## **Unemployment Insurance Agency**

Michigan Employer Informational Webinar March 2020

MICHIGAN DEPARTMENT OF

LABOR AND ECONOMIC OPPORTUNITY

## Overview: Today's Agenda

- Work Share Program
- Employer Information
- Employer Filed Claims
- TAA
- Questions & Answers



## **UIA Presenters:**

- Darryl V. Hunter, Tax & Employer Services Division Administrator
- Danene Test, Field Audit Manager
- Angela Williams, Tax Office Manager
- Avis Johnson, OEO Unit
- Tawana Rogers, EFC Unit
- Samuel Johnson, Benefits Division Special Projects

## LEO – Unemployment Insurance Agency

We have put together this information to help you understand the role that Unemployment Insurance Agency (UIA) can play in your planning.



### LEO - UIA: COVID-19

COVID-19 is affecting workplaces throughout Michigan and the nation.

We know you are trying to understand the financial impact COVID-19 will have on your business. We also know you are looking for ways to be flexible and accommodate the needs of your workforce and support the communities where you do business.

## Executive Order 2020-20 (replaces EO 2020-09)

On March 22, 2020, Governor Whitmer issued Executive Order 2020-20, which imposed limited and temporary restrictions on the use of places of public accommodation. This executive order amends Executive Order 2020-09 which was rescinded. Executive 2020-20 added non-essential personal care services to the list. This executive order expires at 11:59 p.m. on April 13, 2020.

These places were closed to ingress, egress, use, and occupancy by members of the public. They included:

## **Executive Order 2020-20 – Industries Affected**

- Restaurants, food courts, cafes, coffeehouses, and other places of public accommodation offering food or beverage for on-premises consumption
- Bars, taverns, brew pubs, breweries, microbreweries, distilleries, wineries, tasting rooms, special licensees, clubs, and other places of public accommodation offering alcoholic beverages for onpremises consumption
- Hookah bars, cigar bars, and vaping lounges offering their products for on premises consumption
- Theaters, cinemas, and indoor and outdoor performance venues
- Libraries and museums

- Gymnasiums, fitness centers, recreation centers, indoor sports facilities, indoor exercise facilities, exercise studios, and spas
- Casinos licensed by the Michigan Gaming Control Board, racetracks licensed by the Michigan Gaming Control Board, and Millionaire Parties licensed by the Michigan Gaming Control Board
- Places of public amusement not otherwise listed above
- Non-essential personal care services i.e. hair, nail, tanning, massage, traditional spa, tattoo, body art, and piercing services, and similar personal care services that require individuals to be within six fee of each other. This does not include services necessary for medical treatment as determined by a licensed medical provider

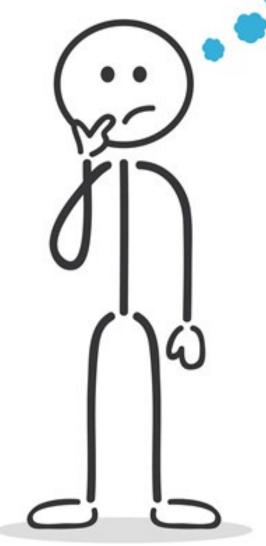
This section does not prohibit an employee, contractor, vendor, or supplier of a place of public accommodation from entering, exiting, using, or occupying that place of public

## Executive Order 2020-20: Industries Not Affected

- Places of public accommodation that offer food and beverage not for onpremises consumption, including grocery stores, markets, convenience stores, pharmacies, drug stores, and food pantries, other than those portions of the place of public accommodation subject to the requirements of the requirements related to aforementioned businesses affected.
- Health care facilities, residential care facilities, congregate care facilities, and juvenile justice facilities
- Crisis shelters or similar institutions
- Food courts inside the secured zones of airports.

# Guidance to Employers Contemplating Potential Layoffs

If planning to cease or limit operations, employers are encouraged to place employees on a **temporary leave** as opposed to termination. Employers are encouraged to advise the worker that they are expected to have work available within 120 days.



# Employers: Suggested Steps for Placing Employees On Unpaid Leave

- Let the employee know that the situation is fluid and subject to change
- Provide the employee with a formal Unemployment Compensation Notice (UIA Form 1711)
- Communicate to the employee about their rights: As of March 16, 2020, if workers are placed on leave, due to closures, sick, quarantined, immunocompromised, or have an unanticipated family care responsibility – they are eligible for unemployment insurance benefits.
- Ensure employees are provided information on how to obtain unemployment insurance benefits

- Obtain each employee's up-to-date contact information
- Let employees know you may update information on your website or intranet, if applicable
- Appoint a single, or limited number of individuals who will field questions, and communicate information to employees
- Keep a tally of all questions and answers.
   Periodically share with those separated



## Where Do I Refer Employees?

Michigan's Unemployment Insurance program provides temporary income to workers who have lost their job through no fault of their own. The program is funded through unemployment taxes paid by employers.



**LEO** 

## Michigan Web Account Manager (MiWAM)

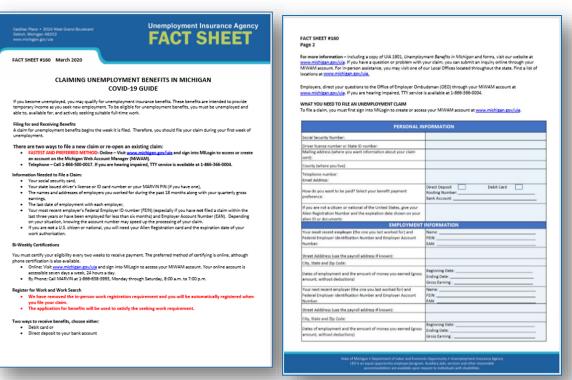
For faster service, encourage your employee to file their unemployment claim online through the Michigan Web Account Manager (MiWAM). Filing online is easy, convenient, and is available 24 hours a day

As an employer, you can refer your employee to the

MiWam toolkit for CLAIMANTS

https://www.michigan.gov/uia





### **Executive Order 2020-10: Extended Benefits**

Effective March 16, 2020 and continuing through midnight on April 14, 2020, Governor Whitmer enacted Executive Order 2020-10, allowing temporary expansions in unemployment eligibility and cost-sharing.

# **Executive Order 2020-10: Extended Unemployment Benefits**

## Under the governor's order, unemployment benefits would be extended to:

- Workers who have an unanticipated family care responsibility, including those who have childcare responsibilities due to school closures, or those who are forced to care for loved ones who become ill.
- Workers who are sick, quarantined, or immunocompromised and who do not have access to paid family and medical leave or are laid off.
- First responders in the public health community who become ill or are quarantined due to exposure to COVID-19.

## Access to benefits for unemployed workers will also be extended:

- Benefits will be increased from 20 to 26 weeks.
- The application eligibility period will be increased from 14 to 28 days
- The normal registration and work search requirements will be satisfied by the application for benefits.

## **Unemployment Claims & Misclassification**

- Independent Contractors are not eligible for unemployment benefits.
- To determine if a person is an employee or Independent Contractor, UIA follows the 20factor test.

Cadillac Place • 3024 West Grand Boulevard Detroit, Michigan 48202 www.michigan.gov/uia FACT SHEET

FACT SHEET #155 September 2017

### Independent Contractor or Employee - The IRS 20-Factor Test

Michigan unemployment insurance law requires the IRS 20-factor test (discussed in IRS Revenue Ruling 87-41) to determine if a person performed services as an employee or as an independent contractor. If a person performing services is an employee, then the employee's wages are subject to state unemployment taxation and the employee may be eligible for unemployment benefits. If, however, the person is found to be an independent contractor, then the employer pays no state unemployment taxes on the individual's earnings and the person's services are not covered employment.

The IRS 20 factors are grouped into three general categories: (1) Behavioral Control; (2) Financial Control; and (3) Relationship Factors. While no one category or factor is controlling, the categories are intended to provide characteristics of each individual factor. Depending on the specific facts, a particular factor may straddle one or more of the three categories.

#### A. Behavioral Control Factors:

- Instructions An employee is required to follow instructions about when, where and how to do the work. The
  employer maintains control if the employer can require the instructions to be followed.
- Training An employee receives initial and continuing training from the employer or the employer's agent.
   Independent contractors are not trained by the business for which they provide services.
- 3) Services rendered personally An employee must perform the work directly for the business entity and cannot contract it out because the business entity wishes to direct and control the method and means by which the work is accomplished and the final product or service.
- 4) Hiring, supervising and paying assistants An assistant hired, supervised, and paid by a business entity is generally an employee; an independent contractor can hire, supervise and pay its own assistants under a contract that directs and controls how the assistants perform the job and that provides for the independent contractor to provide materials to the assistants.
- Continuing relationship If there is a continuing relationship (even if occurring at frequent but irregular intervals) it is likely that there is an employment relationship.
- 6) Set hours of work If the business entity sets the workers' hours of work, the worker will generally be an employee; an independent contractor would set his or her own schedule.
- Full time required An employee would usually work full-time for an employer while an independent contractor can work hours and days of his or her own choosing.
- 8) Work done on premises if the work is required to be, or is usually, performed on the premises of the business entity, it is likely that the entity exercises direction and control over the worker as an employee; an independent contractor is required to fulfill the requirements of the contract but may work whenever he or she wishes to work to fulfill those requirements.

# What if I misclassified a worker as an Independent Contractor when they should have been an employee?

- That person should file a claim for benefits.
- A claim investigation will be opened when there are questions about Employer Status or Wages/Services.
- The objective of the claim investigation case is to determine the claimant's eligibility for benefits, and the amount of benefits the claimant is entitled to. It is also used by the Agency to make determinations of employer liability and assessment of taxes.



# Work Share Program

Presenter: Avis Johnson Office of Employer Ombudsman (OEO) Unit

## Is there an alternative to Lay Offs?



- An option for employers to reduce employee hours instead of cutting the workforce
- Helps employers retain their skilled workforce and helps workers maintain their jobs during a downturn in business

## **Advantages of Work Share**

- Minimizes or eliminates the need for layoffs
- Businesses can reduce employee work hours to reflect decreases in business demand
- Enables a business to retain trained employees and avoid the expense of recruiting; hiring and training new employees when business improves

- Saves money and keeps your skilled workforce intact
- Can be used in almost any type of business or industry
- Employees are spared the hardship of full unemployment and receive more income than if they were fully laid off

## **How Work Share Works**

 Rather than being laid off, employees work a reduced number of hours and receive a portion of their potential weekly unemployment compensation based on the percentage of the reduction in hours

### Example:

If a worker's weekly unemployment benefit amount is \$360 and their hours and wages are reduced by 20%, the worker would receive a weekly Work Share benefit payment of \$72 (  $$360 \times 0.20 = $72$ )

## **Work Share Eligibility**

 Must have paid wages for 12 of the previous quarters

 Unemployment taxes must be current (Waived by Executive Order)

 Experience account balance must have "positive reserve" (Waived by Executive Order)



## **Work Share Requirements**



Employee work hours reduced by at least 15% not more than 45%



Cannot hire new employees into the affected work unit or transfer employees into the unit, nor reduce work hours below the number agreed



All employees in the affected unit must participate



Plans may be approved for up to 52 weeks

## Who Can Participate?

- Any employer who has a reduction in production, services or other conditions which will cause potential layoffs
- Participating employees must:
  - 1.Be eligible for regular unemployment benefits
  - 2.Be full time employees
  - 3. Have earned a sufficient amount of wages in order to establish an unemployment claim and receive Work Share benefits

\*Work Share does not apply to seasonal, temporary, or intermittent employment

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## **Details for a Work Share Plan**

 You can implement a Work Share plan for one or more departments, shifts, or units. A unit consists of two or more employees.

 You have the flexibility to stop or continue within the timeframe of your approved application.



# Work Share Program: Fact Sheet

Codillac Place - 3024 West Grand Boulevard Detroit, Michigan 48202 www.michigan.gov/uia

### FACT SHEET

FACT SHEET #156 March 2020

### Work Share Program

Work Share is a program that permits employers to maintain operational productivity during declines in regular business activity instead of laying off workers. With the plan, rather than being laid off, eligible employees work a reduced number of hours in the work week and receive a portion of weekly unemployment benefits. By participating in Work Share, employers are able to retain trained employees and avoid the expense of recruiting, hiring and training new employees.

With the Work Share program, unemployment benefits are based on a percentage of the reduced hours of work and pay. The reduction in work hours must result in an equivalent reduction in wages.

Example of colculation of Work Share Plan Benefit: While weekly benefits rates vary from person to person, if a worker was fully unemployed, their weekly benefit amount would be, for example, \$360. Under Work Share, a worker whose hours were reduced by 20 percent would receive a Work Share benefit payment of \$72 (\$360 x 20%) = \$72.

Unemployment benefits cannot exceed 20 times the weekly benefit payable to participating employees. Participating employees must have earned a sufficient amount of wages in order to establish an unemployment claim and receive Work Share benefits. The program requires employers to maintain the fringe benefits of participating employees and obtain approval, if necessary, from collective bargaining representatives.

#### Program Eligibility

Employers must meet and maintain the following requirements in order to participate in the Work Share program:

- Unemployment taxes must be current;
- Experience account balance must have "positive" reserve; As a result of Executive Order 2020-10, UIA may
  approve a work share plan regardless of whether the employer has a positive reserve until April 14, 2020.
- Must have paid wages for at least 12 of the previous quarters;
- Must not hire new employees into the affected work unit nor transfer employees into the unit during a plan;
- . May not reduce hours of work below the number approved under a plan; and
- Must certify that participation in a plan is in lieu of a temporary lay-off which reduces employees' normal work hours by at least 15 percent but not more than 45 percent.

Employers may have two or more plans covering separate work units. All employees in the affected unit <u>must</u> participate in the plan. A plan must include a minimum of two employees. Plans may be approved for a period of up to 52 consecutive weeks.

### **Application Process**

Employers may file an online application through the Michigan Web Account Manager (MiWAM) via the Unemployment Insurance Agency (UIA) website at michigan.gov/uia.

Work Share does not apply to seasonal, temporary, or intermittent employment.

For more information about Work Share, visit the UIA website at michigan.gov/uia or call 1-844-WORKSHR (967-5747) or call the Office of Employer Ombudsman at 1-855-484-2636.

State of Michigan + Unemployment Insurance Agency
URA is an equal opportunity employer/program. Assiltany side, services and other reasonable
accommodations are available upon request to individuals with disabilities.

## For more Information: Work Share

For more information about Work Share visit our website a <a href="https://www.Michigan.gov/uia">www.Michigan.gov/uia</a>

or call

1-844-WORKSHR (967-5747)

or call

Office of Employer Ombudsman (OEO)

1-855-484-2636

# Employer Filed Claims (EFC)

Presenter: Tawana Rogers Employer Filed Claims Unit

## What is the Employer Filed Claims Program?

The EFC program allows authorized employers to submit unemployment claims information online on behalf of their full-time workers who are temporarily or permanently laid off.

This fast, secure way of transferring claims information allows the employer to better manage the accuracy of the information provided to LEO-UIA. Using EFC also means employers will have a record of all approved layoffs to match against incoming unemployment charges to your account.

# Is The Employer Filed Claims Program Right For You?

1

Have at least one or more layoffs yearly.

2

Have full-time, permanent employees that file for unemployment benefits at least once a year 3

Have a Michigan Web Account Manager (MIWAM). This is how to access and submit a file.

## **Benefits To EFC Program Participants**



An exclusive team of UI customer service professionals and a toll-free hotline to service the needs of EFC program participants and their workers



A temporary waiver of the work registration requirement are available to assist employers with workforce retention efforts during short-term layoffs



Informational meetings and custom help resource materials are available for employers and their workers prior to a known layoff

## **Authorization Process**

- Consult with an EFC Analyst regarding the file specification to ensure all necessary claim information and software is available for claims submission.
- Review email of the Memo of Understanding (MOU), File Specification and Sample File.
- Company officer signs MOU
- EFC Analyst authorizes your employer account for Employer Filed Claims
- Informational seminars for upcoming layoff can be scheduled and informational fliers are drafted.

## **EFC Memo of Understanding**

- Signed by an officer of the company & Michigan Department of Labor and Economic Opportunity (LEO)/Unemployment Insurance Agency (UIA)
- The file will be submitted to UIA by the 8<sup>th</sup> business after the effective date of layoff.
- The federal requirements relating to verification of each workers SSN have been met using W-2 verification system (SSNVS)
- All legal documents will be mailed to each claimant based on the contact information submitted by your company.
- UIA agrees to electronically transmit a weekly list of benefit payments.

## **EFC**Informational Flyer



## State of Michigan Department of Labor and Economic Opportunity Unemployment Insurance Agency

## EMPLOYER NAME HERE Layoff Date

If you are an hourly, full-time worker, and are laid off because of lack of work, or as part of a plant shutdown, (employer name) will file an application for benefits on your hehalf.

Your claim will be filed no earlier than (8th day after last date worked).

You should not take any action until after that time.

Labor and Economic Opportunity/Unemployment Insurance (LEO/UI) will send you a notice informing you of your eliqibility for benefits.

You must logon to MiWAM or call MARVIN to certify for benefit payments. We strongly encourage you to create a MiWAM account (MARVIN online) to file a claim, if needed, and track the status of your payment.

MiWAM will also allow you to easily make changes to your claim and respond to information requests.

- For the weeks ending xx-xx-xxxx and xx-xx-xxxx you should certify with MARVIN during the week of xx-xx-xxxx to claim UI benefits.
- If you make a mistake with your certification, you must contact the UIA at 1-866-500-0017 immediately and speak to a representative. To reach EFC you need to first select your language, then press button number 1 (inquiry or file a claim) at the first menu and then press button number 2 (EFC) at the second menu.

Please refer to your Monetary Determination UIA 1575C, UIA 1220 letter or MIWAM account for the following information:

- Current reporting schedule
- Michigan Works registration date
- · Seeking work and work search requirement

Important Contact Information



Michigan Web Accou Menager (MRWAM) michigan-gev/ui



AWARVIN Toll Free Numbers 1-866-638-3993



WiWAM Toollist for Claimwis self-help for MINAM secount mulchigan.gow/uls



For questions about your claim 1-866-500-001

LEO is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

CADILIAC PLACE - 3024 W. GRAND BLVD. - DETROIT MICHIGAN 8202 - michigan gov/uja

# **EFC Monetary Determination**

- UIA 1575C
- Your employer filed your claim.
- Waiver information
- Claim summary, Weekly Benefit, Weeks Allowed and more

UIA 1575C (Rev. 07-18) Gretchen Whitmer GOVERNOR



### STATE OF MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY UNEMPLOYMENT INSURANCE AGENCY

Authorized By MCL 421.1 et seq. Jeff Donofrio DIRECTOR

- Արկի - հասինայիկ հասիսակիկի կիրակ իշկի գիկորդի կումիկի հ

Mail Date: Letter ID: CLM: Name:

### MONETARY DETERMINATION Plus Important Claim Information

Your employer filed a claim for unemployment insurance benefits on
Your monetary eligibility, important information on returning to work and filing bi-weekly certifications is explained below. Read this letter carefully and keep it for reference during your claim; you will be held accountable for the information. You are able to establish a claim for unemployment benefits. You earned enough wages during your base period and you meet the monetary requirements. You are entitled to receive benefits as long as you are not disqualified or held ineligible for other reasons.



### Claim Summary

- Your weekly benefit amount is \$362.00.
- You claimed 0 dependents.
- You are eligible for up to 20.0 weeks of unemployed benefits.
- Your claim is valid for one year. Your benefit year begins

and ends .

- For all correspondence related to your claim, you requested to be contacted by mail.
- Separation from employment reasons:

#### Base Period Employers

Laid Off

separating employer

Your claim was filed by your employer on your behalf. Therefore, the option to have federal and state taxes withheld from your benefit payment was defaulted to "no". In addition, the number of your dependents was defaulted to zero. If you would like to change either of these options call the Employer Filed Claim (EFC) unit at 1-866-500-0017.

You will receive, by mail, a booklet containing general EFC information. If you do not receive this within 7 days, go online at <a href="www.michigan.gov/uia">www.michigan.gov/uia</a> and create your personal MiWAM account to view all correspondence sent to you, or call the EFC unit at 1-866-500-0017. You must also meet other requirements to be eligible for benefits. For example: If you quit or were fired from your job, Unemployment Insurance Agency will request information from you and your employer about your separation. A determination will be made regarding your eligibility for benefits and this will be mailed separately.

### Register for Work

The requirement to register for work is waived until

. If you are not back to work by

LEO is an Equal Opportunity Employer/Program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.



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## **EFC Additional Claim Letter**

- UIA 1220 –Additional Claim
- Your employer filed your claim
- Waiver information
- Reporting schedule

UIA 1220 (Rev. 06-19) Gretchen Whitmer GOVERNOR



### STATE OF MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY UNEMPLOYMENT INSURANCE AGENCY

Authorized By MCL 421.1 et seq. Jeff Donofrio

հանգիկիցնկի փոլիգիկնի կինկինի թատելիցնեն արկն

Mail Date: Letter ID: CLM: Name:

UIA PO Box 169 Grand Rapids MI 49501-0169 (517) 636-0427

Notice of Employer Filed Claim Processed as Additional Claim

Claimant Name: Employer Name:

Dear

In accordance with Unemployment Insurance Agency Administrative Rule 210, a claim for unemployment benefits has been filed on your behalf by

You already have an allowed benefit year in effect beginning

Therefore, the current claim has been processed as an Additional Claim on your benefit year.

To Claim Benefits

You must certify online through MiWAM or by phone with MARVIN to claim your unemployment benefits for the previous two weeks. Your first appointment day and time is:

Tuesday, 3/10/2020 from 4:00 PM to 5:00 PM

MARVIN: 1-866-638-3993
MiWAM Online: www.michigan.gov/uia. Click on \*Michigan Web Account Manager for Claimants and Employers."

Failure to certify timely may result in a delay or denial of your benefit payment.

Register for Work

The Michigan Employment Security (MES) Act requires that all claimants register for work to be eligible for benefits, pursuant to Section 28(1)(a). However, registration for work is waived for up to 120 days while you are receiving SUB pay in accordance with Administrative Rule 208(2). If you are not back to work within 120 days from your last day of work, you must register for work to be eligible for unemployment benefits. To register, you must create your profile online at MiTalent Connect no later than three business days before your first contact with MARVIN by phone or online to claim benefits. You may

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Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

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## **EFC Contact Information**

TOM SANFILIPPO, MANAGER 313-456-2229

BRAD JEMERSON, ANALYST (313)-456-3807 TAWANA ROGERS, ANALYST (313)-456-2855

EFC@MICHIGAN.GOV

Office of Employer Ombudsman (OEO) 855-484-2636 Option #2

# Trade Adjustment Assistance (TAA)

Presenter: Samuel Johnson Benefits Division – Special Projects

# **Trade Adjustment Assistance**

Potentially useful for Human Resources

Provides assistance to workers who lose their jobs as a result of foreign trade (increase in imports, shift in production or acquisition of services from another country).



The intent is to help laid off workers return to work as quickly as possible at a comparable wage.

# **TAA Eligibility**

 Individuals must have a qualifying separation on or after the impact date and before the expiration date of the certification to be eligible to apply for services.

\*Workers who have a documented separation in the future (on or after the impact date and before the expiration date of the certification) may be eligible for Classroom Training and Registered Apprenticeships

### **Major Components of TAA**

Case
Management
Services

**Training** 

Job Search Allowances

**Relocation Allowances** 

Reemployment Trade Adjustment Assistance (RTAA) Trade
Readjustment
Allowances (TRA)

**Health Coverage Tax Credit (HCTC)** 

# **Training**

#### There are 2 types of training:

- Employer-Based
- Classroom

Please Note: Eligibility is determined by Michigan Works! and <u>must</u> be approved before enrolling in training.



# **Employer-Based Training**

#### There are three types of Employer-Based Training:

- On-the-Job Training (OJT)
- Customized Training
- Registered Apprenticeships



#### **Allowances: Job Search & Relocation**

- Job Search Allowances: Assist workers to secure suitable work outside of their normal commuting areas
  - May be granted when suitable work is not available within 5 miles of your residence
  - Reimbursement of 90% of allowable costs, up to \$1,250



- Relocation Allowances: Enable workers and their families to relocate within the U.S. for suitable work
  - Must have a valid offer of suitable work that is more than 5 miles from your residence
  - Reimbursement of 90% of reasonable and necessary expenses incurred transporting you, your family, and your household items
  - Additional lump sum benefit of up to \$1,250 in addition to reimbursement of necessary expenses

# **Health Coverage Tax Credit (HCTC)**

- HCTC covers 72.5% of the premium amount paid by eligible individuals for qualified health insurance coverage
- Available each month you are TRA or RTAA eligible:
  - Collecting TRA payments
  - Collecting Unemployment
  - Collecting the RTAA wage subsidy
- Qualified insurance coverage includes:
  - o COBRA
  - A spouse's group plan for which his/her employer pays less than 50% of the cost
  - A non-group health insurance plan
- https://www.irs.gov/Credits-&-Deductions/Individuals/HCTC

#### Reemployment Trade Adjustment Assistance (RTAA)







RTAA IS A WAGE SUBSIDY TO HELP BRIDGE THE SALARY GAP BETWEEN OLD WAGE AND NEW WAGE INDIVIDUALS MUST BE AT LEAST 50 YEARS OLD AND WITHIN THE ELIGIBILITY PERIOD TO QUALIFY NEW JOB MUST PAY LESS THAN THE OLD JOB AND LESS THAN \$50,000 PER YEAR (NOT COUNTING OVERTIME)

#### **For More Information**

State of Michigan, Workforce Development (517) 335-5858

TAA@michigan.gov

United States Department of Labor

https://www.doleta.gov/tradeact/

# Follow-up UIA Information

**Presenter: Danene Test** 

Field Audit Manager

#### Will an Employer Benefit Claim Affect Me as the Employer?

Employees claiming unemployment must file with the unemployment office. When they claim unemployment benefits, you will receive a "Monetary Determination" letter (UIA 1575E) letting you know who filed the claim and how many weeks of eligibility that claimant has.

EXECUTIVE ORDER No. 2020-10, Temporary expansions in unemployment eligibility and cost-sharing, signed by Governor Gretchen Whitmer on March 16, 2020 indicates:

"Effective immediately, and continuing until April 14, 2020 at 11:59 pm, an employer or employing unit must not be charged for unemployment benefits if their employees become unemployed because of an executive order requiring them to close or limit operations."

### What if I am not listed as an affected industry?

If you are not an affected industry, benefit payments being charged to your employer tax account will result in an increased UI tax and tax rates.



# Can I protest the Employee Benefit Claim?

Yes. As an employer, you can protest the employee claim if you feel that the employee should not receive benefits. Protest instructions are located on the Monetary Determination letter you received informing of the claimant name and amount of weekly benefit.

I am requiring an employee to take a leave of absence due to COVID-19. Will the employee be eligible for unemployment benefits?

- Yes. Executive Order 2020-10 permits benefits
- **HOWEVER:** Workers who are receiving vacation pay, sick pay, or personal time off (PTO) pay, equivalent to their normal rate of pay, are ineligible for unemployed benefits. Also, if you provide your employee with severance pay, they may not be eligible for benefits.
- Why? Because vacation, sick pay, PTO, and severance pay are all considered WAGES.

My employee is taking a voluntary, unpaid leave of absence as a result of COVID-19. Will the employee be eligible for unemployment benefits.

Executive Order 2020-10, permits the employee to be eligible for benefits.

# What should I do if I cannot file my quarterly wage report or pay my UI taxes on time due to the COVID-19?

Wage detail and UI tax payments for the first quarter 2020 are due on April 25th. We know this is a busy time. We ask that you to file your quarterly reports and pay your UI taxes on time. However, you can request a waiver through your MiWam account.

Employers can also be eligible for Apportionment. Apportionment can be requested if you are a contributory employer having 25 or less employees, you can spread your 1<sup>st</sup> quarter payment over 4 quarters. To do this you must log into your MiWam account and check the Apportionment box when filing your quarterly report.

We know that this public health crisis is creating economic hardship and an excruciating time for people, businesses of all sizes, and communities across the state. We are here to assist you:

For additional information contact:
Office of Employer Ombudsman (OEO)
1-855-484-2636



#### **Additional information:**

- https://www.michigan.gov/coronavirus
- <a href="https://www.michigan.gov/coronavirus/0,9753,7-406-98178\_98455-521884--,00.html">https://www.michigan.gov/coronavirus/0,9753,7-406-98178\_98455-521884--,00.html</a>
- https://www.michigan.gov/documents/coronavirus/EO 2020-9 Emergency order public accommodation final signed 683915 7.pdf
- https://www.michigan.gov/whitmer/0,9309,7-387-90499 90705-521790--,00.html
- https://www.michigan.gov/leo

For guidance on applying for seeking liquidity relief, including applying for an Economic Injury Disaster Loan, visit the Small Business Development Center or contact the **Michigan Economic Development** Corporation for support at: (888) 522-0103.



# Questions and Answers

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# Thank you!

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