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STATE OF MICHIGAN
87TH LEGISLATURE
REGULAR SESSION OF 1994

Introduced by Senators Geake Cherry Gougeon McManus and Hart

ENROLLED SENATE BILL No. 1140

AN ACT to amend sections 13f 13g 13k 17 19 20 27 28 28a 29 32 44 45 46 50 51 54 and 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 remedies and 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 sections 17 and 50 as amended by Act No 535 of the Public Acts of 1982 sections 19 and 27 as amended by Act No 311 of the Public Acts of 1993 sections 20 28a 29 32 and 46 as amended by Act No 164 of the Public Acts of 1983 section 28 as amended by Act No 227 of the Public Acts of 1989 section 44 as amended by Act No 223 of the Public Acts of 1985 section 54 as amended by Act No 280 of the Public Acts of 1993 and section 62 as amended by Act No 3 of the Public Acts of 1991 being sections 421 13f 421 13g 421 13k 421 17 421 19 421 20 421 27 421 28 421 28a 421 29 421 32 421 44 421 45 421 46 421 50 421 51 421 54 and 421 62 of the Michigan Compiled Laws and to add sections 6 and 75

The People of the State of Michigan enact

Section 1 Sections 13f 13g 13k 17 19 20 27 28 28a 29 32 44 45 46 50 51 54 and 62 of Act No 1 of the Public Acts of the Extra Session of 1936 sections 17 and 50 as amended by Act No 535 of the Public Acts of 1982 sections 19 and 27 as amended by Act Nc 311 of the Public Acts of 1993 sections 20 28a 29 32 and 46 as amended by Act No 164 of the Public Acts of 1983 section 28 as amended by Act No 227 of the Public Acts of 1989 section 44 as amended by Act No 223 of the Public Act of 1985 section 54 as amended by Act No 280 of the Public Acts of 1993 and section 62 as amended by Act No 3 of the Public Acts of 1991 being sections 421 13f 421 13g 421 13k 421 17 421 19 421 20 421 27 421 28 421 28a 421 29 421 32 421 44 421 45 421 46 421 50 421 51 421 54 and 421 62 of the Michigan Compiled Laws are amended and sections 6 and 75 are added to read as follows

Sec 6 (1) The director of the commission shall appoint individuals to serve on ad hoc committees to oversee the implementation of an educational plan to assist the public in understanding the conversion to the wage record system and to assist in the development of forms to be used after conversion to the wage record system

(2) None of the administrative costs associated with amendments made by the 1994 amendatory act that added this section relating to conversion to a wage record system shall be financed by any state tax on employers This subsection shall not prohibit the legislature from appropriating money deposited from penalties interest and damages in the contingent fund pursuant to section 10(6) for any administrative costs of conversion to a wage record system that are unsupported by federal grants

Sec 13f (1) For benefit years established before the conversion date prescribed in section 75 the benefits paid on the basis of credit weeks earned with a nonprofit organization while it was a reimbursing employer shall be reimbursed by the nonprofit organization pursuant to section 13c(1) and the benefits paid on the basis of credit weeks earned with that nonprofit organization while it was a contributing employer shall be charged to the experience account of the nonprofit organization pursuant to section 20

(2) For benefit years established after the conversion date prescribed in section 75 the benefits paid on the basis of base period wages paid by a nonprofit organization while it was a reimbursing employer shall be reimbursed by the nonprofit organization pursuant to section 13c(1) and the benefits paid on the basis of base period wages paid by that nonprofit organization while it was a contributing employer shall be charged to the experience account of the nonprofit organization pursuant to section 20 Benefits paid to an individual and chargeable to the nonprofit organization on the basis that the nonprofit organization was the separating employer in the claim shall be charged to the experience account of the nonprofit organization if it was a contributing employer at the time of the separation or shall be reimbursed by the nonprofit organization if it was a reimbursing employer at the time of the separation

Sec 13g (1) The state as a reimbursing employer is liable for reimbursement payments in lieu of contributions and shall pay to the commission an amount equal to the full amount of regular benefits plus the amount of extended benefits and training benefits paid during any calendar quarter that is attributable to service in the employ of the state and which is not reimbursable by the federal government The amount which is required to be paid into the fund shall be ascertained by the commission as soon as practicable after the end of each calendar quarter Payments by the state shall be made at the times and manner as the commission prescribes

(2) The commission shall maintain a separate account in the fund for each department commission or other budgetary unit of the state Reimbursement payments made by the state to the unemployment fund under this section shall be charged to funds available for the payment of wages and salaries in each department commission or other budgetary unit according to the amount of benefits charged to each budgetary unit

(3) The state shall continue to be liable for reimbursement payments in lieu of contributions until it terminates its status as a reimbursing employer and elects to become a contributing employer The election shall be by concurrent resolution of the legislature adopted before the beginning of a calendar year for which the election is to be effective

(4) If the state elects to be a contributing employer it may subsequently elect by concurrent resolution of the legislature to become a reimbursing employer The concurrent resolution shall be adopted before the beginning of a calendar year for which the election is to be effective The election to be a reimbursing employer may not be terminated for the calendar year with respect to which the election is made and the following calendar year

(5) For benefit years established before the conversion date prescribed in section 75 benefits paid on the basis of credit weeks earned with the state while it was a reimbursing employer shall be reimbursed by the state and benefits paid on the basis of credit weeks earned with the state while it was a contributing employer shall be charged to the experience account of the state pursuant to section 20 For benefit years established after the conversion date prescribed in section 75 benefits paid on the basis of base period wages paid by the state while it was a reimbursing employer shall be reimbursed by the state and benefits paid on the basis of base period wages paid by the state while it was a contributing employer shall be charged to the experience account of the state pursuant to section 20 Benefits paid to an individual and chargeable to the state on the basis that it the state was the separating employer in the claim for benefits shall be charged to the experience account of the state if it was a contributing employer at the time of the separation or shall be reimbursed by the state if it was a reimbursing employer at the time of the separation

(6) Past due reimbursement payments in lieu of contributions shall be subject to the interest penalty assessment and collection provisions provided in section 15

Sec 13k (1) Except as provided in section 13g a governmental entity which is liable for reimbursement payments in lieu of contributions shall pay to the commission an amount equal to the full amount of regular benefits plus the amount of extended benefits and training benefits paid during a calendar quarter that are attributable to service in the employ of the organization and which are not reimbursable by the federal government

(2) The amount required to be paid by a governmental entity shall be ascertained by the commission as soon as practicable after the end of each calendar quarter and a statement of charges shall be mailed to each entity A governmental entity shall reimburse the fund within 30 days after the start of the next fiscal year of the governmental entity following the calendar year for which the governmental entity is to be charged

(3) Past due reimbursement payments in lieu of contributions shall be subject to the interest penalty assessment and collection provisions provided in section 15

(4) A school district or community college district which is liable for contributions for a calendar year shall pay the contributions within 30 days after the start of its next fiscal year after that calendar year

(5) A governmental entity other than the state or a school district or community college district which is liable for contributions shall pay the contributions due as required by section 13

(6) If a governmental entity other than the state is delinquent for 2 consecutive calendar years in making reimbursement payments in lieu of contributions the commission may terminate the employer s election to make reimbursement payments in lieu of contributions as of the beginning of the next calendar year which termination shall be effective for that and the next calendar year

(7) For benefit years established before the conversion date prescribed in section 75 benefits paid on the basis of credit weeks earned with a governmental entity while it was a reimbursing employer shall be reimbursed by the employer pursuant to subsections (1) (2) and (3) and the benefits paid on the basis of credit weeks earned with a governmental entity while it was a contributing employer shall be charged to the experience account of the employer pursuant to section 20 For benefit years established after the conversion date prescribed in section 75 benefits paid on the basis of base period wages paid by a governmental entity while it was a reimbursing employer shall be reimbursed by the employer pursuant to subsections (1) (2) and (3) and benefits paid on the basis of base period wages paid by a governmental entity while it was a contributing employer shall be charged to the experience account of the employer pursuant to section 20 Benefits paid to an individual and chargeable to the governmental entity on the basis that the governmental entity was the separating employer in the claim shall be charged to the experience account of the governmental entity if it was a contributing employer at the time of the separation or shall be reimbursed by the governmental entity if it was a reimbursing employer at the time of the separation

Sec 17 (1) The commission shall maintain in the fund a nonchargeable benefits account and a separate experience account for each employer as provided in this section As used in this act experience account means an account in the fund showing an employer s experience with respect to contribution payments and benefit charges under this act determined and recorded in the manner provided in this act Nonchargeable benefits account means the account in the fund maintained as provided in subsections (2) and (3) A reference in this act to the solvency account shall be construed to refer to the nonchargeable benefits account and a reference in this act to an employer s experience record or rating account shall be construed to include reference to the employer s experience account But this act shall not be construed to grant an employer or individuals in the employer s service prior claims or rights to the amount paid by the employer to the unemployment compensation fund All contributions to that fund shall be pooled and available to pay benefits to any individual entitled to the benefits under this act irrespective of the source of the contributions

(2) The nonchargeable benefits account shall be credited with the following

(a) All net earnings received on money property or securities in the fund

(b) Any positive balance remaining in the employer s experience account as of the second June 30 computation date occurring after the employer has ceased to be subject to this act or after the employer has elected to change from a contributing employer to a reimbursing employer

(c) The proceeds of the nonchargeable benefits component of employers contribution rates determined as provided in section 19(a)(5)

(d) All reimbursements received under section 11(c)

(e) All amounts which may be paid or advanced by the federal government under section 903 or section 1201 of the social security act 42 U S C 1103 and 1321 to the account of the state in the federal unemployment trust fund

(f) All benefits improperly paid to claimants which have been recovered and which were previously charged to an employer s account

(g) Any benefits forfeited by an individual by application of section 62(b)

(h) The amount of any benefit check any employer refund check or any claimant restitution refund check duly issued which has not been presented for payment within 1 year after the date of issue

(i) Any other unemployment fund income not creditable to the experience account of any employer

(j) Any negative balance transferred to an employer s new experience account pursuant to this section

(k) Amounts transferred from the contingent fund pursuant to section 10

(3) The nonchargeable benefits account shall be charged with the following

(a) Any negative balance remaining in an employer s experience account as of the second June 30 computation date occurring after the employer has ceased to be subject to this act or has elected to change from a contributing employer to a reimbursing employer

(b) Refunds of amounts erroneously collected due to the nonchargeable benefits component of an employer s contribution rate

(c) All training benefits paid under section 27(g) not reimbursable by the federal government and based on service with a contributing employer

(d) Any positive balance credited or transferred to an employei s new experience account pursuant to this subsection

(e) Repayments to the federal government of amounts advanced by it under section 1201 of the social security act 42 U S C 1321 to the unemployment compensation fund established by this act

(f) The amounts received by the fund under section 903 of the social security act 42 U S C 1103 that may be appropriated to the commission in accordance with subsection (9)

(g) All benefits determined to have been improperly paid to claimants which have been credited to employers accounts in accordance with section 20(a)

(h) The amount of any substitute check issued to replace an uncashed benefit check employer refund check or claimant restitution refund check previously credited to this account

(i) The amount of any benefit check issued which would be chargeable to the experience account of an employer who has ceased to be subject to this act and who has had a balance transferred from the employer s experience account to the solvency or nonchargeable benefits account

(j) All benefits which become nonchargeable to an employer under section 29(3) or section 19(b) or (c)

(k) For benefit years beginning before the conversion date prescribed in section 75 with benefits allocated under section 20(d)(2) for a week of unemployment in which a claimant earns remuneration with a contributing employer which equals or exceeds the amount of benefits allocated to that contributing employer and for benefit years beginning after the conversion date prescribed in section 75 with benefits allocated under section 20(d)(3) for a week of unemployment in which a claimant earns remuneration with a contributing employer which equals or exceeds the amount of benefits allocated to that contributing employer

(*l*) Benefits that are nonchargeable to an employer s account in accordance with section 20(i)

(4) The commission shall include in each of its annual reports a statement of the condition of the nonchargeable benefits account its classified transactions and its contingent liabilities as specified in section 18(c) The statement shall also show as of the most recent June 30 the number of the employei experience accounts showing negative balances and the amount of those balances classified by the industry by the annual total and annual taxable payroll by amount of negative balance and by the duration of coverage under this act of the employers involved

(5) All contributions paid by an employer shall be credited to the unemployment compensation fund and except as otherwise provided with respect to the proceeds of the nonchargeable benefits component of employers contribution rates by section 19(a)(5) to the employer s experience account as of the date when paid However those contributions paid during any July shall be credited as of the immediately preceding June 30 Additional contributions paid by an employer as the result of a retroactive contribution rate adjustment solely for the purpose of this subsection shall be credited to the employer s experience account as if paid when due if the payment is received within 30 days after the issuance of the initial assessment which results from the contribution rate adjustment and a written request for the application is filed by the employer during this period

(6) If an employer who has ceased to be subject to this act and who has had a positive balance transferred as provided in subsection (2) from the employer s experience account to the solvency or nonchargeable benefits account as of the second computation date after the employer has ceased to be subject to this act shall thereafter again become subject to this act within 6 years after that computation date the employer may apply within 60 days after the commission s determination that the employer is again subject to this act to the commission to have the positive balance adjusted by the debits and credits as have been made subsequent to the date of transfer credited to the employer s new experience account If the application is timely the commission shall credit the positive balance to the employer s new experience account

(7) If an employer s status as a reimbursing employer is terminated within 6 years after the date the employer s experience account as a prior contributing employer was transferred to the solvency or nonchargeable benefits account as provided in subsection (2) or (3) and the employer continues to be subject to this act as a contributing employer any positive or negative balance in the employer s experience account as a prior contributing employer which was transferred to the solvency or nonchargeable benefits account shall be transferred to the employer s new experience

account However an employer who is delinquent with respect to any reimbursement payments in lieu of contributions for which the employer may be liable shall not have a positive balance transferred during the delinquency

(8) If a balance is transferred to an employer s new account under subsection (6) or (7) the employer shall not be considered a qualified employer until the employer has again been subject to this act for the period set forth in section 19(a)(1)

(9) All money credited under section 903 of the social security act 42 U S C 1103 to the account of the state in the federal unemployment trust fund shall immediately be credited by the commission to the fund s nonchargeable benefits account There is authorized to be appropriated to the commission from the money credited to the nonchargeable benefits account under this subsection sums found necessary for the proper and efficient administration by the commission of this act for purposes for which federal grants under Title 3 of the social security act 42 U S C 501 to 504 and the Wagner Peyser national employment system act 29 U S C 49 to 49k are not available or are insufficient The appropriation shall expire not more than 2 years after the date of enactment and shall provide that any unexpended balance shall then be credited to the nonchargeable benefits account An appropriation shall not be made under this subsection for an amount which exceeds the adjusted balance of the nonchargeable benefits account on the most recent computation date Appropriations made under this subsection shall limit the total amount which may be obligated by the commission during a fiscal year to an amount which does not exceed the amount by which the aggregate of the amounts credited to the nonchargeable benefits account under this subsection during the fiscal year and the 24 preceding fiscal years exceeds the aggregate of the amounts obligated by the commission pursuant to appropriation under this subsection and charged against the amounts thus credited to the nonchargeable benefits account during any of the 25 fiscal years and any amounts credited to the nonchargeable benefits account which have been used for the payment of benefits

Sec 19 (a) The commission shall determine the contribution rate of each contributing employer for each calendar year after 1977 as follows

(1) (*i*) Except as provided in paragraph (*ii*) an employer s rate shall be calculated as described in table A with respect to wages paid by the employer in each calendar year for employment If an employer s coverage is terminated under section 24 or at the conclusion of 8 or more consecutive calendar quarters during which the employer has not had workers in covered employment and if the employer becomes liable for contributions the employer shall be considered as newly liable for contributions for the purposes of table A or table B of this subsection

(*ii*) To provide against the high risk of net loss to the fund in such cases an employing unit which becomes newly liable for contributions under this act in a calendar year beginning on or after January 1 1983 in which it employs in employment not necessarily simultaneously but in any 1 week 2 or more individuals in the performance of 1 or more contracts or subcontracts for construction in the state of roads bridges highways sewers water mains utilities public buildings factories housing developments or similar construction projects shall be liable for contributions to that employer s account under this act for the first 4 years of operations in this state at a rate equal to the average rate paid by employers engaged in the construction business as determined by contractor type in the annual report published by the commission in the manner provided in table B

(*iii*) For the calendar years 1983 and 1984 the contribution rate of a construction employer shall not exceed its 1982 contribution rate with respect to wages paid by that employer related to the execution of a fixed price construction contract which was entered into prior to January 1 1983 Furthermore such contribution rate shall be reduced by the solvency tax rate assessed against the employer under section 19a for the year in which such solvency tax rate is applicable Furthermore notwithstanding section 44 the taxable wage limit for calendar years 1983 and 1984 with respect to wages paid under such fixed price contract shall be the maximum amount of remuneration paid within a calendar year by an employer subject to the federal unemployment tax act 26 U S C 3301 to 3311 to an individual with respect to employment as defined in that act which is subject to tax under that act during that year

Table A

Year of Contribution Liability	Contribution Rate
1	2 7%
2	2 7%
3	1/3 (chargeable benefits component) + 1 8%
4	2/3 (chargeable benefits component) + 1 0%
5 and over	(chargeable benefits component) + (account building component) + (nonchargeable benefits component)

Table B

Year of Contribution Liability	Contribution Rate
1	average construction contractor rate as determined by the commission
2	average construction contractor rate as determined by the commission
3	1/3 (chargeable benefits component) + 2/3 average construction contractor rate as determined by the commission
4	2/3 (chargeable benefits component) + 1/3 average construction contractor rate as determined by the commission
5 and over	(chargeable benefits component) + (account building component) + (nonchargeable benefits component)

(2) With the exception of employers who are in the first 4 consecutive years of liability each employer s contribution rate for each calendar year after 1977 shall be the sum of the following components all of which are determined as of the computation date a chargeable benefits component determined under subdivision (3) an account building component determined under subdivision (4) and a nonchargeable benefits component determined under subdivision (5) Each employer s contribution rate for calendar years before 1978 shall be determined by the provisions of this act in effect during the years in question

(3) (*i*) The chargeable benefits component of an employer s contribution rate is the percentage determined by dividing the total amount of benefits charged to the employer s experience account within the lesser of 60 consecutive months ending on the computation date or the number of consecutive months ending on the computation date with respect to which the employer has been continuously liable for contributions by the amount of wages subject to contributions paid by the employer within the same period If the resulting quotient is not an exact multiple of 1/10 of 1% it shall be increased to the next higher multiple of 1/10 of 1%

(*ii*) For benefit years established before the conversion date prescribed in section 75 the chargeable benefits component shall not exceed 6 0% unless there is a statutory change in the maximum duration of regular benefit payments or the statutory ratio of regular benefit payments to credit weeks In the event of a change in the maximum duration of regular benefit payments the maximum chargeable benefits component shall increase by the same percentage as the statutory percentage change in the duration of regular benefit payments between computation dates In the event of an increase in the statutory ratio of regular benefit payments to credit weeks as described in section 27(d) the maximum chargeable benefits component determined as of the computation dates occurring after the effective date of the increased ratio shall increase by 1/2 the same percentage as the increase in the ratio of regular benefit payments to credit weeks If the resulting increase is not already an exact multiple of 1/10 of 1% it shall be adjusted to the next higher multiple of 1/10 of 1% For benefit years established after the conversion date prescribed in section 75 the chargeable benefits component shall not exceed 6 0% unless there is a statutory change in the max mum duration of regular benefit payments or the percentage factor of base period wages which defines maximum duration as provided in section 27(d) If there is a statutory change in the maximum duration of regular benefit payments the maximum chargeable benefits component shall increase by the same percentage as the statutory percentage change in the duration of regular benefit payments between computation dates If there is an increase in the statutory percentage factor of base period wages as described in section 27(d) the maximum chargeable benefits component determined as of the computation dates occurring after the effective date of the increased ratio shall increase by 1/2 the same percentage as the increase in the percentage factor of base period wages If the resulting increase is not already an exact multiple of 1/10 of 1% it shall be adjusted to the next higher multiple of 1/10 of 1%

(4) The account building component of an employer s contribution rate is the percentage arrived at by the following calculations (*i*) Multiply the amount of the employer s total payroll as defined in section 18(f) for the 12 months ending on the computation date by the cost criterion selected for the computation date under section 18(e) (*ii*) Subtract the amount of the balance in the employer s experience account as of the computation date from the product determined under (*i*) and (*ii*) if the remainder is zero or a negative quantity the account building component of the employer s contribution rate shall be zero but (*iv*) if the remainder is a positive quantity the account building component of the employer s contribution rate shall be determined by dividing that remainder by the employer s total payroll as defined in section 18(f) paid within the 12 months ending on the computation date The account building component shall not exceed the lesser of 1/4 of the percentage thus calculated or 2% However except as otherwise provided in this subdivision for calendar years after 1982 the account building component shall not exceed the lesser of 1/2 of the percentage thus calculated or 3% if on the June 30 of the preceding calendar year the balance in the unemployment compensation fund was less than 50% of an amount equal to the aggregate of all contributing employers annual payrolls

for the 12 months ending March 31 as defined in section 18(f) times the cost criterion selected for the computation date under section 18(e) For calendar years after 1993 and before 1999 the account building component shall not exceed the lesser of 6% of the percentage thus calculated or 3% if on the June 30 of the preceding calendar year the balance in the unemployment compensation fund was less than 50% of an amount equal to the aggregate of all contributing employers annual payrolls for the 12 months ending March 31 as defined in section 18(f) times the cost criterion selected for the computation date under section 18(e) The account building component thus determined if not an exact multiple of 1/10 of 1% shall be adjusted to the next higher multiple of 1/10 of 1%

(5) The nonchargeable benefits component of employers contribution rates is the percentage arrived at by the following calculations (*i*) multiply the aggregate amount of all contributing employers annual payrolls for the 12 months ending March 31 as defined in section 18(f) by the cost criterion selected for the computation date under section 18(e) (*ii*) subtract the balance of the unemployment fund on the computation date net of federal advances from the product determined under (*i*) and (*iii*) if the remainder is zero or a negative quantity the nonchargeable benefits component of employers contribution rates shall be zero but (*iv*) if the remainder is a positive quantity the nonchargeable benefits component of employers contribution rates shall be determined by dividing that remainder by the total of wages subject to contributions under this act paid by all contributing employers within the 12 months ending on March 31 and adjusting the quotient if not an exact multiple of 1/10 of 1% to the next higher multiple of 1/10 of 1% The maximum nonchargeable benefits component shall be 1% However for calendar years after 1993 and before 1999 if there are no benefit charges against an employer s account for the 60 months ending as of the computation date and if the program provided for in section 5a is funded and operates for that fiscal year the maximum nonchargeable benefit component shall not exceed 1/2 of 1% An employer with a positive balance in its experience account on the June 30 computation date preceding the calendar year shall receive for that calendar year a credit in an amount equal to 1/2 of the extra federal unemployment tax paid in the preceding calendar year under section 3302(c)(2) of the federal unemployment tax act 26 U S C 3302(c)(2) because of an outstanding balance of unrepaid advances from the federal government to the unemployment compensation fund under section 1201 of the social security act 42 U S C 1321 However the credit for any calendar year shall not exceed an amount determined by multiplying the employer s nonchargeable benefit component for that calendar year times the employer s taxable payroll for that year Contributions paid by an employer shall be credited to the employer s experience account in accordance with the provisions of section 17(5) without regard to any credit given under this subsection The amount credited to an employer s experience account shall be the amount of the employer s tax before deduction of the credit provided in this subsection

(6) The total of the chargeable benefits and account building components of an employer s contribution rate shall not exceed by more than 1% in the 1983 calendar year 1 5% in the calendar year 1984 or 2% in the 1985 calendar year the higher of 4% or the total of the chargeable benefits and the account building components which applied to the employer during the preceding calendar year For calendar years after 1985 the total of the chargeable benefits and account building components of the employer s contribution rate shall be computed without regard to the foregoing limitation provided in this subdivision During a year in which this subdivision limits an employer s contribution rate the resulting reduction shall be considered to be entirely in the experience component of the employer s contribution rate as defined in section 18(d)

(b) An employer previously liable for contributions under this act which on or after January 1 1978 filed a petition for arrangement under the bankruptcy act of 1898 chapter 541 30 Stat 544 or on or after October 1 1979 filed a petition for reorganization under title 11 of the United States code entitled bankruptcy 11 U S C 101 to 1330 pursuant to which a plan of arrangement or reorganization for rehabilitation purposes has been confirmed by order of the United States bankruptcy court shall be considered as a reorganized employer and shall have a reserve fund balance of zero as of the first calendar year immediately following court confirmation of the plan of arrangement or reorganization but not earlier than the calendar year beginning January 1 1983 if the employer meets each of the following requirements

(1) An employer whose plan of arrangement or reorganization has been confirmed as of January 1 1983 shall within 60 days after January 1 1983 notify the commission of its intention to elect the status of a reorganized employer An employer which has not had a plan of arrangement or reorganization confirmed as of January 1 1983 shall within 60 days after the entry by the bankruptcy court of the order of confirmation of the plan of arrangement or reorganization notify the commission of its intention to elect the status of a reorganized employer An employer shall not make an election under this subdivision after December 31 1985

(2) The employer has paid to the commission all contributions previously owed by the employer pursuant to this act for all calendar years prior to the calendar year as to which the employer elects to begin its status as a reorganized employer

(3) More than 50% of the employer s total payroll is paid for services rendered in this state during the employer s fiscal year immediately preceding the date the employer notifies the fund administrator of its intention to elect the status of a reorganized employer

(4) The employer within 180 days after notifying the commission of its intention to elect the status of a reorganized employer makes a cash payment to the commission for the unemployment compensation fund equal to 20 times the

first $2 000 000 00 of the employer s negative balance 35 times the amount of the employer s negative balance above $2 000 000 00 and up to $5 000 000 00 and 50 times the amount of the negative balance above $5 000 000 00 The total amount so determined by the commission shall be based on the employer s negative balance existing as of the end of the calendar month immediately preceding the calendar year in which the employer will begin its status as a reorganized employer If the employer fails to pay the amount determined within 180 days of electing status as a reorganized employer the commission shall reinstate the employer s negative balance previously reduced and redetermine the employer s rate on the basis of such reinstated negative balance Such redetermined rate shall then be used to redetermine the employer s quarterly contributions for that calendar year Such redetermined contributions shall be subject to the interest provisions of section 15 as of the date the redetermined quarterly contributions were originally due

(5) Except as provided m subdivision (6) the employer contribution rates for a reorganized employer beginning with the first calendar year of the employer s status as a reorganized employer shall be as follows

Year of Contribution Liability	Contribution Rate
1	2 7% of total taxable wages paid
2	2 7%
3	2 7%
4 and over	(chargeable benefits component based upon 3 year experience) plus (account building component based upon 3 year experience) plus (nonchargeable benefits component)

(6) To provide against the high risk of net loss to the fund in such cases any reorganized employer which employs in employment not necessarily simultaneously but in any 1 week 25 or more individuals in the performance of 1 or more contracts or subcontracts for construction in the state of roads bridges highways sewers water mains utilities public buildings factories housing developments or similar major construction projects shall be liable beginning the first calendar year of the employer s status as a reorganized employer for contribution rates as follows

Year of Contribution Liability	Contribution Rate
1	average construction contractor rate as determined by the commission
2	average construction contractor rate as determined by the commission
3	1/3 (chargeable benefits component) + 2/3 average construction contractor rate as determined by the commission
4	2/3 (chargeable benefits component) + 1/3 average construction contractor rate as determined by the commission
5 and over	(chargeable benefits component) + (account building component) + (nonchargeable benefits component)

(c) Upon application by an employer to the commission for designation as a distressed employer the commission within 60 days after receipt of the application shall make a determination whether the employer meets the conditions set forth in this subsection Upon finding that the conditions are met the commission shall notify the legislature of the determination and request legislative acquiescence in the determination If the legislature approves the determination by concurrent resolution the employer shall be considered to be a distressed employer as of January 1 of the year in which the determination is made The commission shall notify the employer of such determination and notify the employer of its contribution rate as a distressed employer and the contribution rate that would apply if the employer was not a distressed employer The distressed employer shall determine its tax contribution using the 2 rates furnished by the commission and shall pay its tax contribution based on the lower of the 2 rates If the determination of distressed employer status is made during the calendar year the employer shall be entitled to a credit on future quarterly installments for any excess contributions paid during that initial calendar year The employer shall notify the commission of the difference between the amount paid and the amount which would have been paid if the employer were not determined to be a distressed employer and the difference will be owed to the unemployment compensation fund payable in accordance with this subsection Cumulative totals of the difference must be reported to the commission with each return required to be filed The commission may periodically determine continued eligibility of an employer under this subsection When the commission makes a determination that an employer no longer qualifies as a distressed employer the commission shall notify the employer of that determination After notice by the commission

that the employer no longer qualifies as a distressed employer the employer will be liable for contributions beginning with the first quarter occurring after receipt of notification of disqualification on the basis of the rate that would apply if the employer was not a distressed employer The contribution rate for a distressed employer shall be calculated under the law in effect for the 1982 calendar year except that the rate thus determined shall be reduced by the applicable solvency tax rate assessed against the employer under section 19a The taxable wage limit of such distressed employer for the 1983 1984 and 1985 calendar years shall be the maximum amount of remuneration paid within a calendar year by such an employer subject to the federal unemployment tax act 26 U S C 3301 to 3311 to an individual with respect to employment as defined in that act which is subject to tax under that act during that year Commencing with the fourth quarter of 1986 the distressed employer will pay in 10 equal annual installments the amount of the unpaid contributions owed to the unemployment compensation fund due to the application of this subsection without interest Each installment shall be made with the fourth quarterly return for the respective year As used in this subsection distressed employer means an employer whose continued presence in this state is considered essential to the state s economic well being and who meets the following criteria

(1) The employer s average annual Michigan payroll in the 5 previous years exceeded $500 000 000 00

(2) The employer s average quarterly number of employees in Michigan in the 5 previous years exceeded 25 000

(3) The employer s business income as defined in section 3 of Act No 228 of the Public Acts of 1975 being section 208 3 of the Michigan Compiled Laws has resulted in an aggregate loss of $1 000 000 000 00 or more during the 5 year period ending in the second year prior to the year for which the application is being made

(4) The employer has received from the state of Michigan loans totaling $50 000 000 00 or more or loan guarantees from the federal government in excess of $500 000 000 00 either of which are still outstanding

(5) Failure to give an employer designation as a distressed employer would adversely impair the employer s ability to repay the outstanding loans owed to the state of Michigan or which are guaranteed by the federal government

(d) An employer may at any time make payments to that employer s experience account in the fund in excess of the requirements of this section but these payments when accepted by the commission shall be irrevocable A payment made by an employer within 30 days after mailing to the employer by the commission of a notice of the adjusted contribution rate of the employer shall be credited to the employer s account as of the computation date for which the adjusted contribution rate was computed and the employer s contribution rate shall be further adjusted accordingly However a payment made more than 120 days after the beginning of a calendar year shall not affect the employer s contribution rate for that year

Sec 20 (a) Benefits paid shall be charged against the employer s account as of the quarter in which the payments are made If the commission determines that any benefits charged against an employer s account were improperly paid an amount equal to the charge based on those benefits shall be credited to the employer s account and a corresponding charge shall be made to the nonchargeable benefits account as of the current period or in the discretion of the commission as of the date of the charge Benefits paid to an individual as a result of an employer s failure to provide the commission with separation employment and wage data as required by section 32 shall be considered as benefits properly paid to the extent that the benefits are chargeable to the noncomplying employer

(b) For benefit years established before the conversion date prescribed in section 75 benefits paid to an individual shall be based upon the credit weeks earned during the individual s base period and shall be charged against the experience accounts of the contributing employers or charged to the accounts of the reimbursing employers from whom the individual earned credit weeks If the individual earned credit weeks from more than 1 employer a separate determination shall be made of the amount and duration of benefits based upon the total credit weeks and wages earned with each employer Benefits paid in accordance with the determinations shall be charged against the experience account of a contributing employer or charged to the account of a reimbursing employer beginning with the most recent employer first and thereafter as necessary against other base period employers in inverse order to that in which the claimant earned his or her last credit week with those employers If there is any disqualifying act or discharge under section 29(1) with an employer benefits based upon credit weeks earned from that employer before the disqualifying act or discharge shall be charged only after the exhaustion of charges as provided above Benefits based upon those credit weeks shall be charged first against the experience account of the contributing employer involved or to the account of the reimbursing employer involved in the most recent disqualifying act or discharge and thereafter as necessary in similar inverse order against other base period employers involved in disqualifying acts or discharges The order of charges determined as of the beginning date of a benefit year shall remain fixed during the benefit year For benefit years established after the conversion date prescribed in section 75 the claimant s full weekly benefit rate shall be charged to the account or experience account of the claimant s most recent separating employer for each of the first 2 weeks of benefits payable to the claimant in the benefit year in accordance with the monetary determination issued pursuant to section 32 Thereafter remaining weeks of benefits payable in the benefit year shall be paid in accordance with the monetary determination and shall be charged proportionally to all base period employers with the charge to each base period employer being made on the basis of the ratio that total wages paid by the employer in the base period bears to total wages paid by all employers in the base period However if the claimant did not perform services for the most recent separating employer or employing entity and receive earnings for performing the services of at least the

amount a claimant must earn in the manner prescribed in section 29(3) to requalify for benefits following a disqualification under section 29(1)(a) (b) (i) or (k) during the claimant s most recent period of employment with the employer or employing entity then all weeks of benefits payable in the benefit year shall be charged proportionally to all base period employers with the charge to each base period employer being made on the basis of the ratio that total wages paid by the employer in the base period bears to total wages paid by all employers in the base period If the claimant performed services for the most recent separating employing entity and received earnings for performing the services of at least the amount a claimant must earn in the manner prescribed in section 29(3) to requalify for benefits following a disqualification under section 29(1)(a) (b) (i) or (k) during the claimant s most recent period of employment for the employing entity but the separating employing entity was not a liable employer the first 2 weeks of benefits payable to the claimant shall be charged proportionally to all base period employers with the charge to each base period employer being made on the basis of the ratio that total wages paid by the employer in the base period bears to total wages paid by all employers in the base period The separating employer is the employer that caused the individual to be unemployed as defined in section 48

(c) For benefit years established before the conversion date prescribed in section 75 and except as otherwise provided in section 11(d) or (g) or section 46a the charges for regular benefits to any reimbursing employer or to any contributing employer s experience account shall not exceed the weekly benefit rate multiplied by 3/4 the number of credit weeks earned by the individual during his or her base period from that employer If the resultant product is not an even multiple of 1/2 the weekly benefit rate the amount shall be raised to an amount equal to the next higher multiple of 1/2 the weekly benefit rate and in the case of an individual who was employed by only 1 employer in his or her base period and who earned 34 credit weeks with that employer the product shall be raised to the next higher multiple of the weekly benefit rate

(d) For benefit years beginning after the conversion date prescribed in section 75 and except as otherwise provided in section 11(d) or (g) or section 46 the charges for regular benefits to any reimbursing employer s account or to any contributing employer s experience account shall not exceed either the amount derived by multiplying by 2 the weekly benefit rate chargeable to the employer in accordance with subsection (b) if the employer is the separating employer and is chargeable for the first 2 weeks of benefits or the amount derived from the percentage of the weekly benefit rate chargeable to the employer in accordance with subsection (b) multiplied by the number of weeks of benefits chargeable to base period employers based on base period wages to which the individual is entitled as provided in section 27(d) if the employer is a base period employer or both of these amounts if the employer was both the chargeable separating employer and a base period employer

(e) For benefit years beginning before the conversion date prescribed in section 75

(1) When an individual has multiemployer credit weeks in his or her base period and when it becomes necessary to use those credit weeks as a basis for benefit payments a single determination shall be made of the individual s weekly benefit rate and maximum amount of benefits based on the individual s multiemployer credit weeks and the wages earned therein Each employer involved in the individual s multiemployer credit weeks shall be an interested party to the determination The proviso in section 29(2) shall not be applicable to multiemployer credit weeks nor shall the reduction provision of section 29(4) apply to benefit entitlement based upon those credit weeks

(2) The charge for benefits based on multiemployer credit weeks shall be allocated to each employer involved on the basis of the ratio that the total wages earned during the total multiemployer credit weeks counted under section 50(b) with the employer bears to the total amount of wages earned during the total multiemployer credit weeks counted under section 50(b) with all such employers computed to the nearest cent However if an adjusted weekly benefit rate is determined in accordance with section 27(f) the charge to the employer who has contributed to the financing of the retirement plan shall be reduced by the same amount by which the weekly benefit rate was adjusted under section 27(f) Benefits for a week of unemployment allocated under this subsection to a contributing employer shall be charged to the nonchargeable benefits account if the claimant during that week earns remuneration with that employer which equals or exceeds the amount of benefits allocated to that employer

(3) Benefits paid in accordance with the determination based on multiemployer credit weeks shall be allocated to each employer involved and charged as of the quarter in which the payments are made Notice of charges made under this subsection shall be given to each employer by means of a current listing of charges at least weekly or of a quarterly statement of charges The listing or statement shall specify the weeks for which benefits were paid based on multiemployer credit weeks and the amount of benefits paid chargeable to that employer for each week The notice shall be considered to satisfy the requirements of sections 21(a) and 32(d) that notification be given each employer of benefits charged against that employer s account by means of a copy or listing of the benefit check and all protest and appeal rights applicable to benefit check copies or listings shall also be applicable to the notice of charges If an employer receives both a current listing of charges and a quarterly statement of charges under this subsection all protest and appeal rights shall only be applicable to the first notice given

(f) For benefit years beginning after the conversion date prescribed in section 75 benefits for a week of unemployment charged under this section to a contributing employer shall be charged to the nonchargeable benefits account if the claimant during that week earns remuneration with that employer which equals or exceeds the amount of benefits charged to that employer

(g) For benefit years beginning before the conversion date prescribed in section 75

(1) Training benefits as provided in section 27(g) and extended benefits as provided in section 64 shall be allocated to each reimbursing employer involved in the individual s base period of the claim to which the benefits are related on the basis of the ratio that the total wages earned during the total credit weeks counted under section 50(b) with a reimbursing employer bears to the total amount of wages earned during the total credit weeks counted under section 50(b) with all employers

(2) Training benefits and extended benefits to the extent that they are not reimbursable by the federal government and have been allocated to a reimbursing employer shall be charged to that reimbur ing employer A contributing employer s experience account shall not be charged with training benefits Training benefits based on service with a contributing employer to the extent that they are not reimbursable by the federal government shall be charged to the nonchargeable benefits account Extended benefits paid and based on service with a contributing employer to the extent that they are not reimbursable by the federal government shall be charged to that employer s experience account

(3) If the training benefits or extended benefits are chargeable only to a single reimbursing employer the benefits shall be charged in accordance with subsection (a) If the training benefits or extended benefits are chargeable to more than 1 reimbursing employer or to 1 or more reimbursing employers and the nonchargeable benefits account the benefits shall be charged as of the quarter in which the payments are made

(4) Notice of charges made under this subsection shall be given to each employer by means of a current listing of charges at least weekly and subsequently by a quarterly summary statement of charges The listing shall specify the name and social security number of each claimant paid benefits during the week the weeks for which the benefits were paid and the amount of benefits chargeable to that employer paid for each week The quarterly statement of charges shall list each claimant by name and social security number and shall show total benefit payments chargeable to that employer and made to each claimant during the calendar quarter The listing shall be considered to satisfy the requirements of sections 21(a) and 32(d) that notification be given each employer of benefits charged against that employer s account by means of a listing of the benefit check All protest and appeal rights applicable to benefit check listings shall also be applicable to the notice of charges If an employer receives both a current listing of charges and a quarterly statement of charges under this subsection all protest and appeal rights shall only be applicable to the first notice given

(h) For benefit years beginning after the conversion date prescribed in section 75

(1) Training benefits as provided in section 27(g) and extended benefits as provided in section 64 shall be charged to each reimbursing employer in the base period of the claim to which the benefits are related on the basis of the ratio that the total wages paid by a reimbursing employer during the base period bears to the total wages paid by all reimbursing employers in the base period

(2) Training benefits and extended benefits to the extent they are not reimbursable by the federal government and have been allocated to a reimbursing employer shall be charged to that reimbursing employer A contributing employer s experience account shall not be charged with training benefits Training benefits based on service with a contributing employer to the extent they are not reimbursable by the federal goveinment shall be charged to the nonchargeable benefits account Extended benefits paid and based on service with a contributing employer to the extent they are not reimbursable by the federal government shall be charged to that employer s experience account

(3) If the training benefits or extended benefits are chargeable only to a single reimbursing employer the benefits shall be charged in accordance with subsection (a) If the training benefits or extended benefits are chargeable to more than 1 reimbursing employer or to 1 or more reimbursing employers and the nonchargeable benefits account the benefits shall be charged as of the quarter in which the payments are made

(4) Notice of charges made under this subsection shall be given to each employer by means of a current listing of charges at least weekly and subsequently by a quarterly summary statement of charges The listing shall specify the name and social security number of each claimant paid benefits in the week the weeks for which the benefits were paid and the amount of benefits chargeable to that employer paid for each week The quarterly summary statement of charges shall list each claimant by name and social security number and shall show total benefit payments chargeable to that employer and made to each claimant during the calendar quarter The listing shall be considered to satisfy the requirements of sections 21(a) and 32(d) that notification be given each employer of benefits charged against that employer s account by means of a listing of the benefit check All protest and appeal rights applicable to benefit check listings shall also be applicable to the notice of charges If an employer receives both a current listing of charges and a quarterly summary statement of charges under this subsection all protest and appeal rights shall only be applicable to the first notice given

(i) If a benefit year is established after the conversion date prescribed in section 75 the portion of benefits paid in that benefit year that are based on wages used to establish the immediately preceding benefit year that began before the conversion date shall not be charged to the employer or employers who paid those wages but shall be charged instead to the nonchargeable benefits account

Sec 27 (a)(1) When a determination redetermination or decision is made that benefits are due an unemployed individual the benefits shall immediately become payable from the fund and continue to be payable to the unemployed individual subject to the limitations imposed by the individual s monetary entitlement as long as the individual continues to be unemployed and to file claims for benefits until the determination redetermination or decision is reversed a determination redetermination or decision on a new issue holding the individual disqualified or ineligible is made or for benefit years beginning before the conversion date prescribed in section 75 a new separation issue arises resulting from subsequent work

(2) Benefits shall be paid in person or by mail through employment offices in accordance with rules promulgated by the commission

(b)(1) Subject to subsection (f) the weekly benefit rate for an individual with respect to benefit years beginning before the conversion date prescribed in section 75 shall be 70% of the individual s average after tax weekly wage except that the individual s weekly benefit rate shall not exceed 58% of the state average weekly wage However the maximum weekly benefit amount established under this subsection shall not exceed $293 00 for benefit years beginning on or after January 2 1994 but before Januai y 5 1997 However with respect to benefit years beginning on or after January 5 1997 the individual s weekly benefit rate shall not exceed 53% of the state average weekly w age and with respect to benefit years beginning on or after January 4 1998 but before January 3 1999 the individual s weekly benefit rate shall not exceed 55% of the state average weekly wage With respect to benefit years beginning after the conversion date as prescribed in section 75 the individual s weekly benefit rate shall be 4 2% of the individual s wages paid in the calendar quarter of the base period in which the individual was paid the highest total wages plus $6 00 for each dependent as defined in subdivision (3) up to a maximum of 5 dependents claimed by the individual at the time the individual files a new claim for benefits With respect to benefit years beginning on or after October 2 1983 the weekly benefit rate shall be adjusted to the next lower multiple of $1 00

(2) For benefit years beginning before the conversion date prescribed in section 75 the state average weekly wage for a calendar year shall be computed on the basis of the 12 months ending the June 30 immediately preceding that calendar year The commission shall prepare a table of weekly benefit rates based on an average after tax weekly wage calculated by subtracting from an individual s average weekly wage as determined in accordance with section 51 a reasonable approximation of the weekly amount required to be withheld by the employer from the remuneration of the individual based on dependents and exemptions for income taxes under chapter 24 of subtitle C of the internal revenue code of 1986 26 U S C 3401 to 3406 and under section 351 of the income tax act of 1967 Act No 281 of the Public Acts of 1967 being section 206 351 of the Michigan Compiled Laws and for old age and survivor s disability insurance taxes under the federal insurance contributions act chapter 21 of subtitle C of the internal revenue code of 1986 26 U S C 3128 For purposes of applying the table to an individual s claim a dependent shall be as defined in subdivision (3) The table applicable to an individual s claim shall be the table reflecting the number of dependents claimed by the individual under subdivision (3) The commission shall adjust the tables based on changes in withholding schedules published by the United States department of treasury internal revenue service and by the department of treasury The number of dependents allowed shall be determined with respect to each week of unemployment for which an individual is claiming benefits

(3) For benefit years beginning before the conversion date prescribed in section 75 a dependent means any of the following persons who is receiving and for at least 90 consecutive days immediately preceding the week for which benefits are claimed or in the case of a dependent husband wife or child for the duration of the marital or parental relationship if the relationship has existed less than 90 days has received more than half the cost of his or her support from the individual claiming benefits

(a) A child including stepchild adopted child or grandchild of the individual who is under 18 years of age or 18 years of age or over if because of physical or mental infirmity the child is unable to engage in a gainful occupation or is a full time student as defined by the particular educational institution at a high school vocational school community or junior college or college or university and has not attained the age of 22

(b) The husband or wife of the individual

(c) The legal father or mother of the individual if that parent is either more than 65 years of age or is permanently disabled from engaging in a gainful occupation

(d) A brother or sister of the individual if the brother or sister is orphaned or the living parents are dependent parents of an individual and the brother or sister is under 18 years of age or 18 years of age or over if because of physical or mental infirmity the brother or sister is unable to engage in a gainful occupation or is a full time student as defined by the particular educational institution at a high school vocational school community or junior college or college or university and is less than 22 years of age

(4) For benefit years beginning after the conversion date prescribed in section 75 a dependent means any of the following persons who received for at least 90 consecutive days immediately preceding the first week of the benefit year or in the case of a dependent husband wife or child for the duration of the marital or parental relationship if the relationship existed less than 90 days before the beginning of the benefit year has received more than 1/2 the cost of his or her support from the individual claiming the benefits

(a) A child including stepchild adopted child or grandchild of the individual who is under 18 years of age or 18 years of age and over if because of physical or mental infirmity the child is unable to engage in a gainful occupation or is a full time student as defined by the particular educational institution at a high school vocational school community or junior college or college or university and has not attained the age of 22

(b) The husband or wife of the individual

(c) The legal father or mother of the individual if that parent is either more than 65 years of age or is permanently disabled from engaging in a gainful occupation

(d) A brother or sister of the individual if the brother or sister is orphaned or the living parents are dependent parents of an individual and the brother or sister is under 18 years of age or 18 years of age and over if because of physical or mental infirmity the brother or sister is unable to engage in a gainful occupation or is a full time student as defined by the particular educational institution at a high school vocational school community or junior college or college or university and is less than 22 years of age

(5) For benefit years beginning before the conversion date prescribed in section 75 dependency status of a dependent child or otherwise once established or fixed in favor of an individual continues during the individual s benefit year until terminated Dependency status of a dependent terminates at the end of the week in which the dependent ceases to be an individual described in subdivision (3)(a) (b) (c) or (d) because of age death or divorce For benefit years beginning after the conversion date prescribed in section 75 the number of dependents established for an individual at the beginning of the benefit year shall remain in effect during the entire benefit year

(6) For benefit years beginning before the conversion date prescribed in section 75 failure on the part of an individual due to misinformation or lack of information to furnish all information material for determination of the number of the individual s dependents when the individual files a claim for benefits with respect to a week shall be considered good cause for the issuance of a redetermination as to the amount of benefits based on the number of the individual s dependents as of the beginning date of that week Dependency status of a dependent child or otherwise once established or fixed in favor of a person is not transferable to or usable by another person with respect to the same week

For benefit years beginning after the conversion date as prescribed in section 75 failure on the part of an individual due to misinformation or lack of information to furnish all information material for determination of the number of the individual s dependents shall be considered good cause for the issuance of a redetermination as to the amount of benefits based on the number of the individual s dependents as of the beginning of the benefit year

(c) Subject to subsection (f) each eligible individual shall be paid a weekly benefit rate with respect to the week for which the individual earns or receives no remuneration or remuneration equal to less than 1/2 the individual s weekly benefit rate or shall be paid 1/2 his or her weekly benefit rate with respect to the week for which the individual earns or receives remuneration equal to at least 1/2 but less than the individual s weekly benefit rate Notwithstanding the definition of week as contained in section 50 if within 2 consecutive weeks in which an individual was not unemployed within the meaning of section 48 there was a period of 7 or more consecutive days for which the individual did not earn or receive remuneration that period shall be considered a week for benefit purposes under this act if a claim for benefits for that period is filed not later than 30 days subsequent to the end of the period All remuneration for work performed during a shift that terminates on 1 day but that began on the preceding day shall be considered to have been earned on the preceding day

(d) For benefit years beginning before the conversion date prescribed in section 75 and subject to subsection (f) and this subsection the amount of benefits to which an individual who is otherwise eligible is entitled during a benefit year from an employer with respect to employment during the base period is the amount obtained by multiplying the weekly benefit rate with respect to that employment by 3/4 of the number of credit weeks earned in the employment For the purpose of this subsection and section 20(c) if the resultant product is not an even multiple of 1/2 the weekly benefit rate the product shall be raised to an amount equal to the next higher multiple of 1/2 the weekly benefit rate and for an individual who was employed by only 1 employer in the individual s base period and earned 34 credit weeks with that employer the product shall be raised to the next higher multiple of the weekly benefit rate The maximum amount of benefits payable to an individual within a benefit year with respect to employment by an employer shall not exceed 26 times the weekly benefit rate with respect to that employment The maximum amount of benefits payable to an individual within a benefit year shall not exceed the amount to which the individual would be entitled for 26 weeks of unemployment in which remuneration was not earned or received The limitation of total benefits set forth in this subsection does not apply to claimants declared eligible for training benefits in accordance with subsection (g) For benefit years beginning after the conversion date prescribed in section 75 and subject to subsection (f) and this subsection the maximum benefit amount payable to an individual in a benefit year for purposes of this section and section 20(c) is the number of weeks of benefits payable to an individual during the benefit year multiplied by the individual s weekly benefit rate The number of weeks of benefits payable to an individual shall be calculated by taking 40% of the individual s base period wages and dividing the result by the individual s weekly benefit rate If the quotient is not a whole or half number the result shall be rounded down to the nearest half number However not more than 26 weeks of benefits or less than 14 weeks of benefits shall be payable to an individual in a benefit year The limitation of total benefits set forth in this subsection shall not apply to claimants declared eligible for training benefits in accordance with subsection (g)

(e) When a claimant dies or is judicially declared insane or mentally incompetent unemployment compensation benefits accrued and payable to that person for weeks of unemployment before death insanity or incompetency but not paid shall become due and payable to the person who is the legal heir or guardian of the claimant or to any other person found by the commission to be equitably entitled to the benefits by reason of having incurred expense in behalf of the claimant for the claimant s burial or other necessary expenses

(f)(1) For benefit years beginning before the conversion date prescribed in section 75 and notwithstanding any inconsistent provisions of this act the weekly benefit rate of each individual who is receiving or will receive a retirement benefit as defined in subdivision (4) shall be adjusted as provided in subparagraphs (a) (b) and (c) However an individual s extended benefit account and an individual s weekly extended benefit rate under section 64 shall be established without reduction under this subsection unless subdivision (5) is in effect Except as otherwise provided in this subsection all other provisions of this act continue to apply in connection with the benefit claims of those retired persons

(a) If and to the extent that unemployment benefits payable under this act would be chargeable to an employer who has contributed to the financing of a retirement plan under which the claimant is receiving or will receive a retirement benefit yielding a pro rata weekly amount equal to or larger than the claimant s weekly benefit rate as otherwise established under this act the claimant shall not receive unemployment benefits that would be chargeable to the employer under this act

(b) If and to the extent that unemployment benefits payable under this act would be chargeable to an employer who has contributed to the financing of a retirement plan under which the claimant is receiving or will receive a retirement benefit yielding a pro rata weekly amount less than the claimant s weekly benefit rate as otherwise established under this act then the weekly benefit rate otherwise payable to the claimant and chargeable to the employer under this act shall be reduced by an amount equal to the pro rata weekly amount adjusted to the next lower multiple of $1 00 which the claimant is receiving or will receive as a retirement benefit

(c) If the unemployment benefit payable under this act would be chargeable to an employer who has not contributed to the financing of a retirement plan under which the claimant is receiving or will receive a retirement benefit then the weekly benefit rate of the claimant as otherwise established under this act shall not be reduced due to receipt of a retirement benefit

(d) If the unemployment benefit payable under this act is computed on the basis of multiemployer credit weeks and a portion of the benefit is allocable under section 20(e) to an employer who has contributed to the financing of a retirement plan under which the claimant is receiving or will receive a retirement benefit the adjustments required by subparagraph (a) or (b) apply only to that portion of the weekly benefit rate that would otherwise be allocable and chargeable to the employer

(2) If an individual s weekly benefit rate under this act was established before the period for which the individual first receives a retirement benefit any benefits received after a retirement benefit becomes payable shall be determined in accordance with the formula stated in this subsection

(3) When necessary to assure prompt payment of benefits the commission shall determine the pro rata weekly amount yielded by an individual s retirement benefit based on the best information currently available to it In the absence of fraud a determination shall not be reconsidered unless it is established that the individual s actual retirement benefit in fact differs from the amount determined by $2 00 or more per week The reconsideration shall apply only to benefits as may be claimed after the information on which the reconsideration is based was received by the commission

(4)(a) As used in this subdivision retirement benefit means a benefit annuity or pension of any type or that part thereof that is described in subparagraph (b) that is

(*i*) Provided as an incident of employment under an established retirement plan policy or agreement including federal social security if subdivision (5) is in effect

(*ii*) Payable to an individual because the individual has qualified on the basis of attained age length of service or disability whether or not the individual retired or was retired from employment Amounts paid to individuals in the course of liquidation of a private pension or retirement fund because of termination of the business or of a plant or department of the business of the employer involved shall not be considered to be retirement benefits

(b) If a benefit as described in subparagraph (a) is payable or paid to the individual under a plan to which the individual has contributed

(*i*) Less than half of the cost of the benefit then only half of the benefit shall be treated as a retirement benefit

(*ii*) Half or more of the cost of the benefit then none of the benefit shall be treated as a retirement benefit

(c) The burden of establishing the extent of an individual s contribution to the cost of his or her retirement benefit for the purpose of subparagraph (b) is upon the employer who has contributed to the plan under which a benefit is provided

(5) Notwithstanding any other provision of this subsection for any week that begins after March 31 1980 and with respect to which an individual is receiving a governmental or other pension and claiming unemployment compensation the weekly benefit amount payable to the individual for those weeks shall be reduced but not below zero by the entire prorated weekly amount of any governmental or other pension retirement or retired pay annuity or any other similar payment that is based on any previous work of the individual This reduction shall be made only if it is required as a condition for full tax credit against the tax imposed by the federal unemployment tax act chapter 23 of subtitle C of the internal revenue code of 1986 26 U S C 3301 to 3311

(6) For benefit years beginning after the conversion date prescribed in section 75 notwithstanding any inconsistent provisions of this act the weekly benefit rate of each individual who is receiving or will receive a retirement benefit as defined in subdivision (4) shall be adjusted as provided in subparagraphs (a) (b) and (c) However an individual s extended benefit account and an individual s weekly extended benefit rate under section 64 shall be established without reduction under this subsection unless subdivision (5) is in effect Except as otherwise provided in this subsection all the other provisions of this act shall continue to be applicable in connection with the benefit claims of those retired persons

(a) If any base period or chargeable employer has contributed to the financing of a retirement plan under which the claimant is receiving or will receive a retirement benefit yielding a pro rata weekly amount equal to or larger than the claimant s weekly benefit rate as otherwise established under this act the claimant shall not receive unemployment benefits

(b) If any base period employer or chargeable employer has contributed to the financing of a retirement plan under which the claimant is receiving or will receive a retirement benefit yielding a pro rata weekly amount less than the claimant s weekly benefit rate as otherwise established under this act then the weekly benefit rate otherwise payable to the claimant shall be reduced by an amount equal to the pro rata weekly amount adjusted to the next lower multiple of $1 00 which the claimant is receiving or will receive as a retirement benefit

(c) If no base period or separating employer has contributed to the financing of a retirement plan under which the claimant is receiving or will receive a retirement benefit then the weekly benefit rate of the claimant as otherwise established under this act shall not be reduced due to receipt of a retirement benefit

(g) Notwithstanding any other provision of this act an individual pursuing vocational training or retraining pursuant to section 28(2) who has exhausted all benefits available under subsection (d) may be paid for each week of approved vocational training pursued beyond the date of exhaustion a benefit amount in accordance with subsection (c) but not in excess of the individual s most recent weekly benefit rate However an individual shall not be paid training benefits totaling more than 18 times the individual s most recent weekly benefit rate The expiration or termination of a benefit year shall not stop or interrupt payment of training benefits if the training for which the benefits were granted began before expiration or termination of the benefit year

(h) A payment of accrued unemployment benefits shall not be made to an eligible individual or in behalf of that individual as provided in subsection (e) more than 6 years after the ending date of the benefit year covering the payment or 2 calendar years after the calendar year in which there is final disposition of a contested case whichever is later

(i) Benefits based on service in employment described in section 42(8) (9) and (10) are payable in the same amount on the same terms and subject to the same conditions as compensation payable on the basis of other service subject to this act except that

(1) With respect to service performed in an instructional research or principal administrative capacity for an institution of higher education as defined in section 53(2) or for an educational institution other than an institution of higher education as defined in section 53(3) benefits shall not be paid to an individual based on those services for any week of unemployment beginning after December 31 1977 that commences during the period between 2 successive academic years or during a similar period between 2 regular terms whether or not successive or during a period of paid sabbatical leave provided for in the individual s contract to an individual if the individual performs the service in the first of the academic years or terms and if there is a contract or a reasonable assurance that the individual will perform service in an instructional research or principal administrative capacity for an institution of higher education or an educational institution other than an institution of higher education m the second of the academic years or terms whether or not the terms are successive

(2) With respect to service performed in other than an instructional research or principal administrative capacity for an institution of higher education as defined in section 53(2) or for an educational institution other than an institution of higher education as defined in section 53(3) benefits shall not be paid based on those services for any week of unemployment beginning after December 31 1977 that commences during the period between 2 successive academic years or terms to any individual if that individual performs the service in the first of the academic years or terms and if there is a reasonable assurance that the individual will perform the service for an institution of higher education or an educational institution other than an institution of higher education in the second of the academic years or terms

(3) With respect to any service described in subdivision (1) or (2) benefits shall not be paid to an individual based upon service for any week of unemployment that commences during an established and customary vacation period or holiday recess if the individual performs the service in the period immediately before the vacation period or holiday recess and there is a contract or reasonable assurance that the individual will perform the service in the period immediately following the vacation period or holiday recess

(4) If benefits are denied to an individual for any week solely as a result of subdivision (2) and the individual was not offered an opportunity to perform in the second academic year or term the service for which reasonable assurance had been given the individual is entitled to a retroactive payment of benefits for each week for which the individual had previously filed a timely claim for benefits An individual entitled to benefits under this subdivision may apply for those benefits by mail in accordance with R 421 210 as promulgated by the commission

(5) The amendments to subdivision (2) made by Act No 219 of the Public Acts of 1983 apply to all claims for unemployment compensation that are filed on and after October 31 1983 However the amendments are retroactive to September 5 1982 only if as a condition for full tax credit against the tax imposed by the federal unemployment tax act chapter 23 of subtitle C of the internal revenue code of 1986 26 U S C 3301 to 3311 the United States secretary of labor determines that retroactivity is required by federal law

(6) Notwithstanding subdivision (2) on and after April 1 1984 benefits based upon services in other than an instructional research or principal administrative capacity for an institution of higher education shall not be denied for any week of unemployment commencing during the period between 2 successive academic years or terms solely because the individual had performed the service in the first of the academic years or terms and there is reasonable assurance that the individual will perform the service for an institution of higher education or an educational institution other than an institution of higher education in the second of the academic years or terms unless a denial is required as a condition for full tax credit against the tax imposed by the federal unemployment tax act chapter 23 of subtitle C of the internal revenue code of 1986 26 U S C 3301 to 3311

(7) For benefit years established before the conversion date prescribed in section 75 and notwithstanding subdivisions (1) (2) and (3) the denial of benefits does not prevent an individual from completing requalifying weeks in accordance with section 29(3) nor does the denial prevent an individual from receiving benefits based on service with an employer other than an educational institution for any week of unemployment occurring between academic years or terms whether or not successive or during an establi hed and customary vacation period or holiday recess even though the employer is not the most recent chargeable employer in the individual s base period However in that case section 20(b) applies to the sequence of benefit charging except for the employment with the educational institution and section 50(b) applies to the calculation of credit weeks When a denial of benefits under subdivision (1) no longer applies benefits shall be charged in accordance with the normal sequence of charging as provided in section 20(b)

(8) For benefit years beginning after the conversion date prescribed in section 75 and notwithstanding subdivisions (1) (2) and (3) the denial of benefits shall not prevent an individual from completing requalifying weeks in accordance with section 29(3) nor shall the denial prevent an individual from receiving benefits based on service with another base period employer other than an educational institution for any week of unemployment occurring between academic years or terms whether or not successive or during an established and customary vacation period or holiday recess However when benefits are paid based on service with 1 or more base period employers other than an educational institution the individual s weekly benefit rate shall be calculated in accordance with subsection (b)(1) but during the denial period the individual s weekly benefit payment shall be reduced by the portion of the payment attributable to base period wages paid by an educational institution and the account or experience account of the educational institution shall not be charged for benefits payable to the individual When a denial of benefits under subdivision (1) is no longer applicable benefits shall be paid and charged on the basis of base period wages with each of the base period employers including the educational institution

(9) For the purposes of this subsection academic year means that period as defined by the educational institution when classes are in session for that length of time required for students to receive sufficient instruction or earn sufficient credit to complete academic requirements for a particular grade level or to complete instruction in a noncredit course

(10) Benefits shall be denied as provided in subdivisions (1) (2) and (3) for any week of unemployment beginning on and after April 1 1984 to an individual who performed those services in an educational institution while in the employ of an educational service agency For the purpose of this subdivision educational service agency means a governmental agency or governmental entity that is established and operated exclusively for the purpose of providing the services to 1 or more educational institutions

(j) For weeks of unemployment beginning after December 31 1977 benefits shall not be paid to an individual on the basis of any base period services substantially all of which consist of participating in sports or athletic events or training or preparing to so participate for a week that commences during the period between 2 successive sport seasons or similar periods if the individual performed the services in the first of the seasons or similar periods and there is a reasonable assurance that the individual will perform the services in the later of the seasons or similar periods

(k)(1) For weeks of unemployment beginning after December 31 1977 benefits shall not be payable on the basis of services performed by an alien unless the alien is an individual who was lawfully admitted for permanent residence at the time the services were performed was lawfully present for the purpose of performing the services or was permanently residing in the United States under color of law at the time the services were performed including an alien who was lawfully present in the United States under section 203(a)(7) or section 212(d)(5) of the immigration and nationality act 8 U S C 1153 and 1182

(2) Any data or information required of individuals applying for benefits to determine whether benefits are payable because of their alien status are uniformly required from all applicants for benefits

(3) Where an individual whose application for benefits would otherwise be approved a determination that benefits to that individual are not payable because of the individual s alien status shall not be made except upon a preponderance of the evidence

(m)(1) An individual filing a new claim for unemployment compensation under this act after September 30 1982 at the time of filing the claim shall disclose whether the individual owes child support obligations as defined in this subsection If an individual discloses that he or she owes child support obligations and is determined to be eligible for unemployment compensation the commission shall notify the state or local child support enforcement agency enforcing the obligation that the individual has been determined to be eligible for unemployment compensation

(2) Notwithstanding section 30 the commission shall deduct and withhold from any unemployment compensation payable to an individual who owes child support obligations by using whichever of the following methods results in the greatest amount

(a) The amount if any specified by the individual to be deducted and withheld under this subdivision

(b) The amount if any determined pursuant to an agreement submitted to the commission under section 454(19)(B)(i) of part D of title IV of the social security act chapter 531 49 Stat 620 42 U S C 654 by the state or local child support enforcement agency

(c) Any amount otherwise required to be so deducted and withheld from unemployment compensation pursuant to legal process as that term is defined in section 462(e) of part D of title IV of the social security act chapter 531 49 Stat 620 42 U S C 662 properly served upon the commission

(3) The amount of unemployment compensation subject to deduction under subdivision (2) is that portion that remains payable to the individual after application of the recoupment provisions of section 62(a) and the reduction provisions of subsections (c) and (f)

(4) Any amount deducted and withheld under subdivision (2) shall be paid by the commission to the appropriate state or local child support enforcement agency

(5) Any amount deducted and withheld under subdivision (2) shall be treated for all purposes as if it were paid to the individual as unemployment compensation and paid by the individual to the state or local child support enforcement agency in satisfaction of the individual s child support obligations

(6) This subsection applies only if the state or local child support enforcement agency agrees in writing to reimburse and does reimburse the commission for the administrative costs incurred by the commission under this subsection that are attributable to child support obligations being enforced by the state or local child support enforcement agency The administrative costs incurred shall be determined by the commission The commission in its discretion may require payment of administrative costs in advance

(7) As used in this subsection

(a) Unemployment compensation for purposes of subdivisions (1) through (5) means any compensation payable under this act including amounts payable by the commission pursuant to an agreement under any federal law providing for compensation assistance or allowances with respect to unemployment

(b) Child support obligations includes only obligations that are being enforced pursuant to a plan described in section 454 of part D of title IV of the social security act chapter 531 49 Stat 620 42 U S C 654 that has been approved by the secretary of health and human services under part D of title IV of the social security act chapter 531 49 Stat 620 42 U S C 651 to 669

(c) State or local child support enforcement agency means any agency of this state or a political subdivision of this state operating pursuant to a plan described in subparagraph (b)

(n) Subsection (i)(2) applies to services performed by school bus drivers employed by a private contributing employer holding a contractual relationship with an educational institution but only if at least 75% of the individual s base period wages with that employer are attributable to services performed as a school bus driver

Sec 28 (1) An unemployed individual shall be eligible to receive benefits with respect to any week only if the commission finds that

(a) For benefit years established before the conversion date prescribed in section 75 the individual has registered for work at and thereafter has continued to report at an employment office in accordance with such rules as the

commission may prescribe and is seeking work The requirements that the individual must report at an employment office must register for work must be available to perform suitable full time work and must seek work may be waived by the commission if the individual is laid off and the employer who laid the individual off notifies the commission in writing or by computerized data exchange that the layoff is temporary and that work is expected to be available for the individual within a declared number of days not to exceed 45 calendar days following the last day the individual worked This waiver shall not be effective unless the notification from the employer has been received by the commission before the individual has completed his or her first compensable week following layoff If the individual is not recalled within the specified period the waiver shall cease to be operative with respect to that layoff Except for a period of disqualification the requirement that the individual shall seek work may be waived by the commission where it finds that suitable work is unavailable both in the locality where the individual resides and in those localities in which the individual has earned base period credit weeks This waiver shall not apply for weeks of unemployment beginning on or after March 1 1981 to a claimant enrolled and attending classes as a full time student An individual shall have satisfied the requirement of personal reporting at an employment office as applied to a week in a period during which the requirements of registration and seeking work have been waived by the commission pursuant to this subdivision if the individual has satisfied the personal reporting requirement with respect to a preceding week in that period and the individual has reported with respect to the week by mail in accordance with the rules promulgated by the commission For benefit years established after the conversion date prescribed in section 75 the individual has registered for work and has continued to report in accordance with such rules as the commission may prescribe and is seeking work The requirements that the individual must report must register for work must be available to perform suitable full time work and must seek work may be waived by the commission if the individual is laid off and the employer who laid the individual off notifies the commission in writing or by computerized data exchange that the layoff is temporary and that work is expected to be available for the individual within a declared number of days not to exceed 45 calendar days following the last day the individual worked This waiver shall not be effective unless the notification from the employer has been received by the commission before the individual has completed his or her first compensable week following layoff If the individual is not recalled within the specified period the waiver shall cease to be operative with respect to that layoff Except for a period of disqualification the requirement that the individual shall seek work may be waived by the commission where it finds that suitable work is unavailable both in the locality where the individual resides and in those localities in which the individual has earned wages during or after the base period This waiver shall not apply to a claimant enrolled and attending classes as a full time student An individual shall be considered to have satisfied the requirement of personal reporting at an employment office as applied to a week in a period during which the requirements of registration and seeking work have been waived by the commission pursuant to this subdivision if the individual has satisfied the personal reporting requirement with respect to a preceding week in that period and the individual has reported with respect to the week by mail in accordance with the rules promulgated by the commission

(b) The individual has made a claim for benefits in accordance with section 32 and has provided the commission with his or her social security number

(c) The individual is able and available to perform suitable full time work of a character which the individual is qualified to perform by past experience or training which is of a character generally similar to work for which the individual has previously received wages and for which the individual is available full time either at a locality at which the individual earned wages for insured work during his or her base period or at a locality where it is found by the commission that such work is available

(d) In the event of the death of an individual s immediate family member the eligibility requirements of availability and reporting shall be waived for the day of the death and for 4 consecutive calendar days thereafter As used in this subdivision immediate family member means a spouse child stepchild adopted child grandchild parent grandparent brother or sister of the individual or his or her spouse It shall also include the spouse of any of the persons specified in the previous sentence

(2) The commission may authorize an individual with an unexpired benefit year to pursue vocational training or retraining only if the commission finds that

(a) Reasonable opportunities for employment in occupations for which the individual is fitted by training and experience do not exist in the locality in which the individual is claiming benefits

(b) The vocational training course relates to an occupation or skill for which there are or are expected to be in the immediate future reasonable employment opportunities

(c) The training course has been approved by a local advisory council on which both management and labor are represented or if there is no local advisory council by the commission

(d) The individual has the required qualifications and aptitudes to complete the course successfully

(e) The vocational training course has been approved by the state board of education and is maintained by a public or private school or by the commission

(3) Notwithstanding any other provision of this act an otherwise eligible individual shall not be ineligible for benefits because he or she is participating in training with the approval of the commission For each week that the

commission finds that an individual who is claiming benefits under this act and who is participating in training with the approval of the commission is satisfactorily pursuing an approved course of vocational training it shall waive the requirements that he or she be available for work and be seeking work as prescribed in subsection (1)(a) and (c) and it shall find good cause for his or her failure to apply for suitable work report to a former employer for an interview concerning suitable work or accept suitable work as required in section 29(1)(c) (d) and (e)

(4) The waiver of the requirement that a claimant seek work as provided in subsection (1)(a) shall not be applicable to weeks of unemployment for which the claimant is claiming extended benefits if section 64(8)(a)(*u*) is in effect unless the individual is participating in training approved by the commission

(5) Notwithstanding any other provisions of this act an otherwise eligible individual shall not be denied benefits for any week beginning after October 30 1982 solely because the individual is in training approved under section 236(a)(1) of the trade act of 1974 as amended 19 U S C 2296 nor shall the individual be denied benefits by reason of leaving work to enter such training if the work left is not suitable employment Furthermore an otherwise eligible individual shall not be denied benefits because of the application to any such week in training of provisions of this act or any applicable federal unemployment compensation law relating to availability for work active search for work or refusal to accept work For purposes of this subsection suitable employment means with respect to an individual work of a substantially equal or higher skill level than the individual s past adversely affected employment as defined for purposes of the trade act of 1974 19 U S C 2101 to 2495 and wages for that work at not less than 80% of the individual s average weekly wage as determined for the purposes of the trade act of 1974

Sec 28a (1) For benefit years beginning before the conversion date prescribed in section 75 and notwithstanding any other provision of this act an unemployed individual who has a benefit year in effect and who has not exhausted benefit entitlement may have unused credit weeks preserved during a period of continuous involuntary disability if a written request from the individual to preserve the unused credit weeks is received by the commission within 90 days after the commencement of the period of disability within 90 days after being advised of his or her rights by the commission or if the individual is unable to submit the written request due to a medical inability within 90 days after the end of that medical inability For benefit years beginning after the conversion date prescribed in section 75 and notwithstanding any other provision of this act an unemployed individual who has a benefit year in effect and who has not exhausted benefit entitlement may have unused benefit entitlement preserved during a period of continuous involuntary disability if a written request from the individual to preserve the unused benefit entitlement is received by the commission within 90 days after the commencement of the period of disability within 90 days after being advised of his or her rights by the commission or if the individual is unable to submit the written request due to a medical inability within 90 days after the end of that medical inability

(2) For benefit years beginning before the conversion date prescribed in section 75 unused credit weeks shall not be preserved pursuant to this section unless the commission receives a written statement from the individual s physician within 90 days after the commencement of the disability within 90 days after the individual is advised of his or her rights by the commission or if the individual is unable to submit the written statement due to a medical inability within 90 days after the end of that medical inability the commission receives the written statement from the individual s physician The written statement from the individual s physician shall certify all of the following

(a) The nature of the injury illness or hospitalization

(b) That based upon the examination of the physician the individual is not able and available to perform full time work as described in section 28(1)(c)

(c) The probable duration of the injury illness or hospitalization

For benefit years beginning after the conversion date prescribed in section 75 unused benefit entitlement shall not be preserved pursuant to this section unless the commission receives a written statement from the individual s physician within 90 days after the commencement of the disability within 90 days after the individual is advised of his or her rights by the commission or if the individual is unable to submit the written statement due to a medical inability within 90 days after the end of that medical inability the commission receives the written statement from the individual s physician The written statement from the individual s physician shall certify all of the following

(a) The nature of the injury illness or hospitalization

(b) That based upon the examination of the physician the individual is not able and available to perform full time work as described in section 28(1)(c)

(c) The probable duration of the injury illness or hospitalization

(3) The commission immediately shall provide a copy of the statement required by subsection (2) to the individual s last employer and all base period employers

(4) For benefit years beginning before the conversion date as prescribed in section 75 an individual who has unused credit weeks preserved pursuant to this section shall receive an extension of his or her benefit year equal in weeks to the number of weeks the period of disability continued during the benefit year The extension shall begin with the week after the week in which the disability terminated Benefits may be paid for weeks of unemployment after the period of

disability if the individual is eligible and qualified but benefits shall not be payable under this section for any week that commences more than 156 weeks after the first week of the benefit year For benefit years beginning after the conversion date prescribed in section 75 an individual who has unused benefit entitlement preserved pursuant to this section shall receive an extension of his or her benefit year equal in weeks to the number of weeks the period of disability continued during the benefit year The extension shall begin with the week after the week in which the disability terminated Benefits may be paid for weeks of unemployment after the period of disability if the individual is eligible and qualified but benefits shall not be payable under this section for any week that commences more than 156 weeks after the first week of the benefit year

(5) As used in this section a period of continuous disability means a period continuing for more than 14 consecutive days during which an unemployed individual is not able and available to perform full time work as described in section 28(1)(c) due to injury illness or hospitalization

(6) For benefit years beginning before the conversion date prescribed in section 75 an unemployed individual who has been unable to establish a benefit year solely due to a period of continuous disability may preserve all credit weeks earned by the individual in the 52 week period preceding the individual s first week of unemployment as defined in section 48 caused by the disability However credit weeks may be preserved if the commission receives a written request and a physician s statement as described in subsections (1) and (2) within 90 days after the commencement of the unemployment within 90 days after being advised of his or her rights by the commission or if the individual is unable to submit the written statement and request due to a medical inability within 90 days after the end of that medical inability The individual s benefit year shall begin the first week the individual was both unemployed and disabled and the benefit year shall be extended pursuant to subsection (4) For benefit years beginning after the conversion date prescribed in section 75 an unemployed individual who has been unable to establish a benefit year solely due to an inability to file a claim because of a period of continuous disability may preserve all unused benefit entitlement in the base period preceding the individual s first week of unemployment as defined in section 48 caused by the disability However benefit entitlement may be preserved if the commission receives a written request and a physician s statement as described in subsections (1) and (2) within 90 days after the commencement of the unemployment within 90 days after being advised of his or her rights by the commission or if the individual is unable to submit the written statement and request due to a medical inability within 90 days after the end of that medical inability The individual s benefit year shall begin the first week the individual was both unemployed and disabled and the benefit year shall be extended pursuant to subsection (4)

(7) For benefit years beginning before the conversion date prescribed in section 75 if an individual has sufficient credit weeks to establish a new benefit year under section 46 after the termination of the period of continuous disability and is otherwise eligible and qualified for benefits the individual shall cease to be entitled to benefits under this section For benefit years beginning after the conversion date prescribed in section 75 if an individual has sufficient base period wages to establish a new benefit year under section 46 after the termination of the period of continuous disability and is otherwise eligible and qualified for benefits the individual shall cease to be entitled to benefits under this section

(8) This section shall apply to all benefit years that commence after the effective date of this section

(9) The commission shall disseminate information on this section to potential interested parties including the legal profession employers and unions

(10) For benefit years beginning before the conversion date prescribed in section 75 and notwithstanding any other provision of this section a request for preservation of credit weeks must be made within 3 years after the date the disability began For benefit years beginning after the conversion date prescribed in section 75 and notwithstanding any other provision of this section a request for preservation of benefit entitlement must be made within 3 years after the date the disability began

Sec 29 (1) An individual is disqualified for benefits if he or she

(a) Left work voluntarily without good cause attributable to the employer or employing unit However if the individual has an established benefit year in effect and during that benefit year has left unsuitable work within 60 days after the beginning of that work the leaving is not disqualifying

(b) Was discharged for misconduct connected with the individual s work or for intoxication while at work unless the discharge was subsequently reduced to a disciplinary layoff or suspension

(c) Failed without good cause to apply for available suitable work of which the individual was notified by the employment office or the commission

(d) Being unemployed failed without good cause to report to the individual s former employer or employing unit within a reasonable time after notice from that employer or employing unit for an interview concerning available suitable work with the former employer or employing unit

(e) Failed without good cause to accept suitable work when offered the individual or to return to the individual s customary self employment if any when directed by the employment office or the commission

(f) Lost his or her job by reason of being absent from work as a result of a violation of law for which the individual was convicted and sentenced to jail or prison This subdivision does not apply if conviction of a person results in a sentence to county jail under conditions of day parole as provided in Act No 60 of the Public Acts of 1962 being sections 801 251 to 801 258 of the Michigan Compiled Laws or when the conviction was for a traffic violation that resulted in an absence of less than 10 consecutive work days from the individual s place of employment

(g) Is discharged whether or not the discharge is subsequently reduced to a disciplinary layoff or suspension for participation in a strike or other concerted action resulting in curtailment of work or restriction of or interference with production contrary to an applicable collective bargaining agreement or for participation in a wildcat strike or other concerted action not authorized by the individual s recognized bargaining representative

(h) Was discharged for an act of assault and battery connected with the individual s work

(i) Was discharged for theft connected with the individual s work resulting in a loss or damage of $25 00 or less

(j) Was discharged for theft connected with the individual s work resulting in a loss or damage of more than $25 00

(k) Was discharged for willful destruction of property connected with the individual s work resulting in loss or damage of $25 00 or less

(*l*) Was discharged for willful destruction of property connected with the individual s work resulting in loss or damage of more than $25 00

(m) Committed a theft that occurred after a notice of layoff or discharge but before the effective date of layoff or discharge resulting in loss or damage of more than $25 00 to the employer who would otherwise be chargeable for the benefits notwithstanding that the original layoff or discharge was under nondisqualifying circumstances

(2) A disqualification provided in subsection (1) begins with the week in which the act or discharge occurred that caused the disqualification and continues until the disqualified individual requalifies under subsection (3) except that for benefit years beginning before the conversion date prescribed in section 75 with respect to multiemployer credit weeks the disqualification does not prevent the payment of benefits if there are credit weeks after the most recent disqualifying act or discharge

(3) For benefit years established before the conversion date prescribed in section 75 after the week in which the disqualifying act or discharge occurred an individual shall complete 6 requalifying weeks if disqualified under subsection (1)(c) (d) (e) (f) or (g) or shall complete 13 requalifying weeks if disqualified under subsection (1)(h) (j) (*l*) or (m) for each week in which the individual earns or receives remuneration in an amount at least equal to an amount needed to earn a credit week as defined in section 50 or would otherwise meet all of the requirements of this act to receive a benefit payment if the individual were not disqualified under subsection (1) or receives a benefit payment based on credit weeks subsequent to the disqualifying act or discharge An individual who is disqualified under subsection (1)(a) (b) (i) or (k) shall after the week in which the disqualifying discharge occurred requalify by earning in employment for an employer liable under this act or the unemployment compensation act of another state an amount equal to or in excess of 7 times the individual s potential weekly benefit rate calculated on the basis of employment with the employer involved in the disqualification or by earning in employment for an employer liable under this act or the unemployment compensation act of another state an amount equal to or in excess of 40 times the state minimum hourly wage times 7 whichever is the lesser amount Any benefits that become payable to an individual disqualified under subsection (1)(a) (b) (i) or (k) shall not be charged to the account of the employer with whom the individual was involved in the disqualification The benefits paid shall be charged to the nonchargeable benefits account For benefit years beginning after the conversion date prescribed in section 75 subsequent to the week in which the disqualifying act or discharge occurred an individual shall complete 6 requalifying weeks if disqualified under subsection (1)(c) (d) (e) (f) or (g) or shall complete 13 requalifying weeks if disqualified under subsection (1)(h) (j) (*l*) or (m) for each week in which the individual earns or receives remuneration in an amount equal to at least 1/13 of the minimum amount needed in a calendar quarter of the base period for an individual to qualify for benefits rounded down to the nearest whole dollar or would otherwise meet all of the requirements of this act to receive a benefit payment if the individual were not disqualified under subsection (1) An individual who is disqualified under subsection (1)(a) (b) (i) or (k) shall subsequent to the week in which the disqualifying act or discharge occurred requalify by earning in employment for an employer liable under this act or the unemployment compensation law of another state an amount equal to or in excess of 7 times the individual s weekly benefit rate or by earning in employment for an employer liable under this act or the unemployment compensation law of another state an amount equal to or in excess of 40 times the state minimum hourly wage times 7 whichever is the lesser amount Any benefits which may become payable to an individual disqualified or separated under disqualifying circumstances under subsection (1)(a) (b) (i) or (k) shall not be charged to the account of the employer with whom the individual was involved in the separation Those benefits paid shall be charged to the nonchargeable benefits account Benefits payable to an individual determined by the commission to be separated under disqualifying circumstances shall not be charged to the account of the employer involved in the disqualification for any period after the employer notifies the commission of the claimant s possible ineligibility or disqualification If a disqualifying act or discharge occurs during the individual s benefit year any benefits that may become payable to the individual in a later benefit year based on employment with the employer involved in the disqualification shall be charged to the nonchargeable benefits account

(4) For benefit years established before the conversion date prescribed in section 75 and subject to the conditions provided in this subsection an individual s maximum amount of benefits otherwise available to the individual under section 27(d) based on wages and credit weeks earned before an act or discharge with the employer involved as the result of which the individual was disqualified under subsection (1)(c) (d) (e) (f) or (g) shall be reduced by an amount equal to the individual s weekly benefit rate as to that employer multiplied by the number of requalifying weeks required of the individual under this subsection or multiplied by the number of weeks of benefit entitlement remaining with that employer whichever is less The reductions of benefits provided for in this subsection are subject however to the following conditions if the individual has insufficient or no potential benefit entitlement remaining with that employer in the benefit year in existence on the date of the disqualifying determination the reduction shall apply in a succeeding benefit year with respect to any benefit entitlement based upon credit weeks earned with the employer involved in the disqualification before the disqualifying act or discharge

An individual disqualified under subsection (1)(h) (j) (*l*) or (m) is not entitled to benefits based on wages and credit weeks earned before the disqualifying act or discharge with the employer involved in the disqualification

The benefit entitlement of an individual disqualified under subsection (1)(a) (b) (i) or (k) is not subject to reduction as a result of that disqualification

For purposes of this subsection the denial or reduction of benefits does not apply to benefits based upon multiemployer credit weeks

For benefit years established after the conversion date prescribed in section 75 and subject to the conditions provided in this subsection if an individual is disqualified under subsection (1)(c) (d) (e) (f) or (g) the individual s maximum number of weeks otherwise payable to the individual under section 27(d) shall be reduced by the number of requalifying weeks required of the individual under this subsection or by the number of weeks of benefit entitlement remaining on the claim whichever is less The benefits of an individual disqualified under subsection (1)(h) (j) (*l*) or (m) shall be reduced by 13 weeks and any weekly benefit payments made to the claimant thereafter shall be reduced by the portion of the payment attributable to base period wages paid by the base period employer involved in a disqualification under subsection (1)(h) (j) (*l*) or (m)

(5) If an individual leaves work to accept permanent full time work with another employer and performs services for that employer or leaves work to accept a recall from a former employer the disqualification provisions of subsection (1) do not apply to that leaving However the wages earned with the employer whom the individual last left including wages previously transferred under this subsection to the last employer for the purpose of computing and charging benefits are considered wages earned from the employer with whom the individual accepted work or recall and benefits paid based upon those wages shall be charged to that employer When issuing a determination covering that period of employment the commission shall advise the chargeable employer of the name and address of the other employer the period covered by the employment and the extent of the benefits that may be charged to the account of the chargeable employer

(6) In determining whether or not work is suitable for an individual the commission shall consider the degree of risk involved to the individual s health safety and morals the individual s physical fitness and prior training the individual s experience and prior earnings the individual s length of unemployment and prospects for securing local work in the individual s customary occupation and the distance of the available work from the individual s residence

(7) Work is not considered suitable and benefits shall not be denied under this act to an otherwise eligible individual for refusing to accept new work under any of the following conditions

(a) The position offered is vacant due directly to a strike lockout or other labor dispute

(b) The remuneration hours or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality

(c) As a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining a bona fide labor organization

(8) An individual is disqualified for benefits for a week in which the individual s total or partial unemployment is due to a labor dispute m active progress or to shutdown or start up operations caused by that labor dispute in the establishment in which the individual is or was last employed or to a labor dispute other than a lockout in active progress or to shutdown or start up operations caused by that labor dispute in any other establishment within the United States which is functionally integrated with the establishment and is operated by the same employing unit An individual s disqualification imposed or imposable under this subsection is terminated by the individual s performing services in employment with an employer in at least 2 consecutive weeks falling wholly within the period of the individual s total or partial unemployment due to the labor dispute and in addition by earning wages in each of those weeks in an amount equal to or in excess of the individual s actual or potential weekly benefit rate with respect to those weeks based on the individual s employment with the employer involved in the labor dispute An individual is not disqualified under this subsection if the individual is not directly involved in the dispute

(a) For purposes of this subsection an individual is not considered to be directly involved in a labor dispute unless it is established that any of the following occurred

(i) At the time or in the course of a labor dispute in the establishment in which the individual was then employed the individual in concert with 1 or more other employees voluntarily stopped working other than at the direction of the individual s employing unit

(ii) The individual is participating in financing or directly interested in the labor dispute that causes the individual s total or partial unemployment The payment of regular union dues in amounts and for purposes established before the inception of the labor dispute shall not be construed as financing a labor dispute within the meaning of this subparagraph

(iii) At any time when there was not a labor dispute in the establishment or department in which the individual was employed the individual voluntarily stopped working other than at the direction of the individual s employing unit in sympathy with employees in some other establishment or department in which a labor dispute was then in progress

(iv) The individual s total or partial unemployment is due to a labor dispute that was or is in progress in a department unit or group of workers m the same establishment

(b) As used in this subsection directly interested shall be construed and applied so as not to disqualify individuals unemployed as a result of a labor dispute the resolution of which may not reasonably be expected to affect their wages hours or other conditions of employment and to disqualify individuals whose wages hours or conditions of employment may reasonably be expected to be affected by the resolution of the labor dispute A reasonable expectation of an effect on an individual s wages hours or other conditions of employment is considered to exist in the absence of a substantial preponderance of evidence to the contrary in any of the following situations

(i) If it is established that there is in the particular establishment or employing unit a practice custom or contractual obligation to extend within a reasonable period to members of the individual s grade or class of workers in the establishment in which the individual is or was last employed changes in terms and conditions of employment that are substantially similar or related to some or all of the changes in terms and conditions of employment that are made for the workers among whom there exists the labor dispute that has caused the individual s total or partial unemployment

(ii) If it is established that l of the issues in or purposes of the labor dispute is to obtain a change in the terms and conditions of employment for members of the individual s grade or class of workers in the establishment in which the individual is or was last employed

(iii) If the labor dispute exists at a time when the collective bargaining agreement which covers the individual s grade or class of workers in the establishment in which the individual is or was last employed and the workers in another establishment of the same employing unit who are actively participating in the labor dispute has expired has been opened by mutual consent or may by its terms be modified supplemented or replaced

(c) In determining the scope of the grade or class of workers evidence submitted to show any of the following is relevant

(i) Representation of the workers by the same national or international organization or by local affiliates of that national or international organization

(ii) Whether the workers are included in a single legally designated or negotiated bargaining unit

(iii) Whether the workers are or have within the past 6 months been covered by a common master collective bargaining agreement that sets forth all or any part of their terms and conditions of employment or by separate agreements that are or have been bargained as a part of the same negotiations

(iv) Any functional integration of the work performed by those wor kers

(v) Whether the resolution of issues of the type involved in the labor dispute as to some of the workers could directly or indirectly affect the advancement negotiation or settlement of the same or similar issues in respect to the remaining workers

(vi) Whether the workers are currently or have been covered by the same or similar demands by their recognized or certified bargaining agent or agents for changes in their wages hours or other conditions of employment

(vii) Whether issues on the same subject matter as those involved in the labor dispute have been the subject of proposals or demands made upon the employing unit that would by their terms have applied to those workers

(9) An individual is disqualified for benefits for the duration of the individual s disciplinary layoff or suspension in all cases in which the individual becomes unemployed because of a disciplinary layoff or suspension based upon misconduct directly or indirectly connected with work for participation in a strike or other concerted activity resulting in a curtailment of work or restriction of or interference with production contrary to an applicable collective bargaining agreement or for participation in a wildcat strike or other concerted activity not authorized by the individual s recognized bargaining representative This subsection applies only if the individual is not subject to disqualification under subsection (1)(g) or if a disqualifying discharge under subsection (1)(b) is determined or redetermined to be a disciplinary layoff or suspension If a disqualifying discharge under subsection (1)(b) is determined or redetermined to be a suspension the disqualification provided under this subsection applies from the date of the discharge

(10) Notwithstanding subsections (1) to (9) if the employing unit submits notice to the commission of possible ineligibility or disqualification beyond the time limits prescribed by commission rule the notice shall not form the basis of a determination of ineligibility or disqualification for a claim period compensated before the receipt of the notice by the commission

(11) An individual is disqualified for benefits for any week with respect to which or a part of which the individual has received is receiving or is seeking unemployment benefits under an unemployment compensation law of another state or of the United States If the appropriate agency of the other state or of the United States finally determines that the individual is not entitled to unemployment benefits this disqualification does not apply

Sec 32 (a) Claims for benefits shall be made pursuant to regulations prescribed by the commission The commission shall designate representatives who promptly shall examine claims and make a determination on the facts The commission may establish rules providing for the examination of claims the determination of the validity of the claims and the amount and duration of benefits to be paid The claimant and other interested parties promptly shall be notified of the determination and the reasons for the determination

(b) For benefit years established before the conversion date prescribed in section 75 the commission may prescribe regulations for notifying and shall notify the employer whose experience account may be charged and the employing unit where the claimant last worked that the claimant has filed an application for benefits The notice shall require the employer and employing unit to furnish information to the commission necessary to determine the claimant s benefit rights

Upon receipt of the employer s reports the commission promptly shall make a determination based upon the available information The claimant and the employer whose experience account may be charged pursuant to the determination promptly shall be notified of the determination The notice shall show the name and account number of the employer whose experience account may be charged pursuant to the determination the weekly benefit amount and the maximum number of credit weeks against which the claimant may draw benefits and whether or not the claimant is eligible and qualified to draw benefits An employer may designate in writing to the commission an individual or another employer or an employing unit to receive any notice required to be given by the commission to that employer or to represent that employer in any proceeding before the commission as provided in section 31

If an employer or employing unit fails to respond within 10 days after mailing of the request for information the commission shall make a determination upon the available information In the absence of a showing by the employer satisfying the commission that the employer reasonably could not submit the requested information the determination shall be final as to the noncomplying employer as to benefits paid before the week following the receipt of the employer s reply and chargeable against the employer s experience account as a result of the employer s late reply and the payments shall be considered to have been proper payments The commission may require an employer who consistently fails to meet the commission s requirements as to submission of reports covering employment of individuals to provide the reports automatically upon the separation of individuals from employment in the manner and within the time limits the commission prescribes by regulation necessary to carry out this section An employer may be permitted to provide the reports automatically upon separation of individuals from employment in the manner and within the time limits prescribed by the commission

After an application for benefits is filed the commission s determination shall include only the most recent employer Subsequently as necessary the commission shall issue determinations covering other base period employers individually in inverse order to that in which the claimant earned his or her last credit week with the employers

For benefit years established after the conversion date prescribed in section 75 the commission shall mail to the claimant to each base period employer or employing unit and to the separating employer or employing unit a monetary determination The monetary determination shall notify each of these employers or employing units that the claimant has filed an application for benefits and the amount the claimant reported as earned with the separating employer or employing unit and shall state the name of each employer or employing unit in the base period and the name of the separating employer or employing unit The monetary determination shall also state the claimant s weekly benefit rate the amount of base period wages paid by each base period employer the maximum benefit amount that could be charged to each employer s account or experience account and the reason for separation reported by the claimant The monetary determination shall also state whether the claimant is monetarily eligible to receive unemployment benefits No further reconsideration of a separation from any base period employer will be made unless the base period employer notifies the commission of a possible disqualifying separation in accordance with this subsection Benefits paid in accordance with the monetary determination shall be considered proper payments and shall not be changed unless the commission receives new corrected or additional information from the employer within 10 calendar days after the mailing of the monetary determination and the information results in a change in the monetary determination New additional or corrected information received by the commission after the 10 day period shall be considered a request for reconsideration by the employer of the monetary determination and shall be reviewed as provided in section 32a

For the purpose of determining a claimant s nonmonetary eligibility and qualification for benefits if the claimant s most recent base period or benefit year separation was for a reason other than the lack of work then a determination

shall be issued concerning that separation to the claimant and to the separating employer If a claimant is not disqualified based on his or her most recent separation from employment and has satisfied the requirements of section 29 the commission shall issue a nonmonetary determination as to that separation only If a claimant is not disqualified based on his or her most recent separation from employment and has not satisfied the requirements of section 29 the commission shall issue 1 or more nonmonetary determinations necessary to establish the claimant s qualification for benefits based on any prior separation in inverse chronological order The commission shall consider all base period separations involving disqualifications under section 29(1)(h) (j) (l) or (m) m determining a claimant s nonmonetary eligibility and qualification for benefits An employer may designate in writing to the commission an individual or another employer or an employing unit to receive any notice required to be given by the commission to that employer or to represent that employer in any proceeding before the commission as provided in section 31

If the commission requests additional monetary or nonmonetary information from an employer or employing unit and the commission fails to receive a written response from the employer or employing unit withm 10 calendar days after the date of mailing the request for information the commission shall make a determination based upon the available information at the time the determination is made The determination shall be final and any payment made shall be considered a proper payment with respect to benefits paid before the week following the receipt of the employer s reply and chargeable against the employer s account or experience account as a result of the employer s late reply

(c) The claimant or interested party may file an application with an office of the commission for a redetermination in accordance with section 32a

(d) The issuance of each benefit check shall be considered a determination by the commission that the claimant receiving the check was covered during the compensable period and eligible and qualified for benefits A chargeable employer upon receipt of a listing of the check as provided in section 21(a) may protest by requesting a redetermination as to the eligibility or qualification as to that period and a determination as to later weeks and benefits still unpaid as are affected by the protest Upon receipt of the protest or request the commission shall investigate and redetermine whether the claimant is eligible and qualified as to that period If upon the redetermination the claimant is found ineligible or not qualified the commission shall investigate and determine whether the claimant obtained benefits for 1 or more preceding weeks within the series of consecutive weeks which includes the week covered by the redetermination improperly as the result of administrative error false statement misrepresentation or nondisclosure of a material fact If the commission finds that the claimant has obtained benefits through administrative error false statement misrepresentation or nondisclosure of a material fact the commission shall proceed under the appropriate provisions of section 62

(e) Notwithstanding any other provision of this act if both parties or their authorized agents or attorneys agree the claimant and the employer may bypass redetermination and the board of review to request circuit court review of a decision by the referee

(f) When a claimant commences to file continued claims through a different state claim office in this state or elsewhere the commission promptly shall issue written notice of that fact to the chargeable employer

(g) If a claimant refuses an offer of work or fails to apply for work of which the claimant has been notified as provided in section 29(1)(c) or (e) the commission promptly shall make a written determination as to whether or not the refusal or failure requires disqualification under section 29 Notice of the determination specifying the name and address of the employing unit offering or giving notice of the work and of the chargeable employer shall be sent to the claimant the employing unit offering or giving notice of the work and the chargeable employer

Sec 44 (1) Remuneration means all compensation paid for personal services including commissions and bonuses and except for agricultural and domestic services the cash value of all compensation payable in a medium other than cash Any remuneration payable to an individual which has not been actually received by that individual within 21 days after the end of the pay period in which the remuneration was earned shall for the purposes of subsections (2) to (5) and section 46 be considered to have been paid on the twenty first day after the end of that pay period For benefit years beginning after the conversion date prescribed in section 75 if back pay is awarded to an individual and is allocated by an employer or legal authority to a period of weeks within 1 or more calendar quarters the back pay shall be considered paid in that calendar quarter or those calendar quarters for purposes of section 46 The reasonable cash value of compensation payable in a medium other than cash shall be estimated and determined in accordance with rules promulgated by the commission Beginning January 1 1986 remuneration shall include tips actually reported to an employer under section 6053(a) of the internal revenue code 26 U S C 6053(a) by an employee who receives tip income Remuneration shall not include money paid an individual by a unit of government for services rendered as a member of the national guard of this state or for similar services to any state or the United States

(2) Wages subject to subsections (3) to (5) means remuneration paid by employers for employment and beginning January 1 1986 includes tips actually reported to an employer under section 6053(a) of the internal revenue code 26 U S C 6053(a) by an employee who receives tip income Notwithstanding the preceding sentence for the period January 1 1986 through December 31 1986 for purposes of sections 50 and 51 wages shall include tips only to the

extent that they are taken in account by the employer in determining the employee s compensation under the state minimum wage law or where the employer adds a certain percent to the customer s bill as a tip for disbursement to the employees the dollar amount of the percentage so added If any provision of this subsection prevents the state from qualifying for any federal interest relief provisions provided under section 1202 of the social security act 42 U S C 1322 or prevents employers in this state from qualifying for the limitation on the reduction of federal unemployment tax act credits as provided under section 3302(f) of the federal unemployment tax act 26 U S C 3302(f) such provision shall be invalid to the extent necessary to maintain qualification for such interest relief provisions and federal unemployment tax credits

(3) For the purpose of determining the amount of contributions due from an employer under this act wages shall be limited by the taxable wage limit applicable under subsection (4) For this purpose wages shall exclude all remuneration paid within a calendar year to an individual by an employing unit after the individual was paid within that year by that employing unit remuneration equal to the taxable wage limit on which unemployment taxes were paid or were payable in this and any other states If an employing unit hereinafter referred to as successor during any calendar year becomes a transferee in a transfer of business as defined in section 22 of another hereinafter referred to as a predecessor and immediately after the transfer employs in his or her trade or business an individual who immediately before the transfer was employed m the trade or business of the predecessor then for the purpose of determining whether the successor has paid remuneration with respect to employment equal to the taxable wage limit to that individual during the calendar year any remuneration with respect to employment paid to that individual by the predecessor during the calendar year and before the transfer shall be considered as having been paid by the successor

(4) The taxable wage limit for each calendar year shall be $8 000 00 in the 1983 calendar year $8 500 00 in the 1984 calendar year $9 000 00 in the 1985 calendar year $9 500 00 in the 1986 calendar year and $9 500 00 for calendar years after 1986 or the maximum amount of remuneration paid within a calendar year by an employer subject to the federal unemployment tax act 26 U S C 3301 to 3311 to an individual with respect to employment as defined in that act which is subject to tax under that act during that year for each calendar year whichever is greater

(5) For the purposes of this act the term wages shall not include

(a) The amount of a payment including an amount paid by an employer for insurance or annuities or into a fund to provide for such a payment made to or on behalf of an employee or any of the employee s dependents under a plan or system established by an employer which makes provision for the employer s employees generally or for the employer s employees generally and their dependents or for a class or classes of the employer s employees or for a class or classes of the employer s employees and their dependents on account of retirement sickness or accident disability medical or hospitalization expenses in connection with sickness or accident disability or death

(b) A payment made to an employee including an amount paid by an employer for insurance or annuities or into a fund to provide for such a payment on account of retirement

(c) A payment on account of sickness or accident disability or medical or hospitalization expenses in connection with sickness or accident disability made by an employer to or on behalf of an employee after the expiration of 6 calendar months following the last calendar month in which the employee worked for the employer

(d) A payment made to or on behalf of an employee or the employee s beneficiary from or to a trust described in section 401(a) of the internal revenue code which is exempt from tax under section 501(a) of the internal revenue code at the time of the payment unless the payment is made to an employee of the trust as remuneration for services rendered as an employee and not as a beneficiary of the trust or under or to an annuity plan which at the time of the payment is a plan described in section 403(a) of the internal revenue code or under or to a bond purchase plan which at the time of the payment is a qualified bond purchase plan described in section 405(a) of the internal revenue code

(e) The payment by an employer without deduction from the remuneration of the employee of the tax imposed upon an employee under section 3101 of the internal revenue code

(f) Remuneration paid in any medium other than ash to an employee for service not in the course of the employer s trade or business

(g) A payment other than vacation or sick pay made to an employee after the month in which the employee attains the age of 65 if the employee did not work for the employer in the period for which the payment is made

(h) Remuneration paid to or on behalf of an employee as moving expenses if and to the extent that at the time of payment of the remuneration it is reasonable to believe that a corresponding deduction is allowable under section 217 of the internal revenue code

(6) The amendments made to this section by Act No 155 of the Public Acts of 1977 shall apply to all remuneration paid after December 31 1977

(7) The amendments made in subsection (1) by the amendatory act which added this subsection shall first apply to remuneration paid after December 31 1977

Sec 45 For benefit years beginning before the conversion date prescribed in section 75 base period means the period of 52 consecutive calendar weeks ending with the day immediately preceding the first day of an individual s

benefit year For benefit years beginning after the conversion date prescribed in section 75 base period means the first 4 of the last 5 completed calendar quarters before the first day of the individual s benefit year However if an individual has not been paid sufficient wages in the first 4 of the last 5 completed calendar quarters to entitle the individual to establish a benefit year then base period means the 4 most recent completed calendar quarters before the first day of the individual s benefit year

Sec 46 (a) For benefit years beginning before the conversion date prescribed in section 75 benefit year with respect to any individual means the period of 52 consecutive calendar weeks beginning with the first calendar week with respect to which the individual who does not already have a benefit year in effect files an application in accordance with section 32 However a benefit year shall not be established unless the individual meets all of the following conditions (1) has earned 20 credit weeks in the 52 consecutive calendar weeks preceding the week with respect to which the individual filed an application for benefits (2) with respect to the week for which the individual is filing an application for benefits is unemployed and meets all of the other requirements of section 28 (3) with respect to the week for which the individual is filing an application for benefits the individual is not disqualified nor subject to disqualification except in case of a labor dispute under section 29(8) with respect to the most recent period of employment with the most recent employer with whom the individual earned a credit week For benefit years beginning after the conversion date prescribed in section 75 benefit year with respect to any individual means the period of 52 consecutive calendar weeks beginning with the first calendar week with respect to which the individual who does not already have a benefit year in effect files an application for benefits in accordance with section 32 However a benefit year shall not be established unless the individual meets either of the following conditions (1) the total wages paid to the individual in the base period of the claim equals not less than 1 5 times the wages paid to the individual in the calendar quarter of the base period in which the individual was paid the highest wages or (2) the individual was paid wages in 2 or more calendar quarters of the base period totaling at least 20 times the state average weekly wage as determined by the commission The state average weekly wage for a calendar year shall be computed on the basis of the 12 months ending the June 30 preceding that calendar year A benefit year shall not be established if the individual was not paid wages of at least the state minimum hourly wage multiplied by 268 66 rounded down to the nearest dollar in at least 1 calendar quarter of the base period A benefit year shall not be established based on base period wages previously used to establish a benefit year that resulted in the payment of benefits However if a calendar quarter of the base period contains wages which were previously used to establish a benefit year that resulted in the payment of benefits a claimant may establish a benefit year using the wages in the remaining calendar quarters from among the first 4 of the last 5 completed calendar quarters or if a benefit year cannot be established using those quarters then by using wages from among the last 4 completed calendar quarters A benefit year shall not be established unless after the beginning of the immediately preceding benefit year during which the individual received benefits the individual worked and received remuneration in an amount equal to at least 5 times the individual s most recent state weekly benefit rate in effect during the individual s immediately preceding benefit year

If a quarterly wage report has not been submitted in a timely manner by the employer as provided in section 13 for any of the quarters of the base period or wage information is not available for use by the commission for the most recent completed calendar quarter the commission may obtain and use the claimant s statement of wages paid during the calendar quarters for which the wage reports are missing to establish a benefit year A determination based on the claimant s statement of wages paid during any of these calendar quarters shall be redetermined if the quarterly wage report from the employer is later received and would result in a change in the claimant s weekly benefit amount or duration or both or if the quarterly wage report from the employer later becomes available for use by the commission and would result in a change in the claimant s benefit amount or duration or both If the redetermination results from the employer s failure to submit the quarterly wage report in a timely manner the redetermination shall be effective as to benefits payable for weeks beginning after the receipt of information not previously submitted by the employer

If an individual files an application for a 7 day period as provided in section 27(c) the benefit year with respect to the individual shall begin with the calendar week which contains the first day of that 7 day period

(b) If all or the then remaining part of a claimant s rights to benefits during his or her benefit year are canceled under the provisions of section 62(b) the remaining portion of that benefit year shall be terminated as of the effective date of the cancellation

(c) An individual may request a redetermination of his or her benefit rights and cancellation of a previously established benefit year if he or she has not completed a compensable period in such case the benefit year shall begin with the first day of the first week with respect to which the request for redetermination of benefit rights is duly filed

(d) Notwithstanding subsection (a) for services performed on or after January 2 1983 and with respect to benefit years established before the conversion date prescribed in section 75 an individual shall not be entitled to establish a benefit year based in whole or in part on credit weeks for service in the employ of ar employing unit not otherwise excluded under section 43(g) in which more than 50% of the proprietary interest is owned by the individual or his or her son daughter or spouse or any combination of these individuals or in which more than 50% of the proprietary interest is owned by the mother or father of a child under the age of 18 or mother and father combined unless both the individual and the employer notify the commission in response to the commission s request for information of the

individual s relationship to the owners of the proprietary interest in the employing unit Upon timely notification to the commission a benefit year may be established for the individual if the individual meets all of the following conditions (1) has earned 20 credit weeks in the 52 consecutive calendar weeks preceding the week with respect to which the individual filed an application for benefits (2) with respect to the week for which the individual is filing an application for benefits is unemployed and meets all of the other requirements of section 28 (3) with respect to the week for which the individual is filing an application for benefits the individual is not disqualified nor subject to disqualification except in case of a labor dispute under section 29(8) with respect to the most recent period of employment with the most recent employer with whom the individual earned a credit week If an individual files an application for a 7 day period as provided in section 27(c) the benefit year with respect to the individual shall begin with the calendar week which contains the first day of that 7 day period However for benefit years established on or after July 1 1983 not more than 10 credit weeks based on such services shall be used to pay benefits For the purpose of calculating the individual s average weekly wage all base period wages and credit weeks shall be used With respect to benefit years beginning after the conversion date prescribed in section 75 and notwithstanding subsection (a) an individual shall not be entitled to establish a benefit year based in whole or in part on wages earned in service not otherwise excluded under section 43(g) in the employ of an employing unit in which more than 50% of the proprietary interest is owned by the individual or his or her son daughter spouse or any combination of these individuals or in which more than 50% of the proprietary interest is owned by the mother or father of a child under the age of 18 or mother and father combined unless both the individual and the employer notify the commission in response to the commission s request for information of the individual s relationship to the owners of the proprietary interest in the employing unit Upon timely notification to the commission a benefit year may be established for the individual if the individual meets the requirements of subsection (a) If wages in an individual s base period were earned in service in the employ of such an employing unit the individual s weekly benefit rate shall be calculated in accordance with section 27(b)(1) but the portion of the benefit rate attributable to this service shall be payable for not more than 7 weeks The weekly benefit payment shall be reduced thereafter by the percentage of charge attributable to service with this employer in accordance with section 20

Sec 50 (a) Week means calendar week ending at midnight Saturday but all work performed and wages earned during a working shift which starts before midnight Saturday shall be included in the week in which that shift begins

(b) With respect to benefit years established before the conversion date prescribed in section 75 credit week means a calendar week of an individual s base period during which the individual earned wages equal to or greater than 20 times the state minimum hourly wage in effect on the first day of the calendar week in which the individual filed an application for benefits subject to the following

(1) If an individual earns wages from more than 1 employer in a credit week that week shall be counted as 1 multiemployer credit week and shall be governed by the provisions of section 20(e) unless the individual has earned sufficient wages in the base period with only 1 of the employers for whom the individual performed services in the week of concurrent employment to entitle the individual to a maximum weekly benefit rate in which case the week shall be a credit week with respect to that employer only and not a multiemployer credit week

(2) Not more than 35 uncanceled and uncharged credit weeks shall be counted as credit weeks In determining the 35 credit weeks to be used for computing and paying benefits credit weeks shall be counted in the following sequence

(a) First all credit weeks which are not multiemployer credit weeks and which were earned with employers not involved in a disqualifying act or discharge under section 29(1) and all credit weeks earned with an employer involved in such a disqualifying act or discharge which were earned subsequent to the last act or discharge in which the employer was involved shall be counted in inverse order of most recent employment with each employer

(b) Second if the credit weeks counted under subparagraph (a) total less than 35 all credit weeks which are not multiemployer credit weeks and which were earned with each employer before a disqualifying act or discharge shall be counted in inverse order to that in which the most recent disqualifying act or discharge with each employer occurred to the extent necessary to use all available credit weeks with respect to the employers or a total of 35 credit weeks whichever is less

(c) Third if the credit weeks counted under subparagraphs (a) and (b) total less than 35 all multiemployer credit weeks shall be counted in inverse chronological order of their occurrence to the extent necessary to count all available credit weeks or a total of 35 credit weeks whichever is less

(3) As used in this subsection

(a) Uncharged credit week means a credit week which has not been used as a basis for a benefit payment a reduction of benefits under section 29(4) or a penalty disqualification under section 62(b)

(b) Uncanceled credit week means a credit week which is not canceled in accordance with section 62(b)

(4) There shall not be counted toward the wages required to establish a credit week under this subsection payments in the form of termination separation severance or dismissal allowances or any payments for a vacation or a holiday unless the payment has been made or the right to receive it has irrevocably vested within 14 days following the vacation or holiday

Sec 51 Benefits means the money payments payable to an eligible and qualified individual as provided in this act with respect to unemployment

For benefit years established before the conversion date prescribed in section 75 an individual s average weekly wage with respect to a base period employer shall be the amount determined by dividing his or her total wages for credit weeks earned from that employer by the number of such credit weeks

Sec 54 (a) A person who willfully violates or intentionally fails to comply with any of the provisions of this act or a regulation of the commission promulgated under the authority of this act for which a penalty is not otherwise provided by this act is punishable as provided in subdivision (*i*) (*ii*) (*iii*) or (*iv*) notwithstanding any other statute of this state or of the United States

(*i*) If the commission determines that an amount has been obtained or withheld as a result of the intentional failure to comply with this act the ccmmission may recover the amount obtained as a result of the intentional failure to comply plus damages equal to 3 times that amount

(*ii*) The commission may refer the matter to the prosecuting attorney of the county in which the alleged violation occurred for prosecution If the commission has not made its own determination under subdivision (*i*) the penalty sought by the prosecutor shall include the amount described in subdivision (*i*) and shall also include 1 or more of the following penalties

(A) If the amount obtained or withheld from payment as a result of the intentional failure to comply is less than $25 000 00 then 1 of the following

(I) Imprisonment for not more than 1 year

(II) The performance of community service of not more than 1 year but not to exceed 2 080 hours

(III) A combination of (I) and (II) that does not exceed 1 year

(B) If the amount obtained or withheld from payment as a result of the intentional failure to comply is $25 000 00 or more but less than $100 000 00 then 1 of the following

(I) Imprisonment for not more than 2 years

(II) The performance of community service of not more than 2 years but not to exceed 4 160 hours

(III) A combination of (I) and (II) that does not exceed 2 years

(C) If the amount obtained or withheld from payment as a result of the intentional failure to comply is more than $100 000 00 then 1 of the following

(I) Imprisonment for not more than 5 years

(II) The performance of community service of not more than 5 years but not to exceed 10 400 hours

(III) A combination of (I) and (II) that does not exceed 5 years

(*iii*) If the commission determines that an amount has been obtained or withheld as a result of a knowing violation of this act the commission may recover the amount obtained as a result of the knowing violation and may also recover damages equal to 3 times that amount

(*iv*) The commission may refer a matter under subdivision (*iii*) to the prosecuting attorney of the county in which the alleged violation occurred for prosecution If the commission has not made its own determination under subdivision (*iii*) the penalty sought by the prosecutor shall include the amount described in subdivision (*iii*) and shall also include 1 or more of the following penalties

(A) If the amount obtained or withheld from payment as a result of the knowing violation is $100 000 00 or less then 1 of the following

(I) Imprisonment for not more than 1 year

(II) The performance of community service of not more than 1 year but not to exceed 2 080 hours

(III) A combination of (I) and (II) that does not exceed 1 year

(B) If the amount obtained or withheld from payment as a result of the knowing violation is more than $100 000 00 then 1 of the following

(I) Imprisonment for not more than 2 years

(II) The performance of community service of not more than 2 years but not to exceed 4 160 hours

(III) A combination of (I) and (II) that does not exceed 2 years

(b) Any employing unit or an officer or agent of an employing unit a claimant an employee of the commission or any other person who makes a false statement or representation knowing it to be false or knowingly and willfully with intent to defraud fails to disclose a material fact to obtain or increase a benefit or other payment under this act or under the unemployment compensation law of any state or of the federal government either for himself or herself or any other person to prevent or reduce the payment of benefits to an individual entitled thereto or to avoid becoming or remaining

a subject employer or to avoid or reduce a contribution or other payment required from an employing unit under this act or under the unemployment compensation law of any state or of the federal government as applicable is punishable as follows notwithstanding any other penalties imposed under any other statute of this state or of the United States

(i) If the amount obtained as a result of the knowing false statement or representation or the knowing and willful failure to disclose a material fact is less than $1 000 00 the commission may recover the amount obtained as a result of the knowing false statement or representation or the knowing and willful failure to disclose a material fact and may also recover damages equal to 2 times that amount

(ii) If the amount obtained as a result of the knowing false statement or representation or the knowing and willful failure to disclose a material fact is $1 000 00 or more the commission may recover the amount obtained as a result of the knowing false statement or representation or the knowing and willful failure to disclose a material fact and may also recover damages equal to 3 times that amount The commission may refer the matter to the prosecuting attorney of the county in which the alleged violation occurred for prosecution If the commission has not made its own determination under this subdivision the penalty sought by the prosecutor shall include the amount described in this subdivision and shall also include 1 or more of the following penalties

(A) If the amount obtained or withheld from payment as a result of the knowing false statement or representation or the knowing and willful failure to disclose a material fact is $1 000 00 or more but less than $25 000 00 then 1 of the following

(I) Imprisonment for not more than 1 year

(II) The performance of community service of not more than 1 year but not to exceed 2 080 hours

(III) A combination of (I) and (II) that does not exceed 1 year

(B) If the amount obtained or withheld from payment as a result of the knowing false statement or representation or the knowing and willful failure to disclose a material fact is $25 000 00 or more then 1 of the following

(I) Imprisonment for not more than 2 years

(II) The performance of community service of not more than 2 years but not to exceed 4 160 hours

(III) A combination of (I) and (II) that does not exceed 2 years

(C) If the knowing false statement or representation or the knowing and willful failure to disclose a material fact made to obtain or withhold an amount from payment does not result in a loss to the commission then a penalty shall be sought equal to 3 times the amount that would have been obtained by the knowing false statement or representation or the knowing and willful failure to disclose a material fact but not less than $1 000 00 and 1 of the following

(I) Imprisonment for not more than 2 years

(II) The performance of community service of not more than 2 years but not to exceed 4 160 hours

(III) A combination of (I) and (II) that does not exceed 2 years

(c)(1) Any employing unit or an officer or agent of an employing unit or any other person failing to submit when due any contribution report wage and employment report or other reports lawfully prescribed and required by the commission shall be subject to the assessment of a penalty for each report not submitted within the time prescribed by the commission as follows In the case of contribution reports not received within 10 days after the end of the reporting month the penalty shall be 10% of the contributions due on the reports but not less than $5 00 or more than $25 00 for a report However if the tenth day falls on a Saturday Sunday legal holiday or other commission nonwork day such 10 day period shall run until the end of the next day which is not a Saturday Sunday legal holiday or other commission nonwork day In the case of all other reports referred to in this subsection the penalty shall be $10 00 for a report

(2) Notwithstanding subdivision (1) any employer or an officer or agent of an employer or any other person failing to submit when due any quarterly wage detail report required by section 13(2) shall be subject to a penalty of $25 00 for each untimely report

(3) When a report is filed after the prescribed time and it is shown to the satisfaction of the commission that the failure to submit the report was due to reasonable cause a penalty shall not be imposed The assessment of a penalty as provided in this subsection shall constitute a determination which shall be final unless the employer files with the commission an application for a redetermination of the assessment in accordance with section 32a

(d) If any commissioner employee or agent of the commission or member of the appeal board willfully makes a disclosure of confidential information obtained from any employing unit or individual in the administration of this act for any purpose inconsistent with or contrary to the purposes of this act or a person who having obtained a list of applicants for work or of claimants or recipients of benefits under this act shall use or permit the use of that list for a political purpose or for a purpose inconsistent with or contrary to the purposes of this act he or she is guilty of a misdemeanor and upon conviction shall be punished by imprisonment for not more than 90 days or by a fine of not more than $1 000 00 or both Notwithstanding the preceding sentence if any commissioner commission employee agent of the commission or member of the board of review knowingly intentionally and for financial gain makes an illegal

disclosure of confidential information obtained under section 13(2) he or she is guilty of a felony punishable by imprisonment for not more than 1 year and 1 day

(e) A person who without proper authority from the commission represents himself or herself to be an employee of the commission to an employing unit or person for the purpose of securing information regarding the unemployment or employment record of an individual is guilty of a misdemeanor and upon conviction shall be punished by imprisonment for not more than 90 days or by a fine of not more than $1 000 00 or both

(f) A person associated with a college university or public agency of this state who makes use of any information obtained from the commission in connection with a research project of a public service nature in such a manner as to reveal the identity of any individual or employing unit from or concerning whom the information was obtained by the commission or for any purpose other than use in connection with such a research project is guilty of a misdemeanor and upon conviction shall be punished by imprisonment for not more than 90 days or by a fine of not more than $1 000 00 or both

(g) As used in this section person includes an individual copartnership joint venture corporation receiver or trustee in bankruptcy

(h) This section shall apply even if the amount obtained or withheld from payment has been reported or reported and paid by an individual involved in a violation of subsection (a) or (b)

(i) If a determination is made that an individual has violated this section the individual is subject to the penalty provisions of this section and where applicable the requirements of section 62

(j) Amounts recovered by the commission pursuant to subsection (a) or (b) shall be credited first to the unemployment compensation fund and thereafter amounts recovered that are in excess of the amounts obtained or withheld as a result of the violation of subsection (a) and (b) shall be credited to the penalty and interest account of the contingent fund Fines and penalties recovered by the commission pursuant to subsections (c) (d) (e) and (f) shall be credited to the penalty and interest account of the contingent fund in accordance with section 10(6)

(k) The revisions in the penalties in subsections (a) and (b) provided by the 1991 amendatory act that added this subsection shall apply to conduct that began before April 1 1992 but that continued on or after April 1 1992 and to conduct that began on or after April 1 1992

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) For benefit years beginning before the conversion date prescribed in section 75 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 the 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) For benefit years beginning after the conversion date prescribed in section 75 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 his or her rights to benefits 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 a possible false statement or misrepresentation or concealment of material information whichever date is earlier and wages used to establish that benefit year shall not be used to establish another benefit year Before

receiving benefits in a benefit year established within 2 years after cancellation of rights to benefits 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 penalties under subsection (b)

Sec 75 (1) The 1994 amendatory act which added this section shall take effect on the date of its enactment

(2) The conversion date to a wage record system prescribed by the 1994 amendatory act that added this section is January 1 1997

Section 2 This amendatory act shall be known and may be cited as the DeLange Geake Cherry Murphy wage record conversion act of 1994

This act is ordered to take immediate effect

Secretary of the Senate

Co Clerk of the House of Representatives

Approved

Governor