

SENATE BILL No. 35

February 5, 1991, Introduced by Senators CHERRY,
HONIGMAN, DILLINGHAM, GEAKE and HART and referred
to the Committee on Labor.

A bill to amend Act No. 1 of the Public Acts of the Extra
Session of 1936, entitled as amended
"Michigan employment security act,"
as amended, being sections 421.1 to 421.73 of the Michigan
Compiled Laws, by adding section 54a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 1 of the Public Acts of the Extra
2 Session of 1936, as amended, being sections 421.1 to 421.73 of
3 the Michigan Compiled Laws, is amended by adding section 54a to
4 read as follows:

5 SEC. 54A. (1) ANY EMPLOYING UNIT OR AN OFFICER OR AGENT OF
6 AN EMPLOYING UNIT, AN EMPLOYEE OF THE COMMISSION, OR A THIRD
7 PARTY SHALL NOT REQUIRE AN INDIVIDUAL, AS A CONDITION OF
8 EMPLOYMENT, TO MAKE A FALSE STATEMENT OR REPRESENTATION KNOWING
9 IT TO BE FALSE TO OBTAIN OR INCREASE A BENEFIT OR OTHER PAYMENT

1 UNDER THIS ACT OR TO AVOID OR REDUCE A CONTRIBUTION OR OTHER
2 PAYMENT REQUIRED FROM AN EMPLOYING UNIT UNDER THIS ACT.

3 (2) IF THE COMMISSION DETERMINES THAT AN EMPLOYING UNIT OR
4 AN OFFICER OR AGENT OF AN EMPLOYING UNIT, AN EMPLOYEE OF THE COM-
5 MISSION, OR A THIRD PARTY HAS VIOLATED THIS SECTION, THE COMMIS-
6 SION MAY RECOVER AN AMOUNT EQUAL TO THE AMOUNT OF BENEFITS OR
7 INCREASE IN BENEFITS RECEIVED BASED ON THE VIOLATION OF THIS SUB-
8 SECTION PLUS AN AMOUNT EQUAL TO 3 TIMES THAT AMOUNT BUT NOT LESS
9 THAN \$5,000.00.

10 (3) THE COMMISSION MAY REFER THE MATTER TO THE PROSECUTING
11 ATTORNEY OF THE COUNTY IN WHICH THE ALLEGED VIOLATION OCCURRED
12 FOR PROSECUTION. IF THE COMMISSION HAS NOT MADE ITS OWN DETERMI-
13 NATION UNDER SUBSECTION (2), THE PENALTY SOUGHT BY THE PROSECUTOR
14 SHALL INCLUDE THE AMOUNT DESCRIBED IN SUBSECTION (2) AND SHALL
15 ALSO INCLUDE A PENALTY OF IMPRISONMENT FOR NOT MORE THAN 10 YEARS
16 OR IN THE ALTERNATIVE THE PERFORMANCE OF COMMUNITY SERVICE OF NOT
17 MORE THAN 10 YEARS BUT NOT TO EXCEED 20,800 HOURS, OR A FINE OF
18 NOT LESS THAN \$5,000.00, OR BOTH.

19 (4) THIS SECTION APPLIES TO CONDUCT THAT BEGAN BEFORE THE
20 EFFECTIVE DATE OF THIS SECTION BUT THAT CONTINUED ON OR AFTER THE
21 EFFECTIVE DATE OF THIS SECTION AND TO CONDUCT THAT BEGAN ON OR
22 AFTER THE EFFECTIVE DATE OF THIS SECTION.

23 (5) AMOUNTS RECOVERED BY THE COMMISSION PURSUANT TO THIS
24 SECTION SHALL BE CREDITED TO THE PENALTY AND INTEREST ACCOUNT OF
25 THE CONTINGENT FUND. NOT LESS THAN ANNUALLY THE COMMISSION SHALL
26 TRANSFER TO THE UNEMPLOYMENT TRUST FUND AMOUNTS RECOVERED UNDER
27 THIS SECTION TO THE EXTENT THAT THE UNEMPLOYMENT TRUST FUND HAS

1 NOT PREVIOUSLY BEEN CREDITED FOR THE AMOUNT OBTAINED AS A RESULT
2 OF THE COERCION.

3 (6) THIS SECTION SHALL TAKE EFFECT APRIL 1, 1992.

4 Section 2. This amendatory act shall not take effect unless
5 all of the following bills of the 86th Legislature are enacted
6 into law:

7 (a) Senate Bill No. 34.

8

9 (b) Senate Bill No. 33.

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11 (c) Senate Bill No. _____ or House Bill No. _____ (request
12 no. 01514'91).

13 (d) Senate Bill No. _____ or House Bill No. _____ (request
14 no. 01515'91).

15 (e) Senate Bill No. _____ or House Bill No. _____ (request
16 no. 01516'91).

17 (f) Senate Bill No. _____ or House Bill No. _____ (request
18 no. 01517'91).