

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

421.28h Schedule; filing compensation claims; benefits; funding of benefits.

Sec. 28h. (1) The unemployment agency shall establish a schedule of consecutive 2-week periods within the effective period of the shared-work plan. The unemployment agency may, as necessary, include 1-week periods in the schedule and revise the schedule. At the end of each scheduled period, the participating employer shall file claims for compensation for the week or weeks within the period on behalf of the participating employees. The claims shall be filed no later than the last day of the week immediately following the period, unless an extension of time is granted by the unemployment agency for good cause. The claims shall be filed in the manner prescribed by the unemployment agency and shall contain all information required by the unemployment agency to determine the eligibility of the participating employees for compensation.

(2) The benefits under a shared-work plan shall be funded as follows:

(a) If federal funding is available to this state for the purpose of full reimbursement for the cost of funding benefits paid by the unemployment agency pursuant to section 2162 of the layoff prevention act of 2012 and an approved shared-work plan under this act, those benefits shall not be charged or expensed to a participating employer. However, the unemployment agency shall not use that federal funding as a reimbursement for compensation paid to a claimant under a shared-work plan if the claimant is employed by the participating employer on a seasonal, temporary, or intermittent basis. In that case, benefits shall be charged to the participating contributing employer's chargeable benefits account or reimbursing payments in lieu of contributions shall be required from the participating reimbursing employer.

(b) If federal funding is available to this state for the purpose of partial reimbursement for the cost of funding benefits paid by the unemployment agency pursuant to an agreement entered into between this state and the United States department of labor pursuant to section 2163 of the layoff prevention act of 2012, any approved shared-work plan shall provide that the employer shall make a reimbursing payment in lieu of contributions to this state equal to 1/2 of the benefits paid under the employer's approved shared-work plan. That payment shall be deposited into this state's unemployment compensation fund. Benefit payments or deposits made under this subdivision shall not be used for purposes of calculating an employer's contribution rate under section 19. The unemployment agency shall not use federal funding under this subsection as a reimbursement for compensation paid to a claimant under a shared-work plan if the claimant is employed by the participating employer on a seasonal, temporary, or intermittent basis. In that case, benefit payments shall be funded by the employer as reimbursing payments in lieu of contribution.

(c) If full or partial federal funding is not available as provided in subdivision (a) or (b), the benefits paid by the unemployment agency pursuant to an approved shared-work plan under this act shall be charged to the participating contributing employer's chargeable benefits account or reimbursing payments in lieu of contributions shall be required from the participating reimbursing employer.

History: Add. 2012, Act 216, Eff. Jan. 1, 2013.