## **Legislative Analysis**



## USE OF PLAIN LANGUAGE BY THE UNEMPLOYMENT INSURANCE AGENCY

House Bill 4434 (proposed substitute H-1)

Sponsor: Rep. Lori M. Stone

Committee: Workforce, Trades, and Talent

Complete to 6-9-21

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Analysis available at http://www.legislature.mi.gov

## **SUMMARY:**

House Bill 4434 would amend the Michigan Employment Security Act to require that the Unemployment Insurance Agency (UIA)<sup>1</sup> use *plain language* in all of the following under the act, whether in a print, electronic, or other format:

- Correspondence and documents related to the taxes or reimbursing charges of employers and the benefits of individuals.
- References or citations to UIA-implemented policies or UIA-promulgated rules in documents or correspondence sent to or used by a claimant or employer.

*Plain language* would mean language that is clear and concise, that avoids complex vocabulary and contradictory statements, and that is based on a fourth-grade reading level.

Under the bill, the UIA would have to include all of the following in any determination or redetermination the UIA provides to a claimant or employer:

- A clear, concise, and factual reason for the determination or redetermination that includes facts specific to the party's claim.
- A summary of the party's right to appeal, including the length of time to file.
- A summary of the party's right to request a reconsideration within one year of the mailing date of the determination or redetermination.
- A summary list of all determinations and redeterminations related to the party's claim, including the outcome, date of issuance, and the deadline for an appeal or request for reconsideration.

The bill would require the UIA to consolidate all determinations or redeterminations related to an issue into one determination or redetermination, as applicable.

Generally, the UIA would have to provide both of the following in the notification it provides to an employer or claimant regarding a denial, modification, or ending of benefits:

• A clear and concise statement of the reason for that determination, including the facts and legal reason for the determination.

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<sup>&</sup>lt;sup>1</sup> Although the bill refers to the "unemployment agency," defined elsewhere in the act as the "bureau of worker's and unemployment compensation," that agency is currently known as the Unemployment Insurance Agency, after being most recently renamed by EO 2003-18 (<a href="https://www.michigan.gov/formergovernors/0,4584,7-212-96477">https://www.michigan.gov/formergovernors/0,4584,7-212-96477</a> 57648 21975-76905--,00.html) and most recently transferred to the Department of Labor and Economic Opportunity by EO 2019-13 (<a href="https://www.michigan.gov/whitmer/0,9309,7-387-90499\_90705-499273--,00.html">https://www.michigan.gov/whitmer/0,9309,7-387-90499\_90705-499273--,00.html</a>).

• If applicable, the appeal rights that the employer or claimant has regarding the determination.

MCL 421.2 and 421.32b and proposed MCL 421.32e

## **FISCAL IMPACT:**

The bill would have a minimal effect on the state to the extent that the UIA would have to redevelop rules that are determined not to conform to the plain language requirement.

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<sup>■</sup> This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.