

MICHIGAN EXPANDS UNEMPLOYMENT BENEFITS

On March 30, 2020, the State of Michigan announced that it has entered into an agreement with the U.S. Department of Labor to implement enhanced unemployment benefits for Michigan, per the federal CARES Act that was enacted last week.

What this means for Michigan workers:

- **Increased Benefits.** All unemployed (and furloughed) workers will be eligible for a set amount of \$600 per week in addition to the usual state-approved amount (i.e., up to \$962 per week) for up to 4 months. Workers who have already applied for benefits do not need to re-apply to receive this extra amount. In addition, unemployment benefits generally (not the extra \$600) will be available for up to 39 weeks. This means that for some employees, unemployment benefits will be more lucrative than working. Employers should keep that in mind when considering a forgivable SBA loan under the Paycheck Protection Program of the CARES Act and other options.
- **Expanded Eligibility.** Some workers who were not otherwise eligible for unemployment benefits in Michigan are now eligible. This includes self-employed individuals, independent contractors, low-wage workers and those with a limited work history.

The Michigan Unemployment Agency will be issuing additional guidance soon. Information, including resources for employers, is available at: https://www.michigan.gov/leo/0,5863,7-336-78421_97241---,00.html.

Employers should also be aware of the UIA Work Share program, which permits employers to maintain operational productivity during declines in their business by reducing employees' hours rather than implementing layoffs or furloughs. In a Work Share program, eligible employees whose work has been reduced may receive a prorated amount of weekly unemployment benefits. The Governor's Executive Order 2020-10 expanded the State's Work Share program to include employers whose reserve in their UIA account balance is a negative number, at least through April 14, 2020.

You can refer to the UIA Fact Sheet on the Work Share Program for specific eligibility requirements:

<https://www.michigan.gov/documents/uia/156 - Shared work fact sheet letter 426209 7.pdf>

This notice is intended only as a summary and general overview. If you have any questions or would like legal advice regarding the above or any other employment issue, please contact [David Lawrence](#), [Sarah Gidley](#) or [Stacey DiDomenico](#).