
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 619 (as introduced)
Sponsor: Senator Robert Geake

CONTENT

The bill would amend the Michigan Employment Security Act to extend until December 31, 2001, the date of conversion to a wage record system. Currently, the date for converting from a wage request system to a wage record system is July 1, 1997.

MCL 421.75

Legislative Analyst: S. Margules

FISCAL IMPACT

Without the bill's extension to December 31, 2001, the Michigan Employment Security Agency may be found noncompliant with State statutes by the U.S. Department of Labor and could therefore be ineligible for Federal administrative funding.

Additionally, the Agency may be held out of conformity should it exceed the deadline for an extended period of time, which could mean the loss of Federal tax credits for employers.

To date, this conversion project has been fully Federally funded, but according to the Michigan Employment Security Agency, there is no guarantee that Federal funds will continue to be made available for the completion of this project. If Federal funds are not made available or are reduced in any way, the Legislature may be asked to appropriate State restricted penalty and interest contingency funding to accommodate any shortfalls.

Date Completed: 6-25-97

Fiscal Analyst: M. Tyszkiewicz