

Act No. 3
Public Acts of 1991
Approved by the Governor
March 22, 1991
Filed with the Secretary of State
March 22, 1991

**STATE OF MICHIGAN
86TH LEGISLATURE
REGULAR SESSION OF 1991**

Introduced by Senators Geake, Honigman, Dillingham, Cherry and Hart

ENROLLED SENATE BILL No. 33

AN ACT to amend section 62 of Act No. 1 of the Public Acts of the Extra Session of 1936, entitled as amended "An act to protect the welfare of the people of this state through the establishment of an unemployment compensation fund, and to provide for the disbursement thereof; to create certain other funds; to create the Michigan employment security commission, and to prescribe its powers and duties; to provide for the protection of the people of this state from the hazards of unemployment; to levy and provide for contributions from employers; to provide for the collection of such contributions; to enter into reciprocal agreements and to cooperate with agencies of the United States and of other states charged with the administration of any unemployment insurance law; to furnish certain information to certain governmental agencies for use in administering public benefit and child support programs and investigating and prosecuting fraud; to provide for the payment of benefits; to provide for appeals from redeterminations, decisions and notices of assessments; and for referees and a board of review to hear and decide the issues arising from redeterminations, decisions and notices of assessment; to provide for the cooperation of this state and compliance with the provisions of the social security act and the Wagner-Peyser act passed by the Congress of the United States of America; to provide for the establishment and maintenance of free public employment offices; to provide for the transfer of funds; to make appropriations for carrying out the provisions of this act; to prescribe penalties for the violation of the provisions of this act; and to repeal all acts and parts of acts inconsistent with the provisions of this act," as amended by Act No. 164 of the Public Acts of 1983, being section 421.62 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Section 62 of Act No. 1 of the Public Acts of the Extra Session of 1936, as amended by Act No. 164 of the Public Acts of 1983, being section 421.62 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 62. (a) If the commission determines that a person has obtained benefits to which the person is not entitled, the commission may recover a sum equal to the amount so received by 1 or both of the following methods: (1) deduction from benefits that may be or may become payable to the individual, or (2) payment by the individual to the commission in cash. Deduction from benefits that may be or may become payable to the individual shall be limited to not more than 20% of each weekly benefit check otherwise due the claimant. The commission shall not recover improperly paid benefits from an individual more than 3 years, or 6 years in the case of a violation of section 54(a) or (b) or sections 54a to 54c, after the date of receipt of the improperly paid benefits unless: (1) a civil action is filed in a court by the commission within the 3-year or 6-year period, (2) the individual has made an intentional false statement, misrepresentation, or concealment of material information to obtain the benefits, or (3) a determination requiring restitution has been issued by the commission within the 3-year or 6-year period. Furthermore, except in a case of an intentional false statement, misrepresentation, or concealment of material information, the commission may waive recovery of an improperly paid benefit if the payment was not the fault of the individual and if repayment would be contrary to equity and good conscience.

(b) If the commission determines that a person has intentionally made a false statement or misrepresentation or has concealed material information to obtain benefits, whether or not the person obtains benefits by or because of the intentional false statement, misrepresentation, or concealment of material information the person shall, in addition to any other applicable penalties, have all of his or her uncharged credit weeks with respect to the benefit year in which the act occurred canceled as of the date the commission receives notice of, or initiates investigation of, possible false statement, or misrepresentation or concealment of material information, whichever date is earlier. Before receiving benefits in a benefit year established within 2 years after cancellation of uncharged credit weeks under this subsection, the individual, in addition to making the restitution of benefits established pursuant to subsection (a), may be liable to the commission, by cash or deduction from benefits, for an additional amount as otherwise determined by the commission pursuant to this act. Restitution resulting from the intentional false statement, misrepresentation, or concealment of material information shall not be subject to the 20% limitation provided in subsection (a).

(c) Any determination made by the commission under this section shall be final unless an application for a redetermination is filed with the commission in accordance with section 32a.

(d) The commission shall take the action which is necessary to recover all benefits improperly obtained or paid under this act, and to enforce all forfeitures under subsection (b).

Section 2. This amendatory act shall take effect April 1, 1992.

Section 3. This amendatory act shall not take effect unless all of the following bills of the 86th Legislature are enacted into law:

- (a) Senate Bill No. 34.
- (b) Senate Bill No. 35.
- (c) House Bill No. 4269.
- (d) House Bill No. 4270.
- (e) House Bill No. 4271.
- (f) House Bill No. 4272.

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Secretary of the Senate.

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Clerk of the House of Representatives.

Approved.....

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Governor.