



Senate Fiscal Agency
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BILL  ANALYSIS

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House Bill 4726 (Substitute S-2 as reported)
Sponsor: Representative Al Pscholka
House Committee: Commerce
Senate Committee: Economic Development

CONTENT

The bill would amend the Michigan Employment Security Act to exclude certain wages earned by a volunteer firefighter from the Act's partial earnings offset requirement for unemployment insurance claimants.

Under the Act, each individual eligible for unemployment benefits must have his or her weekly benefit rate reduced, at the rate of 40 cents for each whole dollar of remuneration earned or received during that week, with respect to each week in which he or she earns or receives remuneration. Beginning October 1, 2015, the rate will be 50 cents for each dollar of remuneration.

Under the bill, the weekly benefit rate could not be reduced for remuneration received for on-call or training services as a volunteer firefighter, if the volunteer firefighter received less than \$10,000 in a calendar year for those services.

MCL 421.27

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have the net effect of increasing the amount of unemployment insurance benefits paid out. It is unknown how much income would be exempted from the phase-out of unemployment insurance benefits, but it would likely be relatively small and have little or no impact on the long-term fiscal health of the Unemployment Trust Fund.

Date Completed: 12-6-12

Fiscal Analyst: Josh Sefton