

**MICHIGAN EMPLOYMENT SECURITY ACT (EXCERPT)**  
**Act 1 of 1936 (Ex. Sess.)**

**421.13b Liability of nonprofit organization for reimbursement payments in lieu of contributions; termination of status as reimbursing employer; notice of termination; election to become reimbursing employer; notice of election; termination of election; extension of time; determination of status as employer.**

Sec. 13b. (1) A nonprofit organization which makes an election in accordance with section 13a(2) or (3) shall continue to be liable for reimbursement payments in lieu of contributions until it files with the commission a written notice terminating its status as a reimbursing employer. A notice of termination may not be filed later than 30 days before the beginning of the calendar year when the termination is to be effective. Subsequent to the effective date of termination, the nonprofit organization shall be considered a newly liable employer for purposes of section 19(a).

(2) A nonprofit organization which pays contributions under this act for a period subsequent to January 1, 1972, may elect to become a reimbursing employer by filing a written notice of election with the commission not later than 30 days before the beginning of a calendar year for which the election is effective. An election may not be terminated by the organization for the same year with respect to which the election is made or the following year.

(3) The commission for good cause may extend for 30 days the period within which a notice of election or a notice of termination shall be filed under this section or under section 13a.

(4) The commission, in accordance with section 14, shall notify a nonprofit organization of a determination which is made of its status as an employer, the effective date of an election which it makes, and the termination of the election. The determinations shall be final unless further proceedings are taken pursuant to section 32a.

**History:** Add. 1971, Act 231, Imd. Eff. Jan. 3, 1972;—Am. 1974, Act 104, Eff. June 9, 1974;—Am. 1977, Act 277, Eff. Jan. 1, 1978.