

HOUSE BILL NO. 4434

March 04, 2021, Introduced by Reps. Stone, Sowerby, Scott, Clemente, Garza, Shannon, Tyrone Carter, O'Neal, Hope, Hood, Koleszar, Cavanagh, Ellison, Sabo, Steenland, Thanedar, Manoogian, Tate, Liberati, Steckloff, Cherry, Weiss, Puri, Kuppa, Brabec, Breen, Young, Camilleri, Brixie, Coleman, Bolden, Sneller, Brenda Carter, Aiyash, Yaroch, Pohutsky, Lasinski, Rabhi, Howell, Whitsett, Jones and Yancey and referred to the Committee on Workforce, Trades, and Talent.

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) The legislature acting in the exercise of the
2 police power of ~~the~~**this** state declares that the public policy of
3 ~~the~~**this** state is as follows: Economic insecurity due to

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

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

19 **(a) Correspondence and documents related to the taxes of**
20 **employers and the benefits of individuals.**

21 **(b) Policies the unemployment agency implements.**

22 **(c) Rules the unemployment agency promulgates.**

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

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

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

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

22 **(b) Avoids complex vocabulary.**

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

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

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

1 statement confirming receipt of the protest or appeal from that
2 employer or employing unit on the internet site required under
3 subsection (1).

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

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

14 (a) **A clear, concise, and factual reason for the determination**
15 **or redetermination.**

16 (b) **A statement of the appeal rights of the claimant or**
17 **employer.**

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

22 (a) **A clear and concise statement of the reason for the**
23 **denial, modification, or cessation. The statement must include both**
24 **of the following:**

25 (i) **The facts that support the denial, modification, or**
26 **cessation.**

27 (ii) **The legal reason for the denial, modification, or**
28 **cessation.**

29 (b) **If applicable, the appeal rights that the employer or**

1 claimant has with respect to the denial, modification, or
2 cessation.