

Legislative Analysis



UNEMPLOYMENT WORK SEARCH REQUIREMENTS

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House Bills 5179 (H-4) and 5180 as reported from committee

Sponsor: Rep. Greg VanWoerkom

Committee: Workforce, Trades, and Talent

Complete to 6-15-22

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

SUMMARY:

House Bill 5179 would amend the Michigan Employment Security Act to require individuals to register with the Michigan Works! agency within 14 days after applying for unemployment benefits and to take certain work search or training steps at least three times a week and report to the Michigan Works! agency weekly in order to be considered actively engaged in seeking work. It also would require the Unemployment Insurance Agency (UIA) to submit a quarterly report to the legislature detailing compliance with the bill's provisions.

2020 PA 83 amended the requirements for an individual to be considered actively engaged in seeking work from monthly reporting to reporting at least once every two weeks.¹ Under the bill, beginning September 1, 2022, to be considered actively engaged in seeking work, an individual would have to search for work by doing any of the following at least three times in each week the individual was claiming benefits (or, for the last option listed below, as often as required) and report to the Michigan Works! agency the details of the work search at least once a week:

- Applying for a job.
- Interviewing for a job.
- Enrolling or participating in a workforce development program.
- Enrolling or participating in a program that assists the individual in obtaining a high school diploma or high school equivalency certificate.
- Obtaining professional assistance to create or update the individual's resume.
- Registering for suitable work through the individual's union hiring hall and maintaining the registration in accordance with the hiring hall's procedures.

In each report submitted to the Michigan Works! agency, the individual would have to include all of the following:

- The name and contact information of the relevant employer.
- The date the individual submitted the job application.
- A copy of the application.
- The date of the job interview.
- If applicable, the contact information of a person providing professional assistance as described above and the date the assistance was provided.
- If applicable, verification of required participation from a program or hiring hall described above.

¹ <http://www.legislature.mi.gov/documents/2019-2020/billanalysis/House/pdf/2019-HLA-0812-8CD82DEB.pdf>

To be eligible for unemployment benefits, an individual would have to register for work with a Michigan Works! agency within 14 days after applying for benefits. In addition, an individual receiving benefits for 10 or more consecutive weeks would have to participate in reemployment services, such as job search assistance services.

The bill would require the UIA to notify eligible recipients of work search assistance entities, including Michigan Works! agencies.

The bill also would allow an employer to notify the UIA that a claimant refused suitable work with the employer or of a job opening with the employer. The UIA would have to forward any job openings received from employers to Michigan Works! agencies on a weekly basis.

Finally, the UIA would have to submit a quarterly report to the House and Senate that includes all of the following:

- The total number of claimants the UIA determined to have not complied with benefit eligibility requirements, including work search and reporting requirements proposed by the bill.
- The total amount of benefits paid to and the total amount of benefits recovered from claimants whom the UIA determined to have failed to comply with those requirements or who committed a violation punishable under the “catch-all” provision of the act.
- The total number of claimants that the UIA determined were ineligible for benefits because of failure to comply with those requirements.
- The average duration of regular and extended benefits drawn by claimants.
- The total number of employers that notified the UIA of a job opening.
- The number of claimants that enrolled in a workforce development program.

MCL 421.28 and 421.29

House Bill 5180 would amend the Michigan Works One-Stop Service Center System Act to provide that, in addition to the activities local workforce development boards now are required to perform in cooperation with the chief elected officials in the area, the boards must ensure that every individual registered to work with the Michigan Works! agency is notified of all job openings the agency receives from the UIA under HB 5179.

The bill would not take effect unless HB 5179 were also enacted.

MCL 408.123

FISCAL IMPACT:

House Bills 5179 and 5180 could result in minor cost increases for the Unemployment Insurance Agency, housed within the Department of Labor and Economic Opportunity. Minor administrative costs may be incurred under the bills, but the costs would likely not be significant.

POSITIONS:

A representative of the Michigan Laborers Union testified in support of the bills. (6-9-22)

The following entities indicated support for the bills:

- Michigan Manufacturers (12-2-21)
- Michigan Chamber of Commerce (12-2-21)
- Americans for Prosperity (6-9-22)

A representative of the Unemployment Insurance Agency testified in opposition to the bills. (6-9-22)

The following entities indicated opposition to the bills:

- Michigan Association for Justice (6-9-22)
- IBEW Michigan State Conference (6-9-22)
- Michigan Regional Council of Carpenters (6-9-22)
- Michigan Poverty Law Program (6-9-22)
- Michigan League for Public Policy (12-2-21)

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■ 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.