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Senate Bill 812 (as introduced 3-4-20)  
Sponsor: Senator Ken Horn  
Committee: Economic and Small Business Development

Date Completed: 3-5-20

### **CONTENT**

**The bill would amend the Michigan Employment Security Act to specify what an individual would have to do to be considered "actively engaged in seeking work" for the purpose of receiving benefits under the Act.**

The Act specifies that an unemployed individual is eligible to receive benefits with respect to any week only if the Unemployment Insurance Agency (UIA) finds, among other things, that the individual has registered for work and is actively engaged in seeking work.

Under the bill, beginning on its effective date, to be actively engaged in seeking work, an individual would have to conduct a systematic and sustained search for work in each week the individual was claiming benefits and would have to report to the UIA the details of the work search at least once every two weeks or, if the UIA prescribed a shorter reporting period, the reporting period prescribed by the UIA.

An individual could conduct a systematic and sustained search for work by doing any of the following:

- Using resources available at a Michigan Works Agency office to do any of the following: participate in reemployment services and eligibility assessment activities; identify the skills the individual possessed that were consistent with target or demand occupations in the local workforce development area; or obtain job postings and seek employment for suitable positions needed by local employers.
- Attending job search seminars or other employment workshops that offered instruction in improving an individual's skills for finding and obtaining employment.
- Creating a user profile on a professional networking site or using an online career tool (although creating duplicate user profiles or resubmitting or reuploading the same resume to the same professional networking site would not satisfy this requirement).
- Applying for an available position with, submitting a resume to, or interviewing with employers (although applying for the same position within a four-week period or contacting an employer to determine whether a position was available would not satisfy this requirement).
- Registering for work with a private employment agency or, if it were available to the individual in his or her occupation or profession, the placement facility of a school, college, or university.
- Taking an examination that was required for a position in the State Civil Service.

MCL 421.28

Legislative Analyst: Drew Krogulecki

## **FISCAL IMPACT**

The bill would have a negative fiscal impact on the UIA in the form of increased administrative costs and would have no fiscal impact on local units of government. The increased reporting requirement for unemployment insurance claimants would require additional staff and increased information technology costs. The UIA administration currently is supported with Federal revenue, penalties and interest, and State restricted revenue. It is indeterminate whether the additional administrative costs would be covered within current appropriations and revenue. The UIA has spent less in recent fiscal years than has been appropriated to it in the budget.

The bill likely would not increase the cost for programs that assist claimants engaged in work-seeking activities.

Fiscal Analyst: Cory Savino

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.