~~
10 ~~the individual's weekly benefit rate, or shall be paid 1/2 his or~~
11 ~~her weekly benefit rate with respect to the week for which the~~
12 ~~individual earns or receives remuneration equal to at least 1/2~~
13 ~~but less than the individual's weekly benefit rate.~~

14 ~~Notwithstanding the definition of week as contained in section~~
15 ~~50, if within 2 consecutive weeks in which an individual was not~~
16 ~~unemployed within the meaning of section 48 there was a period of~~
17 ~~7 or more consecutive days for which the individual did not earn~~
18 ~~or receive remuneration, that period shall be considered a week~~
19 ~~for benefit purposes under this act if a claim for benefits for~~
20 ~~that period is filed not later than 30 days subsequent to the end~~
21 ~~of the period.~~

22 (2) EACH ELIGIBLE INDIVIDUAL SHALL NOT RECEIVE A BENEFIT
23 AMOUNT FOR ANY WEEK IN WHICH HE OR SHE EARNS OR RECEIVES REMUNER-
24 ATION AND BENEFITS THAT IN TOTAL EQUAL OR EXCEED 1-1/2 TIMES HIS
25 OR HER WEEKLY BENEFIT RATE AMOUNT.

26 (3) EACH ELIGIBLE INDIVIDUAL SHALL HAVE HIS OR HER WEEKLY
27 BENEFIT RATE REDUCED WITH RESPECT TO EACH WEEK IN WHICH THE

1 INDIVIDUAL EARNS OR RECEIVES PARTIAL REMUNERATION AT THE RATE OF
2 50 CENTS FOR EACH WHOLE \$1.00 OF REMUNERATION EARNED OR RECEIVED
3 DURING THAT WEEK.

4 (4) All remuneration for work performed during a shift that
5 terminates on 1 day but that began on the preceding day shall be
6 considered to have been earned BY THE ELIGIBLE INDIVIDUAL on the
7 preceding day.

8 (d) For benefit years beginning before the conversion date
9 prescribed in section 75, and subject to subsection (f) and this
10 subsection, the amount of benefits to which an individual who is
11 otherwise eligible is entitled during a benefit year from an
12 employer with respect to employment during the base period is the
13 amount obtained by multiplying the weekly benefit rate with
14 respect to that employment by $3/4$ of the number of credit weeks
15 earned in the employment. For the purpose of this subsection and
16 section 20(c), if the resultant product is not an even multiple
17 of $1/2$ the weekly benefit rate, the product shall be raised to an
18 amount equal to the next higher multiple of $1/2$ the weekly bene-
19 fit rate, and, for an individual who was employed by only 1
20 employer in the individual's base period and earned 34 credit
21 weeks with that employer, the product shall be raised to the next
22 higher multiple of the weekly benefit rate. The maximum amount
23 of benefits payable to an individual within a benefit year, with
24 respect to employment by an employer, shall not exceed 26 times
25 the weekly benefit rate with respect to that employment. The
26 maximum amount of benefits payable to an individual within a
27 benefit year shall not exceed the amount to which the individual

1 would be entitled for 26 weeks of unemployment in which
2 remuneration was not earned or received. The limitation of total
3 benefits set forth in this subsection does not apply to claimants
4 declared eligible for training benefits in accordance with sub-
5 section (g). For benefit years beginning after the conversion
6 date prescribed in section 75, and subject to subsection (f) and
7 this subsection, the maximum benefit amount payable to an indi-
8 vidual in a benefit year for purposes of this section and
9 section 20(c) is the number of weeks of benefits payable to an
10 individual during the benefit year, multiplied by the
11 individual's weekly benefit rate. The number of weeks of bene-
12 fits payable to an individual shall be calculated by taking 40%
13 of the individual's base period wages and dividing the result by
14 the individual's weekly benefit rate. If the quotient is not a
15 whole or half number, the result shall be rounded down to the
16 nearest half number. However, not more than 26 weeks of benefits
17 or less than 14 weeks of benefits shall be payable to an individ-
18 ual in a benefit year. The limitation of total benefits set
19 forth in this subsection shall not apply to claimants declared
20 eligible for training benefits in accordance with
21 subsection (g).

22 (e) When a claimant dies or is judicially declared insane or
23 mentally incompetent, unemployment compensation benefits accrued
24 and payable to that person for weeks of unemployment before
25 death, insanity, or incompetency, but not paid, shall become due
26 and payable to the person who is the legal heir or guardian of
27 the claimant or to any other person found by the commission to be

1 equitably entitled to the benefits by reason of having incurred
2 expense in behalf of the claimant for the claimant's burial or
3 other necessary expenses.

4 (f)(1) For benefit years beginning before the conversion
5 date prescribed in section 75, and notwithstanding any inconsis-
6 tent provisions of this act, the weekly benefit rate of each
7 individual who is receiving or will receive a "retirement
8 benefit", as defined in subdivision (4), shall be 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 shall be established with-
12 out reduction under this subsection unless subdivision (5) is in
13 effect. Except as otherwise provided in this subsection, all
14 other provisions of this act continue to apply in connection with
15 the benefit claims of those retired persons.

16 (a) If and to the extent that unemployment benefits payable
17 under this act would be chargeable to an employer who has con-
18 tributed to the financing of a retirement plan under which the
19 claimant is receiving or will receive a retirement benefit yield-
20 ing a pro rata weekly amount equal to or larger than the
21 claimant's weekly benefit rate as otherwise established under
22 this act, the claimant shall not receive unemployment benefits
23 that would be chargeable to the employer under this act.

24 (b) If and to the extent that unemployment benefits payable
25 under this act would be chargeable to an employer who has con-
26 tributed to the financing of a retirement plan under which the
27 claimant is receiving or will receive a retirement benefit

1 yielding a pro rata weekly amount less than the claimant's weekly
2 benefit rate as otherwise established under this act, then the
3 weekly benefit rate otherwise payable to the claimant and charge-
4 able to the employer under this act shall be reduced by an amount
5 equal to the pro rata weekly amount, adjusted to the next lower
6 multiple of \$1.00, which the claimant is receiving or will
7 receive as a retirement benefit.

8 (c) If the unemployment benefit payable under this act would
9 be chargeable to an employer who has not contributed to the
10 financing of a retirement plan under which the claimant is
11 receiving or will receive a retirement benefit, then the weekly
12 benefit rate of the claimant as otherwise established under this
13 act shall not be reduced due to receipt of a retirement benefit.

14 (d) If the unemployment benefit payable under this act is
15 computed on the basis of multiemployer credit weeks and a portion
16 of the benefit is allocable under section 20(e) to an employer
17 who has contributed to the financing of a retirement plan under
18 which the claimant is receiving or will receive a retirement ben-
19 efit, the adjustments required by subparagraph (a) or (b) apply
20 only to that portion of the weekly benefit rate that would other-
21 wise be allocable and chargeable to the employer.

22 (2) If an individual's weekly benefit rate under this act
23 was established before the period for which the individual first
24 receives a retirement benefit, any benefits received after a
25 retirement benefit becomes payable shall be determined in accord-
26 ance with the formula stated in this subsection.

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

11 (4)(a) As used in this subdivision, "retirement benefit"
12 means a benefit, annuity, or pension of any type or that part
13 thereof that is described in subparagraph (b) that is:

14 (i) Provided as an incident of employment under an estab-
15 lished retirement plan, policy, or agreement, including federal
16 social security if subdivision (5) is in effect.

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

25 (b) If a benefit as described in subparagraph (a) is payable
26 or paid to the individual under a plan to which the individual
27 has contributed:

1 (i) Less than half of the cost of the benefit, then only
2 half of the benefit shall be treated as a retirement benefit.

3 (ii) Half or more of the cost of the benefit, then none of
4 the benefit shall be treated as a retirement benefit.

5 (c) The burden of establishing the extent of an individual's
6 contribution to the cost of his or her retirement benefit for the
7 purpose of subparagraph (b) is upon the employer who has contrib-
8 uted to the plan under which a benefit is provided.

9 (5) Notwithstanding any other provision of this subsection,
10 for any week that begins after March 31, 1980, and with respect
11 to which an individual is receiving a governmental or other pen-
12 sion and claiming unemployment compensation, the weekly benefit
13 amount payable to the individual for those weeks shall be
14 reduced, but not below zero, by the entire prorated weekly amount
15 of any governmental or other pension, retirement or retired pay,
16 annuity, or any other similar payment that is based on any previ-
17 ous work of the individual. This reduction shall be made only if
18 it is required as a condition for full tax credit against the tax
19 imposed by the federal unemployment tax act, chapter 23 of
20 subtitle C of the internal revenue code of 1986, 26 U.S.C. 3301
21 to 3311.

22 (6) For benefit years beginning after the conversion date
23 prescribed in section 75, notwithstanding any inconsistent provi-
24 sions of this act, the weekly benefit rate of each individual who
25 is receiving or will receive a retirement benefit, as defined in
26 subdivision (4), shall be adjusted as provided in
27 subparagraphs (a), (b), and (c). However, an individual's

1 extended benefit account and an individual's weekly extended
2 benefit rate under section 64 shall be established without reduc-
3 tion under this subsection, unless subdivision (5) is in effect.
4 Except as otherwise provided in this subsection, all the other
5 provisions of this act shall continue to be applicable in connec-
6 tion with the benefit claims of those retired persons.

7 (a) If any base period or chargeable employer has contrib-
8 uted to the financing of a retirement plan under which the claim-
9 ant is receiving or will receive a retirement benefit yielding a
10 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 shall not receive unemployment benefits.

13 (b) If any base period employer or chargeable employer has
14 contributed to the financing of a retirement plan under which the
15 claimant is receiving or will receive a retirement benefit yield-
16 ing a pro rata weekly amount less than the claimant's weekly ben-
17 efit rate as otherwise established under this act, then the
18 weekly benefit rate otherwise payable to the claimant shall be
19 reduced by an amount equal to the pro rata weekly amount,
20 adjusted to the next lower multiple of \$1.00, which the claimant
21 is receiving or will receive as a retirement benefit.

22 (c) If no base period or separating employer has contributed
23 to the financing of a retirement plan under which the claimant is
24 receiving or will receive a retirement benefit, then the weekly
25 benefit rate of the claimant as otherwise established under this
26 act shall not be reduced due to receipt of a retirement benefit.

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

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

20 (i) Benefits based on service in employment described in
21 section 42(8), (9), and (10) are payable in the same amount, on
22 the same terms, and subject to the same conditions as compensa-
23 tion payable on the basis of other service subject to this act,
24 except that:

25 (1) With respect to service performed in an instructional,
26 research, or principal administrative capacity for an institution
27 of higher education as defined in section 53(2), or for an

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

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

1 other than an institution of higher education in the second of
2 the academic years or terms.

3 (3) With respect to any service described in subdivision (1)
4 or (2), benefits shall not be paid to an individual based upon
5 service for any week of unemployment that commences during an
6 established and customary vacation period or holiday recess if
7 the individual performs the service in the period immediately
8 before the vacation period or holiday recess and there is a con-
9 tract or reasonable assurance that the individual will perform
10 the service in the period immediately following the vacation
11 period or holiday recess.

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

21 (5) The amendments to subdivision (2) made by Act No. 219 of
22 the Public Acts of 1983 apply to all claims for unemployment com-
23 pensation that are filed on and after October 31, 1983. However,
24 the amendments are retroactive to September 5, 1982 only if, as a
25 condition for full tax credit against the tax imposed by the fed-
26 eral unemployment tax act, chapter 23 of subtitle C of the
27 internal revenue code of 1986, 26 U.S.C. 3301 to 3311, the United

1 States secretary of labor determines that retroactivity is
2 required by federal law.

3 (6) Notwithstanding subdivision (2), on and after April 1,
4 1984 benefits based upon services in other than an instructional,
5 research, or principal administrative capacity for an institution
6 of higher education shall not be denied for any week of unemploy-
7 ment commencing during the period between 2 successive academic
8 years or terms solely because the individual had performed the
9 service in the first of the academic years or terms and there is
10 reasonable assurance that the individual will perform the service
11 for an institution of higher education or an educational institu-
12 tion other than an institution of higher education in the second
13 of the academic years or terms, unless a denial is required as a
14 condition for full tax credit against the tax imposed by the fed-
15 eral unemployment tax act, chapter 23 of subtitle C of the inter-
16 nal revenue code of 1986, 26 U.S.C. 3301 to 3311.

17 (7) For benefit years established before the conversion date
18 prescribed in section 75, and notwithstanding subdivisions (1),
19 (2), and (3), the denial of benefits does not prevent an individ-
20 ual from completing requalifying weeks in accordance with section
21 29(3) nor does the denial prevent an individual from receiving
22 benefits based on service with an employer other than an educa-
23 tional institution for any week of unemployment occurring between
24 academic years or terms, whether or not successive, or during an
25 established and customary vacation period or holiday recess, even
26 though the employer is not the most recent chargeable employer in
27 the individual's base period. However, in that case section

1 20(b) applies to the sequence of benefit charging, except for the
2 employment with the educational institution, and section 50(b)
3 applies to the calculation of credit weeks. When a denial of
4 benefits under subdivision (1) no longer applies, benefits shall
5 be charged in accordance with the normal sequence of charging as
6 provided in section 20(b).

7 (8) For benefit years beginning after the conversion date
8 prescribed in section 75, and notwithstanding subdivisions (1),
9 (2), and (3), the denial of benefits shall not prevent an indi-
10 vidual from completing requalifying weeks in accordance with
11 section 29(3) nor shall the denial prevent an individual from
12 receiving benefits based on service with another base period
13 employer other than an educational institution for any week of
14 unemployment occurring between academic years or terms, whether
15 or not successive, or during an established and customary vaca-
16 tion period or holiday recess. However, when benefits are paid
17 based on service with 1 or more base period employers other than
18 an educational institution, the individual's weekly benefit rate
19 shall be calculated in accordance with subsection (b)(1) but
20 during the denial period the individual's weekly benefit payment
21 shall be reduced by the portion of the payment attributable to
22 base period wages paid by an educational institution and the
23 account or experience account of the educational institution
24 shall not be charged for benefits payable to the individual.
25 When a denial of benefits under subdivision (1) is no longer
26 applicable, benefits shall be paid and charged on the basis of

1 base period wages with each of the base period employers
2 including the educational institution.

3 (9) For the purposes of this subsection, "academic year"
4 means that period, as defined by the educational institution,
5 when classes are in session for that length of time required for
6 students to receive sufficient instruction or earn sufficient
7 credit to complete academic requirements for a particular grade
8 level or to complete instruction in a noncredit course.

9 (10) Benefits shall be denied, as provided in subdivisions
10 (1), (2), and (3), for any week of unemployment beginning on and
11 after April 1, 1984, to an individual who performed those serv-
12 ices in an educational institution while in the employ of an edu-
13 cational service agency. For the purpose of this subdivision,
14 "educational service agency" means a governmental agency or gov-
15 ernmental entity that is established and operated exclusively for
16 the purpose of providing the services to 1 or more educational
17 institutions.

18 (j) For weeks of unemployment beginning after December 31,
19 1977, benefits shall not be paid to an individual on the basis of
20 any base period services, substantially all of which consist of
21 participating in sports or athletic events or training or prepar-
22 ing to so participate, for a week that commences during the
23 period between 2 successive sport seasons or similar periods if
24 the individual performed the services in the first of the seasons
25 or similar periods and there is a reasonable assurance that the
26 individual will perform the services in the later of the seasons
27 or similar periods.

1 (k)(1) For weeks of unemployment beginning after
2 December 31, 1977, benefits shall not be payable on the basis of
3 services performed by an alien unless the alien is an individual
4 who was lawfully admitted for permanent residence at the time the
5 services were performed, was lawfully present for the purpose of
6 performing the services, or was permanently residing in the
7 United States under color of law at the time the services were
8 performed, including an alien who was lawfully present in the
9 United States under section 203(a)(7) or section 212(d)(5) of the
10 immigration and nationality act, 8 U.S.C. 1153 and 1182.

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

15 (3) Where an individual whose application for benefits would
16 otherwise be approved, a determination that benefits to that
17 individual are not payable because of the individual's alien
18 status shall not be made except upon a preponderance of the
19 evidence.

20 (m)(1) An individual filing a new claim for unemployment
21 compensation under this act after September 30, 1982, at the time
22 of filing the claim, shall disclose whether the individual owes
23 child support obligations as defined in this subsection. If an
24 individual discloses that he or she owes child support obliga-
25 tions and is determined to be eligible for unemployment compensa-
26 tion, the commission shall notify the state or local child
27 support enforcement agency enforcing the obligation that the

1 individual has been determined to be eligible for unemployment
2 compensation.

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

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

9 (b) The amount, if any, determined pursuant to an agreement
10 submitted to the commission under section 454(19)(B)(i) of part D
11 of title IV of the social security act, chapter 531, 49
12 Stat. 620, 42 U.S.C. 654, by the state or local child support
13 enforcement agency.

14 (c) Any amount otherwise required to be so deducted and
15 withheld from unemployment compensation pursuant to legal pro-
16 cess, as that term is defined in section 462(e) of part D of
17 title IV of the social security act, chapter 531, 49 Stat. 620,
18 42 U.S.C. 662, properly served upon the commission.

19 (3) The amount of unemployment compensation subject to
20 deduction under subdivision (2) is that portion that remains pay-
21 able to the individual after application of the recoupment provi-
22 sions of section 62(a) and the reduction provisions of
23 subsections (c) and (f).

24 (4) Any amount deducted and withheld under subdivision (2)
25 shall be paid by the commission to the appropriate state or local
26 child support enforcement agency.

1 (5) Any amount deducted and withheld under subdivision (2)
2 shall be treated for all purposes as if it were paid to the
3 individual as unemployment compensation and paid by the individ-
4 ual to the state or local child support enforcement agency in
5 satisfaction of the individual's child support obligations.

6 (6) This subsection applies only if the state or local child
7 support enforcement agency agrees in writing to reimburse and
8 does reimburse the commission for the administrative costs
9 incurred by the commission under this subsection that are attrib-
10 utable to child support obligations being enforced by the state
11 or local child support enforcement agency. The administrative
12 costs incurred shall be determined by the commission. The com-
13 mission, in its discretion, may require payment of administrative
14 costs in advance.

15 (7) As used in this subsection:

16 (a) "Unemployment compensation", for purposes of
17 subdivisions (1) through (5), means any compensation payable
18 under this act, including amounts payable by the commission pur-
19 suant to an agreement under any federal law providing for compen-
20 sation, assistance, or allowances with respect to unemployment.

21 (b) "Child support obligations" includes only obligations
22 that are being enforced pursuant to a plan described in
23 section 454 of part D of title IV of the social security act,
24 chapter 531, 49 Stat. 620, 42 U.S.C. 654, that has been approved
25 by the secretary of health and human services under part D of
26 title IV of the social security act, chapter 531, 49 Stat. 620,
27 42 U.S.C. 651 to 669.

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

4 (N)(1) ~~(n)~~ Subsection (i)(2) applies to services performed
5 by school bus drivers employed by a private contributing employer
6 holding a contractual relationship with an educational institu-
7 tion, but only if at least 75% of the individual's base period
8 wages with that employer are attributable to services performed
9 as a school bus driver.

10 (2) FOR WEEKS OF UNEMPLOYMENT BEGINNING AFTER THE EFFECTIVE
11 DATE OF THIS SUBDIVISION, BENEFITS FOR SEASONAL EMPLOYMENT SHALL
12 BE PAYABLE ONLY FOR WEEKS OF UNEMPLOYMENT THAT OCCUR DURING THE
13 NORMAL SEASONAL PERIOD OF WORK IN THE INDUSTRY IN WHICH THE INDI-
14 VIDUAL WAS EMPLOYED. BENEFITS SHALL NOT BE PAID FOR SEASONAL
15 EMPLOYMENT FOR ANY WEEK OF UNEMPLOYMENT BEGINNING AFTER THE
16 EFFECTIVE DATE OF THIS SUBDIVISION THAT BEGINS DURING THE PERIOD
17 BETWEEN 2 SUCCESSIVE NORMAL SEASONAL WORK PERIODS TO ANY INDIVID-
18 UAL IF THAT INDIVIDUAL PERFORMS THE SERVICE IN THE FIRST OF THE
19 NORMAL SEASONAL WORK PERIODS AND IF THERE IS A REASONABLE ASSUR-
20 ANCE THAT THE INDIVIDUAL WILL PERFORM THE SERVICE FOR A SEASONAL
21 EMPLOYER IN THE SECOND OF THE NORMAL SEASONAL WORK PERIODS. IF
22 BENEFITS ARE DENIED TO AN INDIVIDUAL FOR ANY WEEK SOLELY AS A
23 RESULT OF THIS SUBSECTION AND THE INDIVIDUAL IS NOT OFFERED AN
24 OPPORTUNITY TO PERFORM IN THE SECOND NORMAL SEASONAL WORK PERIOD
25 FOR WHICH REASONABLE ASSURANCE OF EMPLOYMENT HAD BEEN GIVEN, THE
26 INDIVIDUAL IS ENTITLED TO A RETROACTIVE PAYMENT OF BENEFITS FOR
27 EACH WEEK THAT THE INDIVIDUAL HAD PREVIOUSLY FILED A TIMELY CLAIM

1 FOR BENEFITS. AN INDIVIDUAL ENTITLED TO BENEFITS UNDER THIS
2 SUBSECTION MAY APPLY FOR THOSE BENEFITS BY MAIL IN ACCORDANCE
3 WITH R 421.210 OF THE MICHIGAN ADMINISTRATIVE CODE AS PROMULGATED
4 BY THE COMMISSION.

5 (3) NOT LESS THAN 20 DAYS BEFORE THE ESTIMATED BEGINNING
6 DATE OF A NORMAL SEASONAL WORK PERIOD, AN EMPLOYER MAY APPLY TO
7 THE COMMISSION IN WRITING FOR DESIGNATION AS A SEASONAL
8 EMPLOYER. AT THE TIME OF APPLICATION, THE EMPLOYER SHALL CON-
9 SPICUOUSLY DISPLAY A COPY OF THE APPLICATION ON THE EMPLOYER'S
10 PREMISES. THE COMMISSION SHALL DETERMINE IF THE EMPLOYER IS A
11 SEASONAL EMPLOYER WITHIN 30 DAYS AFTER RECEIPT OF THE
12 APPLICATION. IF THE COMMISSION FAILS TO REJECT AN APPLICATION
13 WITHIN THE 30-DAY PERIOD, THE APPLICATION IS APPROVED AND THE
14 COMMISSION SHALL PROVIDE THE APPLICANT WITH A SEASONAL EMPLOYER
15 DESIGNATION. IF THE EMPLOYER IS DETERMINED TO BE A SEASONAL
16 EMPLOYER, THE EMPLOYER SHALL CONSPICUOUSLY DISPLAY NOTICES FUR-
17 NISHED BY THE COMMISSION ON ITS PREMISES TO NOTIFY ITS EMPLOYEES
18 OF THE DETERMINATION AND THE ESTIMATED BEGINNING AND ENDING DATES
19 OF ITS NORMAL SEASONAL WORK PERIOD. THE NOTICE SHALL ADDITION-
20 ALLY SPECIFY THAT AN EMPLOYEE MUST TIMELY APPLY FOR UNEMPLOYMENT
21 COMPENSATION AT THE END OF A FIRST SEASONAL WORK PERIOD TO PRE-
22 SERVE HIS OR HER RIGHT TO RECEIVE RETROACTIVE UNEMPLOYMENT COM-
23 PENSATION IN THE EVENT THAT HE OR SHE IS NOT REEMPLOYED BY THE
24 SEASONAL EMPLOYER IN THE SECOND OF THE NORMAL SEASONAL WORK
25 PERIODS.

26 (4) THE COMMISSION MAY TERMINATE A SEASONAL EMPLOYER
27 DESIGNATION FOR CAUSE AND SHALL TERMINATE THE DESIGNATION UPON

1 THE REQUEST OF THE DESIGNEE. THE TERMINATION OF A SEASONAL
2 EMPLOYER DESIGNATION BECOMES EFFECTIVE ON THE BEGINNING DATE OF A
3 SEASONAL EMPLOYMENT PERIOD THAT WOULD HAVE IMMEDIATELY FOLLOWED
4 THE DATE THE COMMISSION PROVIDES THE EMPLOYER WITH WRITTEN NOTICE
5 OF THE TERMINATION.

6 (5) AN EMPLOYER WHOSE SEASONAL EMPLOYER DESIGNATION HAS BEEN
7 TERMINATED UNDER THIS SECTION MAY NOT REAPPLY FOR A SEASONAL
8 EMPLOYER DESIGNATION UNTIL A COMPLETE REGULARLY RECURRING SEA-
9 SONAL EMPLOYMENT PERIOD HAS OCCURRED.

10 (6) IF A SEASONAL EMPLOYER INFORMS AN EMPLOYEE WHO RECEIVED
11 ASSURANCE OF REHIRING THAT, DESPITE THE ASSURANCE, THE EMPLOYEE
12 WILL NOT BE REHIRED AT THE BEGINNING OF THE EMPLOYER'S NEXT
13 SEASON, THE EMPLOYEE IS ENTITLED TO RECEIVE BENEFITS IN THE SAME
14 MANNER HE OR SHE WOULD RECEIVE BENEFITS UNDER THIS ACT FROM AN
15 EMPLOYER WHO IS NOT DESIGNATED A SEASONAL EMPLOYER.

16 (7) A SUCCESSOR OF A SEASONAL EMPLOYER IS CONSIDERED TO BE A
17 SEASONAL EMPLOYER UNLESS THE SUCCESSOR WITHIN 120 DAYS AFTER
18 ACQUIRING THE BUSINESS REQUESTS CANCELLATION OF THE DETERMINATION
19 IN WRITING TO THE COMMISSION. A DETERMINATION ISSUED UNDER THIS
20 SUBSECTION IS SUBJECT TO REVIEW IN THE SAME MANNER AND TO THE
21 SAME EXTENT AS OTHER DETERMINATIONS UNDER THIS ACT.

22 (8) AS USED IN THIS SUBSECTION:

23 (A) "NORMAL SEASONAL WORK PERIOD" MEANS THAT PERIOD OR PERI-
24 ODS OF TIME DETERMINED PURSUANT TO RULES PROMULGATED BY THE COM-
25 MISSION DURING WHICH AN INDIVIDUAL IS EMPLOYED IN SEASONAL
26 EMPLOYMENT.

1 (B) "SEASONAL EMPLOYMENT" MEANS THE EMPLOYMENT OF 1 OR MORE
2 INDIVIDUALS PRIMARILY HIRED TO PERFORM SERVICES IN AN INDUSTRY
3 THAT DOES EITHER OF THE FOLLOWING:

4 (1) CUSTOMARILY OPERATES DURING REGULARLY RECURRING PERIODS
5 OF 40 WEEKS OR LESS IN ANY 52-CONSECUTIVE-WEEK PERIOD.

6 (2) CUSTOMARILY EMPLOYS AT LEAST 50% OF ITS EMPLOYEES FOR
7 REGULARLY RECURRING PERIODS OF 40 WEEKS OR LESS WITHIN A PERIOD
8 OF 52 CONSECUTIVE WEEKS.

9 (C) "SEASONAL EMPLOYER" MEANS AN EMPLOYER WHO APPLIES TO THE
10 COMMISSION FOR DESIGNATION AS A SEASONAL EMPLOYER AND WHO THE
11 COMMISSION DETERMINES TO BE AN EMPLOYER WHOSE OPERATIONS AND
12 BUSINESS ARE SUBSTANTIALLY ENGAGED IN SEASONAL EMPLOYMENT.

13 Sec. 28. (1) An unemployed individual shall be eligible to
14 receive benefits with respect to any week only if the commission
15 finds that:

16 (a) For benefit years established before the conversion date
17 prescribed in section 75, the individual has registered for work
18 at and thereafter has continued to report at an employment office
19 in accordance with such rules as the commission may prescribe and
20 is seeking work. The requirements that the individual must
21 report at an employment office, must register for work, must be
22 available to perform suitable full-time work, and must seek work
23 may be waived by the commission if the individual is laid off and
24 the employer who laid the individual off notifies the commission
25 in writing or by computerized data exchange that the layoff is
26 temporary and that work is expected to be available for the
27 individual within a declared number of days, not to exceed 45

1 calendar days following the last day the individual worked. This
2 waiver shall not be effective unless the notification from the
3 employer has been received by the commission before the individ-
4 ual has completed his or her first compensable week following
5 layoff. If the individual is not recalled within the specified
6 period, the waiver shall cease to be operative with respect to
7 that layoff. Except for a period of disqualification, the
8 requirement that the individual shall seek work may be waived by
9 the commission where it finds that suitable work is unavailable
10 both in the locality where the individual resides and in those
11 localities in which the individual has earned base period credit
12 weeks. This waiver shall not apply, for weeks of unemployment
13 beginning on or after March 1, 1981, to a claimant enrolled and
14 attending classes as a full-time student. An individual shall
15 have satisfied the requirement of personal reporting at an
16 employment office, as applied to a week in a period during which
17 the requirements of registration and seeking work have been
18 waived by the commission pursuant to this subdivision, if the
19 individual has satisfied the personal reporting requirement with
20 respect to a preceding week in that period and the individual has
21 reported with respect to the week by mail in accordance with the
22 rules promulgated by the commission. For benefit years estab-
23 lished after the conversion date prescribed in section 75, the
24 individual has registered for work and has continued to report in
25 accordance with such rules as the commission may prescribe and is
26 seeking work. The requirements that the individual must report,
27 must register for work, must be available to perform suitable

1 full-time work, and must seek work may be waived by the
2 commission if the individual is laid off and the employer who
3 laid the individual off notifies the commission in writing or by
4 computerized data exchange that the layoff is temporary and that
5 work is expected to be available for the individual within a
6 declared number of days, not to exceed 45 calendar days following
7 the last day the individual worked. This waiver shall not be
8 effective unless the notification from the employer has been
9 received by the commission before the individual has completed
10 his or her first compensable week following layoff. If the indi-
11 vidual is not recalled within the specified period, the waiver
12 shall cease to be operative with respect to that layoff. Except
13 for a period of disqualification, the requirement that the indi-
14 vidual shall seek work may be waived by the commission where it
15 finds that suitable work is unavailable both in the locality
16 where the individual resides and in those localities in which the
17 individual has earned wages during or after the base period.
18 This waiver shall not apply to a claimant enrolled and attending
19 classes as a full-time student. An individual shall be consid-
20 ered to have satisfied the requirement of personal reporting at
21 an employment office, as applied to a week in a period during
22 which the requirements of registration and seeking work have been
23 waived by the commission pursuant to this subdivision, if the
24 individual has satisfied the personal reporting requirement with
25 respect to a preceding week in that period and the individual has
26 reported with respect to the week by mail in accordance with the
27 rules promulgated by the commission.

1 (b) The individual has made a claim for benefits in
2 accordance with section 32 and has provided the commission with
3 his or her social security number.

4 (c) The individual is able and available to perform suitable
5 full-time work of a character which the individual is qualified
6 to perform by past experience or training, which is of a charac-
7 ter generally similar to work for which the individual has previ-
8 ously received wages, and for which the individual is available,
9 full-time, either at a locality at which the individual earned
10 wages for insured work during his or her base period or at a
11 locality where it is found by the commission that such work is
12 available.

13 (D) WITHIN EACH BENEFIT YEAR AND PRIOR TO THE FIRST PERIOD
14 WITH RESPECT TO WHICH THE INDIVIDUAL CLAIMS BENEFITS FOR UNEM-
15 PLOYMENT IN SUCH BENEFIT YEAR, HE OR SHE HAS SERVED A WAITING
16 PERIOD OF 1 WEEK OF UNEMPLOYMENT IN WHICH HE OR SHE WAS ELIGIBLE
17 FOR, AND ENTITLED TO, BENEFITS IN ALL OTHER RESPECTS.

18 (E) ~~(d)~~ In the event of the death of an individual's imme-
19 diate family member, the eligibility requirements of availability
20 and reporting shall be waived for the day of the death and for 4
21 consecutive calendar days thereafter. As used in this subdivi-
22 sion, "immediate family member" means a spouse, child, stepchild,
23 adopted child, grandchild, parent, grandparent, brother, or
24 sister of the individual or his or her spouse. It shall also
25 include the spouse of any of the persons specified in the previ-
26 ous sentence.

1 (F) ~~(e)~~ The individual participates in reemployment
2 services, such as job search assistance services, if the
3 individual has been determined or redetermined by the commission
4 to be likely to exhaust regular benefits and need reemployment
5 services pursuant to a profiling system established by the
6 commission.

7 (2) The commission may authorize an individual with an unex-
8 pired benefit year to pursue vocational training or retraining
9 only if the commission finds that:

10 (a) Reasonable opportunities for employment in occupations
11 for which the individual is fitted by training and experience do
12 not exist in the locality in which the individual is claiming
13 benefits.

14 (b) The vocational training course relates to an occupation
15 or skill for which there are, or are expected to be in the imme-
16 diate future, reasonable employment opportunities.

17 (c) The training course has been approved by a local
18 advisory council on which both management and labor are repre-
19 sented, or if there is no local advisory council, by the
20 commission.

21 (d) The individual has the required qualifications and apti-
22 tudes to complete the course successfully.

23 (e) The vocational training course has been approved by the
24 state board of education and is maintained by a public or private
25 school or by the commission.

26 (3) Notwithstanding any other provision of this act, an
27 otherwise eligible individual shall not be ineligible for

1 benefits because he or she is participating in training with the
2 approval of the commission. For each week that the commission
3 finds that an individual who is claiming benefits under this act
4 and who is participating in training with the approval of the
5 commission, is satisfactorily pursuing an approved course of
6 vocational training, it shall waive the requirements that he or
7 she be available for work and be seeking work as prescribed in
8 subsection (1)(a) and (c), and it shall find good cause for his
9 or her failure to apply for suitable work, report to a former
10 employer for an interview concerning suitable work, or accept
11 suitable work as required in section 29(1)(c), (d), and (e).

12 (4) The waiver of the requirement that a claimant seek work,
13 as provided in subsection (1)(a), shall not be applicable to
14 weeks of unemployment for which the claimant is claiming extended
15 benefits if section 64(8)(a)(ii) is in effect, unless the indi-
16 vidual is participating in training approved by the commission.

17 (5) Notwithstanding any other provisions of this act, an
18 otherwise eligible individual shall not be denied benefits for
19 any week beginning after October 30, 1982 solely because the
20 individual is in training approved under section 236(a)(1) of the
21 trade act of 1974, as amended, 19 U.S.C. 2296, nor shall the
22 individual be denied benefits by reason of leaving work to enter
23 such training if the work left is not suitable employment.
24 Furthermore, an otherwise eligible individual shall not be denied
25 benefits because of the application to any such week in training
26 of provisions of this act, or any applicable federal unemployment
27 compensation law, relating to availability for work, active

1 search for work, or refusal to accept work. For purposes of this
2 subsection, "suitable employment" means, with respect to an indi-
3 vidual, work of a substantially equal or higher skill level than
4 the individual's past adversely affected employment, as defined
5 for purposes of the trade act of 1974, 19 U.S.C. 2101 to 2495,
6 and wages for that work at not less than 80% of the individual's
7 average weekly wage as determined for the purposes of the trade
8 act of 1974.

9 Sec. 29. (1) An individual is disqualified ~~for~~ FROM
10 RECEIVING benefits if he or she:

11 (a) Left work voluntarily without good cause attributable to
12 the employer or employing unit. However, if the individual has
13 an established benefit year in effect and ~~✓~~ during that benefit
14 year ~~, has left~~ LEAVES unsuitable work within 60 days after the
15 beginning of that work, the leaving ~~is~~ DOES not ~~disqualifying~~
16 DISQUALIFY THE INDIVIDUAL.

17 (b) Was discharged for misconduct connected with the
18 individual's work or for intoxication while at work unless the
19 discharge was subsequently reduced to a disciplinary layoff or
20 suspension.

21 (c) Failed without good cause to apply for available suit-
22 able work ~~of which the individual was notified by~~ AFTER RECEIV-
23 ING FROM the employment office or the commission NOTICE OF THE
24 AVAILABILITY OF THAT WORK.

25 (d) ~~Being unemployed, failed~~ FAILED without good cause
26 WHILE UNEMPLOYED to report to the individual's former employer or
27 employing unit within a reasonable time after ~~notice from~~ that

1 employer or employing unit ~~for~~ PROVIDED NOTICE OF THE
2 AVAILABILITY OF an interview concerning available suitable work
3 with the former employer or employing unit.

4 (e) Failed without good cause to accept suitable work ~~when~~
5 offered TO the individual or to return to the individual's cus-
6 tomary self-employment, if any, when directed by the employment
7 office or the commission.

8 (f) Lost his or her job ~~by reason of being absent~~ DUE TO
9 ABSENCE from work ~~as a result of~~ RESULTING FROM a violation of
10 law for which the individual was convicted and sentenced to jail
11 or prison. This subdivision does not apply if conviction of ~~a~~
12 ~~person~~ AN INDIVIDUAL results in a sentence to county jail under
13 conditions of day parole as provided in Act No. 60 of the Public
14 Acts of 1962, being sections 801.251 to 801.258 of the Michigan
15 Compiled Laws, or ~~when~~ IF the conviction was for a traffic vio-
16 lation that resulted in an absence of less than 10 consecutive
17 work days from the individual's place of employment.

18 (g) Is discharged, whether or not the discharge is subse-
19 quently reduced to a disciplinary layoff or suspension, for par-
20 ticipation in ~~a~~ EITHER OF THE FOLLOWING:

21 (i) A strike or other concerted action ~~resulting~~ IN VIOLA-
22 TION OF AN APPLICABLE COLLECTIVE BARGAINING AGREEMENT THAT
23 RESULTS in curtailment of work or restriction of or interference
24 with production. ~~contrary to an applicable collective bargaining~~
25 ~~agreement, or for participation in a~~

1 (ii) A wildcat strike or other concerted action not
2 authorized by the individual's recognized bargaining
3 representative.

4 (h) Was discharged for an act of assault and battery con-
5 nected with the individual's work.

6 (i) Was discharged for theft connected with the individual's
7 work. ~~resulting in a loss or damage of \$25.00 or less.~~

8 ~~(j) Was discharged for theft connected with the individual's~~
9 ~~work resulting in a loss or damage of more than \$25.00.~~

10 (J) ~~(k)~~ Was discharged for willful destruction of property
11 connected with the individual's work. ~~resulting in loss or~~
12 ~~damage of \$25.00 or less.~~

13 ~~(l) Was discharged for willful destruction of property con-~~
14 ~~nected with the individual's work resulting in loss or damage of~~
15 ~~more than \$25.00.~~

16 (K) ~~(m)~~ Committed a theft ~~that occurred~~ after ~~a~~
17 RECEIVING notice of A layoff or discharge, but before the effec-
18 tive date of THE layoff or discharge, resulting in loss or damage
19 ~~of more than \$25.00~~ to the employer who would otherwise be
20 chargeable for the benefits, ~~notwithstanding that the original~~
21 ~~layoff or discharge was under nondisqualifying circumstances~~
22 REGARDLESS OF WHETHER THE INDIVIDUAL QUALIFIED FOR THE BENEFITS
23 BEFORE THE THEFT.

24 (L) WAS EMPLOYED BY A TEMPORARY HELP FIRM, WHICH AS USED IN
25 THIS SECTION MEANS AN EMPLOYER WHOSE PRIMARY BUSINESS IS TO PRO-
26 VIDE A CLIENT WITH THE TEMPORARY SERVICES OF 1 OR MORE
27 INDIVIDUALS UNDER CONTRACT WITH THE EMPLOYER, TO PERFORM SERVICES

1 FOR A CLIENT OF THAT FIRM IF EACH OF THE FOLLOWING CONDITIONS IS
2 MET:

3 (i) THE TEMPORARY HELP FIRM PROVIDED THE EMPLOYEE WITH A
4 WRITTEN NOTICE BEFORE THE EMPLOYEE BEGAN PERFORMING SERVICES FOR
5 THE CLIENT STATING IN SUBSTANCE BOTH OF THE FOLLOWING:

6 (A) THAT WITHIN 7 DAYS AFTER COMPLETING SERVICES FOR A
7 CLIENT OF THE TEMPORARY HELP FIRM, THE EMPLOYEE IS UNDER A DUTY
8 TO NOTIFY THE TEMPORARY HELP FIRM OF THE COMPLETION OF THOSE
9 SERVICES.

10 (B) THAT A FAILURE TO PROVIDE THE TEMPORARY HELP FIRM WITH
11 NOTICE OF THE EMPLOYEE'S COMPLETION OF SERVICES PURSUANT TO
12 SUB-SUBPARAGRAPH (A) CONSTITUTES A VOLUNTARY QUIT THAT WILL
13 AFFECT THE EMPLOYEE'S ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION
14 SHOULD THE EMPLOYEE SEEK UNEMPLOYMENT COMPENSATION FOLLOWING COM-
15 PLETION OF THOSE SERVICES.

16 (ii) THE EMPLOYEE DID NOT PROVIDE THE TEMPORARY HELP FIRM
17 WITH NOTICE THAT THE EMPLOYEE HAD COMPLETED HIS OR HER SERVICES
18 FOR THE CLIENT WITHIN 7 DAYS AFTER COMPLETION OF HIS OR HER SERV-
19 ICES FOR THE CLIENT.

20 (M) WAS DISCHARGED FOR USE OF A CONTROLLED SUBSTANCE AFTER
21 FAILING A DRUG TEST THAT WAS ADMINISTERED IN A NONDISCRIMINATORY
22 MANNER. AS USED IN THIS SUBDIVISION:

23 (i) "CONTROLLED SUBSTANCE" MEANS THAT TERM AS DEFINED IN
24 SECTION 7104 OF THE PUBLIC HEALTH CODE, ACT NO. 368 OF THE PUBLIC
25 ACTS OF 1978, BEING SECTION 333.7104 OF THE MICHIGAN COMPILED
26 LAWS.

1 (ii) "NONDISCRIMINATORY MANNER" MEANS PURSUANT TO A
2 LABOR-MANAGEMENT CONTRACT, OR AN EMPLOYER RULE OR POLICY.

3 (2) A disqualification ~~provided in~~ UNDER subsection (1)
4 begins ~~with~~ the week in which the act or discharge ~~occurred~~
5 that caused the disqualification OCCURS and continues until the
6 disqualified individual requalifies under subsection (3), except
7 that for benefit years beginning before the conversion date pre-
8 scribed in section 75, ~~with respect to multiemployer credit~~
9 ~~weeks,~~ the disqualification does not prevent the payment of ben-
10 efits if there are credit weeks, OTHER THAN MULTIEMPLOYER CREDIT
11 WEEKS, after the most recent disqualifying act or discharge.

12 (3) ~~For benefit years established before the conversion~~
13 ~~date prescribed in section 75, after~~ AFTER the week in which the
14 disqualifying act or discharge ~~occurred~~ DESCRIBED IN
15 SUBSECTION (1) OCCURS, an individual WHO SEEKS TO REQUALIFY FOR
16 BENEFITS IS SUBJECT TO ALL OF THE FOLLOWING:

17 (A) FOR BENEFIT YEARS ESTABLISHED BEFORE THE CONVERSION DATE
18 DESCRIBED IN SECTION 75, THE INDIVIDUAL shall complete 6 requali-
19 fying weeks if HE OR SHE WAS disqualified under
20 subsection ~~(+)(c), (d), (e)~~ (1)(E), (f), ~~or~~ (g), or ~~shall~~
21 ~~complete~~ (l), OR 13 requalifying weeks if HE OR SHE WAS disqual-
22 ified under subsection ~~(+)(h)~~ (1)(C), (D), (H), (I), (j), ~~(l)~~
23 (K), or (m). ~~, for~~ A REQUALIFYING WEEK REQUIRED UNDER THIS SUB-
24 SECTION SHALL BE each week in which the individual ~~earns~~ DOES
25 ANY OF THE FOLLOWING:

1 (i) EARNS or receives remuneration in an amount at least
 2 equal to an amount needed to earn a credit week, as THAT TERM IS
 3 defined in section 50. ~~, or would otherwise meet~~

4 (ii) OTHERWISE MEETS all of the requirements of this act to
 5 receive a benefit payment if the individual were not disqualified
 6 under subsection (1). ~~, or receives~~

7 (iii) RECEIVES a benefit payment based on credit weeks sub-
 8 sequent to the disqualifying act or discharge. ~~An~~

9 (B) FOR BENEFIT YEARS ESTABLISHED BEFORE THE CONVERSION DATE
 10 PRESCRIBED IN SECTION 75, IF THE individual ~~who~~ is disqualified
 11 under subsection (1)(a), (b), ~~(i), or (k)~~, (C), OR (D), HE OR
 12 SHE shall REQUALIFY, after the week in which the disqualifying
 13 discharge occurred ~~, requalify~~ by earning in employment for an
 14 employer liable under this act or the unemployment compensation
 15 act of another state an amount equal to, or in excess of, 7 times
 16 the individual's potential weekly benefit rate, calculated on the
 17 basis of employment with the employer involved in the disqualifi-
 18 cation, or by earning in employment for an employer liable under
 19 this act or the unemployment compensation act of another state an
 20 amount equal to, or in excess of, 40 times the state minimum
 21 hourly wage times 7, whichever is the lesser amount. ~~Any bene-~~
 22 ~~fits that become~~

23 (C) FOR BENEFIT YEARS ESTABLISHED BEFORE THE CONVERSION DATE
 24 PRESCRIBED IN SECTION 75, A BENEFIT payable to an individual dis-
 25 qualified under subsection (1)(a), (b), ~~(i), or (k)~~ (C), OR (D)
 26 shall ~~not~~ be charged to the NONCHARGEABLE BENEFITS ACCOUNT, AND
 27 NOT TO THE account of the employer with whom the individual was

1 involved in the disqualification. ~~The benefits paid shall be~~
 2 ~~charged to the nonchargeable benefits account.~~

3 (D) For benefit years beginning after the conversion date
 4 prescribed in section 75, ~~subsequent to the week in which the~~
 5 ~~disqualifying act or discharge occurred, an~~ THE individual shall
 6 complete 6 requalifying weeks if HE OR SHE WAS disqualified under
 7 subsection ~~(1)(c), (d), (e)~~ (1)(E), (f), ~~or~~ (g), or ~~shall~~
 8 ~~complete~~ (l), OR 13 requalifying weeks if HE OR SHE WAS disqual-
 9 ified under subsection (1)(h), (I), (j), ~~(l)~~, (K), or (m). ~~7~~
 10 ~~for~~ A REQUALIFYING WEEK REQUIRED UNDER THIS SUBSECTION SHALL BE
 11 each week in which the individual ~~earns~~ DOES ANY OF THE
 12 FOLLOWING:

13 (i) EARNS or receives remuneration in an amount equal to at
 14 least 1/13 of the minimum amount needed in a calendar quarter of
 15 the base period for an individual to qualify for benefits,
 16 rounded down to the nearest whole dollar. ~~7 or would otherwise~~
 17 ~~meet~~

18 (ii) OTHERWISE MEETS all of the requirements of this act to
 19 receive a benefit payment if the individual were not disqualified
 20 under subsection (1). ~~An~~

21 (E) FOR BENEFIT YEARS BEGINNING AFTER THE CONVERSION DATE
 22 PRESCRIBED IN SECTION 75, IF THE individual ~~who~~ is disqualified
 23 under subsection (1)(a), (b), ~~(i), or (k) shall, subsequent to~~
 24 (C), OR (D), HE OR SHE SHALL REQUALIFY, AFTER the week in which
 25 the disqualifying act or discharge occurred ~~7, requalify~~ by
 26 earning in employment for an employer liable under this act or
 27 the unemployment compensation law of another state ~~an amount~~

1 ~~equal to, or in excess of, 7~~ AT LEAST THE LESSER OF THE
2 FOLLOWING:

3 (i) SEVEN times the individual's weekly benefit rate. ~~or~~
4 ~~by earning in employment for an employer liable under this act or~~
5 ~~the unemployment compensation law of another state an amount~~
6 ~~equal to, or in excess of, 40~~

7 (ii) FORTY times the state minimum hourly wage times 7. ~~or~~
8 ~~whichever is the lesser amount. Any benefits which may become~~

9 (F) A BENEFIT payable to ~~an~~ THE individual disqualified or
10 separated under disqualifying circumstances under
11 subsection (1)(a), (b), ~~(i), or (k)~~ (C), OR (D) shall ~~not~~ be
12 charged to THE NONCHARGEABLE BENEFITS ACCOUNT, AND NOT TO the
13 account of the employer with whom the individual was involved in
14 the separation. ~~Those benefits paid shall be charged to the~~
15 ~~nonchargeable benefits account.~~ Benefits payable to an individ-
16 ual determined by the commission to be separated under disquali-
17 fying circumstances shall not be charged to the account of the
18 employer involved in the disqualification for any period after
19 the employer notifies the commission of the claimant's possible
20 ineligibility or disqualification. If a disqualifying act or
21 discharge occurs during the individual's benefit year, any bene-
22 fits that may become payable to the individual in a later benefit
23 year based on employment with the employer involved in the dis-
24 qualification shall be charged to the nonchargeable benefits
25 account.

26 (4) ~~For benefit years established before the conversion~~
27 ~~date prescribed in section 75, and subject to the conditions~~

1 ~~provided in this subsection, an individual's~~ THE maximum amount
 2 of benefits otherwise available UNDER SECTION 27(D) to ~~the~~ AN
 3 individual ~~under section 27(d),~~ DISQUALIFIED UNDER
 4 SUBSECTION (1) IS SUBJECT TO ALL OF THE FOLLOWING CONDITIONS:

5 (A) FOR BENEFIT YEARS ESTABLISHED BEFORE THE CONVERSION DATE
 6 PRESCRIBED IN SECTION 75, IF THE INDIVIDUAL IS DISQUALIFIED UNDER
 7 SUBSECTION (1)(E), (F), (G), OR (I) AND THE MAXIMUM AMOUNT OF
 8 BENEFITS IS based on wages and credit weeks earned FROM AN
 9 EMPLOYER before an act or discharge ~~with the~~ INVOLVING THAT
 10 employer, ~~involved as the result of which the individual was~~
 11 ~~disqualified under subsection (1)(c), (d), (e), (f), or (g),~~ THE
 12 AMOUNT shall be reduced by an amount equal to the individual's
 13 weekly benefit rate as to that employer multiplied by the LESSER
 14 OF EITHER OF THE FOLLOWING:

15 (i) THE number of requalifying weeks required of the indi-
 16 vidual under this ~~subsection or multiplied by the~~ SECTION.

17 (ii) THE number of weeks of benefit entitlement remaining
 18 with that employer. ~~, whichever is less. The reductions of ben-~~
 19 ~~efits provided for in this subsection are subject, however, to~~
 20 ~~the following conditions: if~~

21 (B) IF the individual has insufficient or no potential bene-
 22 fit entitlement remaining with ~~that~~ THE employer INVOLVED IN
 23 THE DISQUALIFICATION in the benefit year in existence on the date
 24 of the disqualifying determination, ~~the~~ A reduction OF BENEFITS
 25 DESCRIBED IN THIS SUBSECTION shall apply in a succeeding benefit
 26 year with respect to any benefit entitlement based upon credit

1 weeks earned with the employer ~~involved in the disqualification~~
 2 before the disqualifying act or discharge.

3 (C) ~~An~~ FOR BENEFIT YEARS ESTABLISHED BEFORE THE CONVERSION
 4 DATE PRESCRIBED IN SECTION 75, AN individual disqualified under
 5 subsection (1)(h), (I), (j), ~~(k)~~ (K), or (m) is not entitled to
 6 benefits based on wages and credit weeks earned before the dis-
 7 qualifying act or discharge with the employer involved in the
 8 disqualification.

9 (D) The benefit entitlement of an individual disqualified
 10 under subsection (1)(a), (b), (C), (D), (i), or ~~(j)~~ (J) is not
 11 subject to reduction as a result of that disqualification.

12 (E) ~~For purposes of this subsection, the~~ A denial or
 13 reduction of benefits UNDER THIS SUBSECTION does not apply to
 14 benefits based upon multiemployer credit weeks.

15 (F) For benefit years established after the conversion date
 16 prescribed in section 75, ~~and subject to the conditions provided~~
 17 ~~in this subsection,~~ if ~~an~~ THE individual is disqualified under
 18 subsection ~~(1)(c), (d), (e)~~ (1)(E), (f), ~~or~~ (g), OR (l), the
 19 ~~individual's~~ maximum number of weeks otherwise ~~payable to~~
 20 APPLICABLE IN CALCULATING BENEFITS FOR the individual under
 21 section 27(d) ~~,~~ shall be reduced by the LESSER OF THE
 22 FOLLOWING:

23 (i) THE number of requalifying weeks required of the indi-
 24 vidual under this subsection. ~~, or by the~~

25 (ii) THE number of weeks of benefit entitlement remaining on
 26 the claim. ~~, whichever is less. The~~

1 (G) FOR BENEFIT YEARS BEGINNING AFTER THE CONVERSION DATE
2 PRESCRIBED IN SECTION 75, THE benefits of an individual
3 disqualified under subsection (1)(h), (I), (j), ~~(k)~~ (K), or (m)
4 shall be reduced by 13 weeks and any weekly benefit payments made
5 to the claimant thereafter shall be reduced by the portion of the
6 payment attributable to base period wages paid by the base period
7 employer involved in a disqualification under subsection (1)(h),
8 (I), (j), ~~(k)~~ (K), or (m).

9 (5) If an individual leaves work to accept permanent
10 full-time work with another employer and performs services for
11 that employer, or IF AN INDIVIDUAL leaves work to accept a recall
12 from a former employer: ~~, the disqualification provisions of~~
13 ~~subsection (1) do not apply to that leaving. However, the wages~~

14 (A) SUBSECTION (1) DOES NOT APPLY.

15 (B) WAGES earned with the employer whom the individual last
16 left, including wages previously transferred under this subsec-
17 tion to the last employer, for the purpose of computing and
18 charging benefits, are ~~considered~~ wages earned from the
19 employer with whom the individual accepted work or recall, and
20 benefits paid based upon those wages shall be charged to that
21 employer.

22 (C) When issuing a determination covering ~~that~~ THE period
23 of employment WITH A NEW OR FORMER EMPLOYER DESCRIBED IN THIS
24 SUBSECTION, the commission shall advise the chargeable employer
25 of the name and address of the other employer, the period covered
26 by the employment, and the extent of the benefits that may be
27 charged to the account of the chargeable employer.

1 (6) In determining whether ~~or not~~ work is suitable for an
2 individual, the commission shall consider the degree of risk
3 involved to the individual's health, safety, and morals, the
4 individual's physical fitness and prior training, the
5 individual's experience and prior earnings, the individual's
6 length of unemployment and prospects for securing local work in
7 the individual's customary occupation, and the distance of the
8 available work from the individual's residence.

9 (7) Work is not ~~considered~~ suitable and benefits shall not
10 be denied under this act to an otherwise eligible individual for
11 refusing to accept new work under any of the following
12 conditions:

13 (a) ~~The~~ IF THE position offered is vacant due directly to
14 a strike, lockout, or other labor dispute.

15 (b) ~~The~~ IF THE remuneration, hours, or other conditions of
16 the work offered are substantially less favorable to the individ-
17 ual than those prevailing for similar work in the locality.

18 (c) ~~As~~ IF AS a condition of being employed, the individual
19 would be required to join a company union or to resign from or
20 refrain from joining a bona fide labor organization.

21 (8) ~~An~~ ALL OF THE FOLLOWING APPLY TO AN individual WHO
22 SEEKS BENEFITS UNDER THIS ACT:

23 (A) AN INDIVIDUAL is disqualified ~~for~~ FROM RECEIVING bene-
24 fits for a week in which the individual's total or partial unem-
25 ployment is due to ~~a~~ EITHER OF THE FOLLOWING:

26 (i) A labor dispute in active progress AT THE PLACE AT WHICH
27 THE INDIVIDUAL IS OR WAS LAST EMPLOYED, or ~~to~~ A shutdown or

1 start-up ~~operations~~ OPERATION caused by that labor dispute. ~~7~~
2 ~~in the establishment in which the individual is or was last~~
3 ~~employed, or to a~~

4 (ii) A labor dispute, other than a lockout, in active
5 progress or ~~to~~ A shutdown or start-up ~~operations~~ OPERATION
6 caused by that labor dispute in any other establishment within
7 the United States ~~which~~ THAT is BOTH functionally integrated
8 with the establishment DESCRIBED IN SUBPARAGRAPH (i) and ~~is~~
9 operated by the same employing unit.

10 (B) An individual's disqualification imposed or imposable
11 under this subsection is terminated ~~by~~ IF the ~~individual's~~
12 ~~performing~~ INDIVIDUAL PERFORMS services in employment with an
13 employer in at least 2 consecutive weeks falling wholly within
14 the period of the individual's total or partial unemployment due
15 to the labor dispute, and in addition ~~by earning~~ EARNS wages in
16 each of those weeks in an amount equal to or ~~in excess of~~
17 GREATER THAN the individual's actual or potential weekly benefit
18 rate with respect to those weeks based on the individual's
19 employment with the employer involved in the labor dispute.

20 (C) An individual is not disqualified under this subsection
21 if the individual is not directly involved in the LABOR dispute.

22 ~~(a) For purposes of this subsection, an~~ AN individual is not
23 ~~considered to be~~ directly involved in a labor dispute unless
24 ~~it is established that~~ any of the following ~~occurred~~ ARE
25 ESTABLISHED:

26 (i) At the time or in the course of a labor dispute in the
27 establishment in which the individual was then employed, the

1 individual in concert with 1 or more other employees voluntarily
2 stopped working other than at the direction of the individual's
3 employing unit.

4 (ii) The individual is participating in, financing, or
5 directly interested in the labor dispute that causes the
6 individual's total or partial unemployment. The payment of regu-
7 lar union dues, in amounts and for purposes established before
8 the inception of the labor dispute, ~~shall~~ IS not ~~be construed~~
9 ~~as~~ financing a labor dispute within the meaning of this
10 subparagraph.

11 (iii) At any time ~~when there was not~~ a labor dispute in
12 the establishment or department in which the individual was
13 employed DOES NOT EXIST, AND the individual voluntarily ~~stopped~~
14 STOPS working, other than at the direction of the individual's
15 employing unit, in sympathy with employees in some other estab-
16 lishment or department in which a labor dispute ~~was then~~ IS in
17 progress.

18 (iv) The individual's total or partial unemployment is due
19 to a labor dispute that was or is in progress in a department,
20 unit, or group of workers in the same establishment.

21 (D) ~~(b)~~ As used in this subsection, "directly interested"
22 shall be construed and applied so as not to disqualify individu-
23 als unemployed as a result of a labor dispute the resolution of
24 which may not reasonably be expected to affect their wages,
25 hours, or other conditions of employment, and to disqualify indi-
26 viduals whose wages, hours, or conditions of employment may
27 reasonably be expected to be affected by the resolution of the

1 labor dispute. A "reasonable expectation" of an effect on an
2 individual's wages, hours, or other conditions of employment ~~is~~
3 ~~considered to exist~~ EXISTS, in the absence of a substantial pre-
4 ponderance of evidence to the contrary, in any of the following
5 situations:

6 (i) If it is established that there is in the particular
7 establishment or employing unit a practice, custom, or contrac-
8 tual obligation to extend within a reasonable period to members
9 of the individual's grade or class of workers in the establish-
10 ment in which the individual is or was last employed changes in
11 terms and conditions of employment that are substantially similar
12 or related to some or all of the changes in terms and conditions
13 of employment that are made for the workers among whom there
14 exists the labor dispute that has caused the individual's total
15 or partial unemployment.

16 (ii) If it is established that 1 of the issues in or pur-
17 poses of the labor dispute is to obtain a change in the terms and
18 conditions of employment for members of the individual's grade or
19 class of workers in the establishment in which the individual is
20 or was last employed.

21 (iii) If ~~the labor dispute exists at a time when the~~ A
22 collective bargaining agreement ~~which~~ covers BOTH the
23 individual's grade or class of workers in the establishment in
24 which the individual is or was last employed and the workers in
25 another establishment of the same employing unit who are actively
26 participating in the labor dispute, ~~has expired, has been opened~~
27 ~~by mutual consent, or may by its terms be modified, supplemented,~~

1 ~~or replaced~~ AND THAT COLLECTIVE BARGAINING AGREEMENT IS SUBJECT
2 BY ITS TERMS TO MODIFICATION, SUPPLEMENTATION, OR REPLACEMENT, OR
3 HAS EXPIRED OR BEEN OPENED BY MUTUAL CONSENT AT THE TIME OF THE
4 LABOR DISPUTE.

5 (E) ~~(c)~~ In determining the scope of the grade or class of
6 workers, evidence ~~submitted to show any~~ of the following is
7 relevant:

8 (i) Representation of the workers by the same national or
9 international organization or by local affiliates of that
10 national or international organization.

11 (ii) Whether the workers are included in a single, legally
12 designated, or negotiated bargaining unit.

13 (iii) Whether the workers are or ~~have~~ within the past
14 6 months HAVE been covered by a common master collective bar-
15 gaining agreement that sets forth all or any part of ~~their~~ THE
16 terms and conditions of THE WORKERS' employment, or by separate
17 agreements that are or have been bargained as a part of the same
18 negotiations.

19 (iv) Any functional integration of the work performed by
20 those workers.

21 (v) Whether the resolution of THOSE issues ~~of the type~~
22 involved in the labor dispute as to some of the workers
23 could directly or indirectly affect the advancement, negotiation,
24 or settlement of the same or similar issues in respect to the
25 remaining workers.

26 (vi) Whether the workers are currently or have been covered
27 by the same or similar demands by their recognized or certified

1 bargaining agent or agents for changes in their wages, hours, or
2 other conditions of employment.

3 (vii) Whether issues on the same subject matter as those
4 involved in the labor dispute have been the subject of proposals
5 or demands made upon the employing unit that would by their terms
6 have applied to those workers.

7 (9) ~~An~~ EXCEPT FOR AN INDIVIDUAL DISQUALIFIED UNDER SUBSEC-
8 TION (1)(G), OR AN INDIVIDUAL WHOSE DISQUALIFYING DISCHARGE UNDER
9 SUBSECTION (1)(B) IS DETERMINED OR REDETERMINED TO BE A DISCI-
10 PLINARY LAYOFF OR SUSPENSION, AN individual is disqualified ~~for~~
11 FROM RECEIVING benefits for the duration of the individual's dis-
12 ciplinary layoff or suspension ~~in all cases in which~~ IF the
13 individual becomes unemployed because of a disciplinary layoff or
14 suspension based upon ~~misconduct~~ ANY OF THE FOLLOWING:

15 (A) MISCONDUCT directly or indirectly connected with work.
16 ~~, for participation~~

17 (B) PARTICIPATION in a strike or other concerted activity
18 resulting in a curtailment of work or restriction of or interfer-
19 ence with production contrary to an applicable collective bar-
20 gaining agreement. ~~, or for participation~~

21 (C) PARTICIPATION in a wildcat strike or other concerted
22 activity not authorized by the individual's recognized bargaining
23 representative. ~~This subsection applies only if the individual~~
24 ~~is not subject to disqualification under subsection (1)(g) or if~~
25 ~~a disqualifying discharge under subsection (1)(b) is determined~~
26 ~~or redetermined to be a disciplinary layoff or suspension.~~

1 (10) If a disqualifying discharge under subsection (1)(b) is
2 determined or redetermined to be a suspension, the
3 disqualification provided under ~~this~~ subsection (9) applies
4 from the date of the discharge.

5 (11) ~~(10)~~ Notwithstanding subsections (1) to ~~(9)~~ (10),
6 if the employing unit submits notice to the commission of possi-
7 ble ineligibility or disqualification beyond the time limits pre-
8 scribed by commission rule, the notice shall not form the basis
9 of a determination of ineligibility or disqualification for a
10 claim period compensated before the receipt of the notice by the
11 commission.

12 (12) ~~(11)~~ An individual is disqualified ~~for~~ FROM
13 RECEIVING benefits for any week ~~with respect to which~~ or ~~a~~
14 part of A WEEK IN which the individual has received, is receiv-
15 ing, or is seeking unemployment benefits under an unemployment
16 compensation law of another state or of the United States. If
17 the appropriate agency of the other state or of the United States
18 finally determines that the individual is not entitled to unem-
19 ployment benefits, ~~this~~ THE disqualification DESCRIBED IN THIS
20 SUBSECTION does not apply.

21 Sec. 43. Except as otherwise provided in section 42(6), the
22 term "employment" shall not include:

23 (a) Before January 1, 1980, agricultural service performed
24 by an individual who is an alien admitted to the United States to
25 perform that service pursuant to sections 214(c) and
26 101(a)(15)(H) of the immigration and nationality act,
27 8 U.S.C. 1184 and 8 U.S.C. 1101.

1 (b) Service performed in the employ of another state or its
2 political subdivisions, or of an instrumentality of another state
3 or its political subdivisions, except as otherwise provided in
4 section 42(9); and service performed in the employ of the United
5 States government or an instrumentality of the United States
6 exempt under the constitution of the United States from the con-
7 tributions imposed by this act. However, to the extent that the
8 congress of the United States permits states to require instru-
9 mentalities of the United States to make payments into an unem-
10 ployment fund under a state unemployment compensation law, this
11 act shall apply to the instrumentalities, and to services per-
12 formed for the instrumentalities, in the same manner, to the same
13 extent, and on the same terms as to all other employers, employ-
14 ing units, individuals, and services. If this state is not cer-
15 tified for any year by the appropriate agency of the United
16 States under section 3304(c) of the internal revenue code, the
17 payments required of the instrumentalities with respect to the
18 year shall be refunded by the commission from the fund in the
19 same manner and within the same period as provided in section 16
20 with respect to contributions erroneously collected.

21 (c) Service with respect to which unemployment compensation
22 is payable under an unemployment compensation system established
23 by an act of congress. However, the commission shall enter into
24 agreements with the proper agencies under the act of congress,
25 which agreements shall become effective 10 days after publication
26 of the agreements in the manner provided in section 4 for
27 regulations, to provide reciprocal treatment to individuals who

1 have, after acquiring potential rights to benefits under this
2 act, acquired rights to unemployment compensation under the act
3 of congress, or who have, after acquiring potential rights to
4 unemployment compensation under the act of congress, acquired
5 rights to benefits under this act.

6 (d) "Agricultural labor" which shall comprise all service
7 performed:

8 (1) On a farm, in the employ of any person, in connection
9 with cultivating the soil, or in connection with raising or har-
10 vesting an agricultural or horticultural commodity, including the
11 raising, shearing, feeding, caring for, training, and management
12 of livestock, bees, poultry, and fur-bearing animals and
13 wildlife.

14 (2) In the employ of the owner or tenant or another operator
15 of a farm in connection with the operation, management, conserva-
16 tion, improvement, or maintenance of a farm and its tools and
17 equipment, or in salvaging timber or clearing land of brush and
18 other debris left by a hurricane, if the major part of the serv-
19 ice is performed on a farm.

20 (3) In connection with the production or harvesting of a
21 commodity defined as an agricultural commodity in section 15(g)
22 of the agricultural marketing act, 12 U.S.C. 1141j, or in connec-
23 tion with the ginning of cotton, or the operation or maintenance
24 of ditches, canals, reservoirs, or waterways not owned or oper-
25 ated for profit, used exclusively for supplying and storing water
26 for farming purposes.

1 (4) In the employ of the operator of a farm in handling,
2 planting, drying, packing, packaging, processing, freezing,
3 grading, storing, or delivering to storage or to market or to a
4 carrier for transportation to market, in its unmanufactured
5 state, an agricultural or horticultural commodity, if the opera-
6 tor produced more than 1/2 of the commodity with respect to which
7 the service is performed.

8 (5) In the employ of a group of operators of farms or a
9 cooperative organization of which the operators are members, in
10 the performance of service described in subparagraph (4), but
11 only if the operators produced more than 1/2 of the commodity
12 with respect to which the services are performed.

13 (6) On a farm operated for profit if the service is not in
14 the course of the employer's trade or business.

15 (7) Subparagraphs (4) and (5) shall not apply with respect
16 to service performed in connection with commercial canning or
17 commercial freezing or in connection with an agricultural or
18 horticultural commodity after its delivery to a terminal market
19 for distribution for consumption.

20 As used in this subdivision, the term "farm" includes stock,
21 dairy, poultry, fruit, fur-bearing animals, truck farms, planta-
22 tions, ranches, nurseries, ranges, and greenhouses, or other sim-
23 ilar structures used primarily for the raising of agricultural or
24 horticultural commodities.

25 Agricultural labor performed after December 31, 1977 shall
26 not be excluded from the term employment when the labor is
27 performed for an employer as defined in section 41(5).

1 (e) Domestic service in a private home, local college club,
2 or local chapter of a college fraternity or sorority not operated
3 for profit.

4 Domestic service performed after December 31, 1977 shall not
5 be excluded from the term employment when performed for an
6 employer as defined in section 41(6).

7 (f) Service as an officer or member of a crew of an American
8 vessel performed on or in connection with the vessel, except a
9 vessel of less than 200 horsepower, if the operating office from
10 which the operations of the vessel operating on navigable waters
11 within or without the United States are ordinarily and regularly
12 supervised, managed, directed and controlled, is without this
13 state; and service performed by an individual in or as an officer
14 or member of the crew of a vessel while it is engaged in the
15 catching, taking, or harvesting of any kind of fish including
16 service performed by an individual as an ordinary incident to
17 such an activity, except service performed on or in connection
18 with a vessel of more than 10 net tons determined in the manner
19 provided for determining the register tonnage of merchant vessels
20 under the laws of the United States.

21 (g) Service performed by an individual in the employ of the
22 individual's son, daughter, or spouse, and service performed by a
23 child under the age of 18 in the employ of the child's parent.

24 (h) Service performed by real estate salespersons, sales
25 representatives of investment companies, and agents or solicitors
26 of insurance companies who are compensated principally or wholly
27 on a commission basis.

1 (i) Service performed within this state by an individual who
2 is not a citizen of the United States or service performed within
3 this state for an employer other than an American employer as
4 defined in section 42(12)(d), if the service is incidental to the
5 individual's service in a foreign country in which the base of
6 operation is maintained or from which the service is directed or
7 controlled.

8 (j) Service covered by an arrangement between the commission
9 and the agency charged with the administration of another state
10 or federal unemployment compensation law pursuant to which all
11 service performed by an individual for an employing unit during
12 the period covered by the employing unit's duly approved
13 election. Service described in this subdivision is considered to
14 be performed entirely within the agency's state or under federal
15 law.

16 (k) Service performed by an individual in a calendar quarter
17 in the employ of an organization exempt from income tax under
18 section 501(a) of the internal revenue code other than an organi-
19 zation described in section 401(a) of the internal revenue code,
20 or under section 521 of the internal revenue code, if the remu-
21 neration earned is less than \$50.00.

22 (l) Service performed in the employ of a school, college, or
23 university, if the service is performed:

24 (i) By a person who is primarily a student at the school,
25 college, or university. For the purpose of this subdivision a
26 person is considered to be "primarily a student" if the
27 individual is enrolled in an institution, is pursuing a course of

1 study for academic credit and while thus enrolled normally works
2 30 hours or less per week for the institution.

3 (ii) By a spouse of a student, if given written notice at
4 the start of the service that the employment is under a program
5 to provide financial assistance to the student, and that the
6 employment will not be covered by a program of unemployment
7 compensation.

8 (m) Service performed by an individual less than 22 years of
9 age who is enrolled, at a nonprofit or public educational insti-
10 tution which normally maintains a regular faculty and curriculum
11 and normally has a regularly organized body of students in
12 attendance at the place where its educational activities are car-
13 ried on, as a student in a full-time program, taken for credit at
14 the institution, which combines academic instruction with work
15 experience, if the service is an integral part of the program,
16 and the institution has certified that fact to the employer.
17 This subdivision shall not apply to service performed in a pro-
18 gram established for or on behalf of an employer or group of
19 employers.

20 (n) Service performed in the employ of a hospital, if the
21 service is performed by a patient of the hospital, as defined in
22 section 53(1).

23 (o) For the purposes of section 42(8), (9), and (10), the
24 term "employment" does not apply to service performed in any of
25 the following situations:

26 (1) In the employ of (i) a church or convention or
27 association of churches; or (ii) an organization which is

1 operated primarily for religious purposes and which is operated,
2 supervised, controlled, or principally supported by a church or
3 convention or association of churches.

4 (2) By a duly ordained, commissioned, or licensed minister
5 of a church in the exercise of the ministry or by a member of a
6 religious order in the exercise of duties required by the order.

7 (3) Before January 1, 1978, in the employ of a school which
8 is not an institution of higher education and which service is
9 also excluded from the term "employment" as defined in
10 section 3306(c)(8) of the internal revenue code. After
11 December 31, 1977, in the employ of a governmental entity as
12 defined in section 50a, if the service is performed by an indi-
13 vidual in any of the following capacities:

14 (i) As an elected official.

15 (ii) As a member of a legislative body, or as a member of
16 the judiciary.

17 (iii) As a military employee of the state national guard or
18 air national guard.

19 (iv) As an employee serving on a temporary basis in case of
20 fire, storm, snow, earthquake, flood, or similar emergency.

21 (v) In a position which, under or pursuant to the laws of
22 this state, is designated as (i) a major nontenured policymaking
23 or advisory position, or (ii) a policymaking or advisory posi-
24 tion, the performance of the duties of which ordinarily does not
25 require more than 8 hours per week.

26 (4) By an individual receiving rehabilitation or
27 remunerative work in a facility conducted for the purpose of

1 carrying out a program of: (i) rehabilitation for individuals
2 whose earning capacity is impaired by age, physical or mental
3 deficiency, or injury; or (ii) providing remunerative work for
4 individuals who because of their impaired physical or mental
5 capacity cannot be readily absorbed in the competitive labor
6 market.

7 (5) As part of an unemployment work-relief or work-training
8 program assisted or financed in whole or in part by a federal
9 agency or an agency of a state or political subdivision of a
10 state by an individual receiving the work relief or work
11 training.

12 (6) By an inmate of a custodial or penal institution.

13 (7) By an individual hired by a state department or recipi-
14 ent governmental entity through a summer youth employment program
15 established pursuant to the Michigan youth corps act, or an indi-
16 vidual hired by a state department through a summer youth employ-
17 ment program administered by the department of natural resources
18 or the department of transportation.

19 (p) Service performed by an individual under the age of 18
20 in the delivery or distribution of newspapers or shopping news,
21 not including delivery or distribution to a point for subsequent
22 delivery or distribution.

23 (q) Service performed for an employing unit other than a
24 governmental entity or nonprofit organization and which is any of
25 the following:

26 (1) Service performed by an individual while the individual
27 was a minor student regularly attending either a public or a

1 private school below the college level and the individual's
2 employment during the week was: (i) less than the scheduled
3 hours the individual would have worked in the department or
4 establishment in which the employment occurred if the individual
5 were not a student; or (ii) within the customary vacation days or
6 vacation periods of the school following which the individual
7 actually returns to school; or (iii) with an employer as a formal
8 and accredited part of the regular curriculum of the individual's
9 school.

10 (2) Service performed by a college student of any age, but
11 only when the student's employment is a formal and accredited
12 part of the regular curriculum of the school.

13 (3) Service performed by an individual as a member of a band
14 or orchestra, but only when the service does not represent the
15 principal occupation of the individual.

16 (r) Service performed by a home improvement and remodeling
17 salesperson providing that salesperson meets the criteria estab-
18 lished in section 3508 of the internal revenue code and if any
19 provision of this subsection prevents the state from qualifying
20 for any federal interest relief provisions provided under section
21 1202 of the social security act, 42 U.S.C. 1322, or prevents
22 employers in this state from qualifying for the limitation on the
23 reduction of federal unemployment tax act credits as provided
24 under section 3302(f) of the federal unemployment tax act, 26
25 U.S.C. 3302(f), such provision shall be invalid to the extent
26 necessary to maintain qualification for such interest relief
27 provisions and federal unemployment tax credits.

1 (S) SERVICE PERFORMED AS A DIRECT SELLER ENGAGED IN THE
 2 TRADE OR BUSINESS OF SELLING, OR SOLICITING THE SALE OF, CONSUMER
 3 PRODUCTS OR SERVICES TO A BUYER ON A BUY-SELL BASIS, A
 4 DEPOSIT-COMMISSION BASIS, OR A SIMILAR BASIS IN THE HOME OR IN AN
 5 ESTABLISHMENT OTHER THAN A PERMANENT RETAIL ESTABLISHMENT, IF
 6 BOTH OF THE FOLLOWING CONDITIONS ARE MET:

7 (1) SUBSTANTIALLY ALL CASH OR OTHER REMUNERATION PAID FOR
 8 THE PERFORMANCE OF THE SERVICE IS DETERMINED BY SALES OR SERVICE
 9 PERFORMANCE VOLUME, AND NOT BY THE NUMBER OF HOURS WORKED.

10 (2) THE SERVICE IS PERFORMED PURSUANT TO A WRITTEN CONTRACT
 11 THAT PROVIDES THAT THE PERSON IS NOT AN EMPLOYEE WITH RESPECT TO
 12 THE SERVICE FOR FEDERAL TAX PURPOSES.

13 Sec. 46. (a) ~~For~~ SUBJECT TO SUBSECTIONS (D) THROUGH (G),
 14 FOR benefit years beginning before the conversion date prescribed
 15 in section 75, "benefit year" ~~with respect to any individual~~
 16 means the period of 52 consecutive calendar weeks beginning
 17 ~~with~~ the first calendar week ~~with respect to which the indi-~~
 18 ~~vidual, who does not already have a benefit year in effect, files~~
 19 ~~an application~~ IN WHICH AN INDIVIDUAL FILES A CLAIM in accord-
 20 ance with section 32 ~~. However, a benefit year shall not be~~
 21 ~~established unless the individual~~ AND meets all of the following
 22 conditions:

23 (1) THE INDIVIDUAL has earned 20 credit weeks in the 52 con-
 24 secutive calendar weeks ~~preceding~~ BEFORE the week ~~with respect~~
 25 ~~to which the individual filed an application~~ HE OR SHE FILES THE
 26 CLAIM for benefits. ~~—~~

1 (2) ~~with respect to the week for which the~~ THE individual
 2 is ~~filing an application for benefits, is~~ unemployed ~~→~~ and
 3 meets all ~~of the other~~ requirements of section 28 ~~→~~ FOR THE
 4 WEEK FOR WHICH HE OR SHE FILES A CLAIM FOR BENEFITS.

5 (3) ~~with respect to the week for which the individual is~~
 6 ~~filing an application for benefits the individual is not disqual-~~
 7 ~~ified nor subject to disqualification, except in case of a labor~~
 8 ~~dispute under section 29(8), with respect to the~~ EXCEPT FOR A
 9 DISQUALIFICATION UNDER SECTION 29 (8) INVOLVING A LABOR DISPUTE
 10 DURING THE INDIVIDUAL'S most recent period of employment with the
 11 most recent employer with whom the individual earned a credit
 12 week, THE INDIVIDUAL IS NOT DISQUALIFIED OR SUBJECT TO DISQUALI-
 13 FICATION FOR THE WEEK FOR WHICH HE OR SHE FILES A CLAIM.

14 (4) THE INDIVIDUAL DOES NOT HAVE A BENEFIT YEAR ALREADY IN
 15 EFFECT AT THE TIME OF THE CLAIM.

16 (B) For benefit years beginning after the conversion date
 17 prescribed in section 75, "benefit year" ~~with respect to any~~
 18 ~~individual~~ means the period of 52 consecutive calendar weeks
 19 beginning ~~with~~ the first calendar week ~~with respect to which~~
 20 ~~the individual, who does not already have a benefit year in~~
 21 ~~effect, files an application for benefits~~ IN WHICH AN INDIVIDUAL
 22 FILES A CLAIM in accordance with section 32 ~~. However, a bene-~~
 23 ~~fit year shall not be established unless the individual meets~~
 24 ~~either of the following conditions: (1)~~ AND the total wages
 25 paid to the individual in the base period of the claim equals not
 26 less than 1.5 times the wages paid to the individual in the
 27 calendar quarter of the base period in which the individual was

1 paid the highest wages. ~~, or (2) the individual was paid wages~~
2 ~~in 2 or more calendar quarters of the base period totaling at~~
3 ~~least 20 times the state average weekly wage as determined by the~~
4 ~~commission. The~~

5 (C) FOR BENEFIT YEARS BEGINNING AFTER THE CONVERSION DATE
6 PRESCRIBED IN SECTION 75, THE state average weekly wage for a
7 calendar year shall be computed on the basis of the 12 months
8 ending the June 30 preceding that calendar year. A benefit year
9 shall not be established if the individual was not paid wages of
10 at least the state minimum hourly wage multiplied by 268.66
11 rounded down to the nearest dollar in at least 1 calendar quarter
12 of the base period. A benefit year shall not be established
13 based on base period wages previously used to establish a benefit
14 year that resulted in the payment of benefits. However, if a
15 calendar quarter of the base period contains wages ~~which~~ THAT
16 were previously used to establish a benefit year that resulted in
17 the payment of benefits, a claimant may establish a benefit year
18 using the wages in the remaining calendar quarters from among the
19 first 4 of the last 5 completed calendar quarters, or if a bene-
20 fit year cannot be established using those quarters, then by
21 using wages from among the last 4 completed calendar quarters. A
22 benefit year shall not be established unless, after the beginning
23 of the immediately preceding benefit year during which the indi-
24 vidual received benefits, the individual worked and received
25 remuneration in an amount equal to at least 5 times the
26 individual's most recent state weekly benefit rate in effect
27 during the individual's immediately preceding benefit year. If a

1 quarterly wage report has not been submitted in a timely manner
2 by the employer as provided in section 13 for any of the quarters
3 of the base period, or IF wage information is not available for
4 use by the commission for the most recent completed calendar
5 quarter, the commission may obtain and use the claimant's state-
6 ment of wages paid during the calendar quarters for which the
7 wage reports are missing to establish a benefit year. A determi-
8 nation based on the claimant's statement of wages paid during any
9 of these calendar quarters shall be redetermined if the quarterly
10 wage report from the employer is later received and would result
11 in a change in the claimant's weekly benefit amount or duration,
12 or both, or if the quarterly wage report from the employer later
13 becomes available for use by the commission and would result in a
14 change in the claimant's benefit amount or duration, or both. If
15 the redetermination results from the employer's failure to submit
16 the quarterly wage report in a timely manner, the redetermination
17 shall be effective as to benefits payable for weeks beginning
18 after the receipt of information not previously submitted by the
19 employer.

20 (D) If an individual files ~~an application~~ A CLAIM for a
21 7-day period ~~as provided in~~ UNDER section 27(c), ~~the~~ HIS OR
22 HER benefit year ~~with respect to the individual shall begin~~
23 ~~with~~ BEGINS the calendar week ~~which contains~~ CONTAINING the
24 first day of that 7-day period.

25 (E) ~~(b)~~ If all ~~,~~ or ~~the then remaining~~ part ~~,~~ of a
26 claimant's ~~rights~~ RIGHT to benefits during his or her benefit
27 year ~~are~~ IS canceled under ~~the provisions of~~ section 62(b),

1 the ~~remaining portion of that~~ benefit year ~~shall be~~ IS
2 terminated ~~as of~~ ON the effective date of the cancellation.

3 (F) ~~(c)~~ An individual may request a redetermination of his
4 or her benefit rights and cancellation of a previously estab-
5 lished benefit year if he or she has not completed a compensable
6 period. ~~, in such case~~ UNDER CIRCUMSTANCES DESCRIBED IN THIS
7 SUBSECTION, the benefit year ~~shall begin with~~ BEGINS the first
8 day of the first week ~~with respect to~~ IN which the request for
9 redetermination of benefit rights is duly filed.

10 (G) ~~(d)~~ Notwithstanding subsection (a), for services per-
11 formed on or after January 2, 1983, and with respect to benefit
12 years established before the conversion date prescribed in
13 section 75, an individual shall not be entitled to establish a
14 benefit year based in whole or in part on credit weeks for serv-
15 ice in the employ of an employing unit, not otherwise excluded
16 under section 43(g), in which more than 50% of the proprietary
17 interest is owned by the individual or his or her son, daughter,
18 or spouse, or any combination of these individuals, or in which
19 more than 50% of the proprietary interest is owned by the mother
20 or father of a child under the age of 18, or mother and father
21 combined, unless both the individual and the employer notify the
22 commission, in response to the commission's request for informa-
23 tion, of the individual's relationship to the owners of the pro-
24 prietary interest in the employing unit. Upon timely notifica-
25 tion to the commission, a benefit year may be established for the
26 individual, if the individual meets all of the following
27 conditions: (1) has earned 20 credit weeks in the 52 consecutive

1 calendar weeks preceding the week with respect to which the
2 individual filed an application for benefits; (2) with respect to
3 the week for which the individual is filing an application for
4 benefits is unemployed, and meets all of the other requirements
5 of section 28; (3) with respect to the week for which the indi-
6 vidual is filing an application for benefits the individual is
7 not disqualified nor subject to disqualification, except in case
8 of a labor dispute under section 29(8), with respect to the most
9 recent period of employment with the most recent employer with
10 whom the individual earned a credit week. If an individual files
11 an application for a 7-day period as provided in section 27(c),
12 the benefit year with respect to the individual shall begin with
13 the calendar week which contains the first day of that 7-day
14 period. ~~However, for~~

15 (H) FOR benefit years established on or after July 1, 1983,
16 not more than 10 credit weeks based on ~~such~~ services shall be
17 used to pay benefits. For the purpose of calculating the
18 individual's average weekly wage, all base period wages and
19 credit weeks shall be used. With respect to benefit years begin-
20 ning after the conversion date prescribed in section 75, and not-
21 withstanding subsection (a), an individual shall not be entitled
22 to establish a benefit year based in whole or in part on wages
23 earned in service, not otherwise excluded under section 43(g), in
24 the employ of an employing unit in which more than 50% of the
25 proprietary interest is owned by the individual or his or her
26 son, daughter, spouse, or any combination of these individuals,
27 or in which more than 50% of the proprietary interest is owned by

1 the mother or father of a child under the age of 18, or mother
2 and father combined, unless both the individual and the employer
3 notify the commission, in response to the commission's request
4 for information, of the individual's relationship to the owners
5 of the proprietary interest in the employing unit. Upon timely
6 notification to the commission, a benefit year may be established
7 for the individual if the individual meets the requirements of
8 subsection (a). If wages in an individual's base period were
9 earned in service in the employ of such an employing unit, the
10 individual's weekly benefit rate shall be calculated in accord-
11 ance with section 27(b)(1) but the portion of the benefit rate
12 attributable to this service shall be payable for not more than 7
13 weeks. The weekly benefit payment shall be reduced thereafter by
14 the percentage of charge attributable to service with this
15 employer, in accordance with section 20.

16 Sec. 50. (a) "Week" means calendar week, ending at midnight
17 Saturday, but all work performed and wages earned during a work-
18 ing shift which starts before midnight Saturday shall be included
19 in the week in which that shift begins.

20 (b) With respect to benefit years established before the
21 conversion date prescribed in section 75, "credit week" means a
22 calendar week of an individual's base period during which the
23 individual earned wages equal to or greater than ~~20~~ 30 times
24 the state minimum hourly wage in effect on the first day of the
25 calendar week in which the individual filed an application for
26 benefits subject to the following:

1 (1) If an individual earns wages from more than 1 employer
2 in a credit week, that week shall be counted as 1 multiemployer
3 credit week and shall be governed by the provisions of section
4 20(e), unless the individual has earned sufficient wages in the
5 base period with only 1 of the employers for whom the individual
6 performed services in the week of concurrent employment to enti-
7 tle the individual to a maximum weekly benefit rate, in which
8 case, the week shall be a credit week with respect to that
9 employer only and not a multiemployer credit week.

10 (2) Not more than 35 uncanceled and uncharged credit weeks
11 shall be counted as credit weeks. In determining the 35 credit
12 weeks to be used for computing and paying benefits, credit weeks
13 shall be counted in the following sequence:

14 (a) First, all credit weeks which are not multiemployer
15 credit weeks and which were earned with employers not involved in
16 a disqualifying act or discharge under section 29(1), and all
17 credit weeks earned with an employer involved in such a disquali-
18 fying act or discharge which were earned subsequent to the last
19 act or discharge in which the employer was involved, shall be
20 counted in inverse order of most recent employment with each
21 employer.

22 (b) Second, if the credit weeks counted under subparagraph
23 (a) total less than 35, all credit weeks which are not multiem-
24 ployer credit weeks and which were earned with each employer
25 before a disqualifying act or discharge shall be counted, in
26 inverse order to that in which the most recent disqualifying act
27 or discharge with each employer occurred, to the extent necessary

1 to use all available credit weeks with respect to the employers,
2 or a total of 35 credit weeks, whichever is less.

3 (c) Third, if the credit weeks counted under subparagraphs
4 (a) and (b) total less than 35, all multiemployer credit weeks
5 shall be counted, in inverse chronological order of their occur-
6 rence, to the extent necessary to count all available credit
7 weeks, or a total of 35 credit weeks, whichever is less.

8 (3) As used in this subsection:

9 (a) "Uncharged credit week" means a credit week which has
10 not been used as a basis for a benefit payment, a reduction of
11 benefits under section 29(4), or a penalty disqualification under
12 section 62(b).

13 (b) "Uncanceled credit week" means a credit week which is
14 not canceled in accordance with section 62(b).

15 (4) There shall not be counted toward the wages required to
16 establish a credit week under this subsection payments in the
17 form of termination, separation, severance, or dismissal allow-
18 ances; or any payments for a vacation or a holiday unless the
19 payment has been made, or the right to receive it has irrevocably
20 vested, within 14 days following the vacation or holiday.

21 Section 2. Section 46a of Act No. 1 of the Public Acts of
22 the Extra Session of 1936, being section 421.46a of the Michigan
23 Compiled Laws, is repealed.