



FACT SHEET #150 APRIL 2014

What is Denial Period?

Denial Period Defined. A “Denial Period” prevents a worker from receiving unemployment benefits based on work with an employer who hired that worker to work during a regularly recurring seasonal period (or school year), if the employer has given the worker “reasonable assurance” of returning to the work at the start of the next season (or school year).

What Kinds of Workers Can be Subject to a Denial Period?

- **School Employees:** This includes instructors, researchers, and principal administrators, as well as all other school employees working for school districts, community college districts, educational service agencies (such as intermediate school districts), charter schools, public or non-profit colleges and universities, and other public or non-profit schools (but not employees of private schools). The Denial Period applies to these workers during the period between school terms, and to vacation periods within a school term. The Denial Period applies to unemployment benefits from all non-private schools the worker worked for, if the worker has “reasonable assurance” of work from any non-private school.
- **School Bus Drivers Working for Private Bus Companies:** The Denial Period applies if at least 75% of the worker’s wages with the bus company were for driving a school bus. The Denial Period applies to workers in K-12 and higher education schools during the period between school terms.
- **School Workers Working for Contractors Providing School Services:** This includes services such as food service, security services, custodial services, or other services provided to a school by a contractor. The Denial Period applies to workers in K-12 and higher education schools only during the period between school terms.
- **School Crossing Guards:** The Denial Period applies during the period between school terms and to vacation periods within a school term.
- **Professional Athletes:** The Denial Period applies during the period between sport seasons to workers whose recent past wages were earned substantially from participating in sporting events, or from training or preparing to participate in sporting events.
- **Workers Hired by Governmental, Private, or Non-profit Employers as Seasonal Workers:** The Denial Period applies to workers hired primarily to work during regularly recurring periods of 26 weeks or less within any 52-week period by any employer (except a construction employer). It includes a governmental entity (such as a city, county, township, or village) that hires seasonal workers.

What is the Effect on a Worker’s Entitlement to Unemployment Benefits?

A worker subject to a Denial Period cannot receive unemployment benefits during the Denial Period based on the kind of work described above, but could receive benefits during that period based on work other than the work described above. If a school worker (other than an instructor, researcher, or principal administrator); or a school bus driver working for a private contractor; or a school worker working for a contractor providing services to a school; who had been given reasonable assurance of returning to work was not rehired at the start of the new school year, the worker can claim retroactive unemployment benefits if the worker was regularly certifying for benefits (that is, reporting to “MARVIN”) during the Denial Period. A Denial Period does not apply to a seasonal worker required to begin work before the start of the normal seasonal work period or required to continue working after the end of the normal seasonal work period. In the case of a school worker, if a labor dispute delays the start of the school year, the Denial Period ends at the originally-scheduled start of the school year.

Must Unemployment Taxes Be Paid on the Wages of These Workers?

Unemployment “contributions” must be paid by a “contributing employer” on the wages of workers potentially subject to a Denial Period, but the reduced benefit charges resulting from the denial of benefits to these worker will likely lower the employer’s tax rate and overall tax payments.

For further information about Denial Periods, call UIA’s **Office of Employer Ombudsman (OEO)**, 1-855-484-2636 (4-UIAEOE) or 313-456-2300, or email OEO@michigan.gov.