

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

421.13e Group account for sharing cost of benefits; joint application; approval; notice; duration; termination; adding employer to or removing employer from group account; liability for benefit charges; effective date and application of amendatory provision.

Sec. 13e. (1) Two or more employers who become liable for reimbursement payments in lieu of contributions pursuant to sections 13a to 13c, or after December 31, 1977, 2 or more employers who become liable for reimbursement payments in lieu of contributions pursuant to section 13i, may file a joint application with the commission for the establishment of a group account for the purpose of sharing the cost of benefits paid that are attributable to service in the employ of those employers. The joint application shall identify and authorize a representative to act for the group for the purposes of this act. Upon approval of the application, the commission shall establish a group account for the employers which shall be effective as of the beginning of the calendar quarter in which the application is received or the first day of the following calendar quarter if requested by the group's representative. The commission shall notify the group's representative of the effective date of the account. The account shall remain in effect for not less than 2 calendar years and thereafter until terminated at the discretion of the commission or upon application by the group.

Upon written notice to the commission, an employer shall be added to a group account effective the first day of the calendar quarter in which the notice is received or the first day of the following calendar quarter if requested by the employer. Upon written notice received by the commission, not later than 30 days before the start of a calendar year, an employer shall be removed from a group account. However, an employer shall remain a member of the group for not less than 2 calendar years.

(2) In the case of a group composed of nonprofit organizations, the group shall be liable for all benefit charges, which are based on service with an employer while it was a member of that group. Membership in a group shall not relieve a member of liability for charges attributable to service in its employ.

(3) In the case of a group composed of governmental entities, the group shall be liable for all benefit charges, which are based on services with an employer while it was a member of that group. Membership in a group account shall not relieve a member of liability for charges attributable to service in its employ.

(4) The provision of that section as amended by this 1977 amendatory act shall be effective January 1, 1978, and shall apply to all group accounts in existence, or established, on or after that date.

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