

Changes to Michigan unemployment law increases weeks and benefits. What you need to know.

Following a change in state law signed by Gov. Whitmer on December 23, 2024, claimants who filed new claims for unemployment on or after April 2, 2025, may be eligible for up to 26 weeks of unemployment insurance benefits. Public Act 173 also incrementally increases over the next three years the maximum amount for weekly benefits and dependent allowance. The effective date for the new weekly benefit amount and dependent allowance were retroactive to January 1, 2025. The law changes the maximum amounts but does not guarantee a change in a claimant's benefits.

OVERVIEW

When did the changes go into effect?

The new weeks and amounts apply to claims filed on or after Wednesday, April 2, 2025, 91 days from the last day the previous Legislature was in session, which was Dec. 31, 2024.

What are the changes in the number of weeks?

Workers who file claims on and after April 2, 2025, will be eligible for a maximum of 26 weeks of benefits, an increase from the current 20 weeks.

What are the new maximum benefit amounts?

The increases phase in over the next three years, effective Jan. 1 of each year.

- In 2025, the maximum benefit amount for qualified claimants will be \$446, an increase of \$84 a week from the current \$362 a week.
- In 2026, the maximum benefit amount will be \$530, an increase of \$84 a week.
- In 2027, the maximum benefit amount will be \$614, an increase of \$84 a week.
- Beginning in 2028, the state Treasurer will decide a new amount annually based on the Consumer Price Index from the U.S. Bureau of Labor Statistics.

What are the new allowances per dependent (up to five maximum)?

These rates will also be phased in over the next three years, effective Jan. 1 of each year.

- In 2025, the rate will be \$12.66 for each dependent, an increase from the current \$6 per dependent.
- In 2026, it will be \$19.33, an increase of \$6.67 per dependent.

- In 2027, it will rise to \$26.00, an increase of \$6.67 per dependent.
- Beginning in 2028, the state Treasurer will decide a new amount annually based on the Consumer Price Index from the U.S. Bureau of Labor Statistics.

How does Michigan compare to other states under the new law?

When the new law goes into effect, it will join 35 other states in providing a maximum of 26 weeks of benefits, according to the U.S. Department of Labor (USDOL), and will rank 34th nationally in maximum weekly benefits.

ADDITIONAL WEEKS

Why didn't additional weeks under the new law begin on Jan. 1, 2025, as well?

The legislation did not specify a start date for the increase in weeks and did not have immediate effect, so the changes to weeks went into effect on April 2, 2025.

Will applicants see a change in the number of weeks of benefits?

No. The weeks approved on current claims won't change. Only claims filed on or after April 2, 2025, will be eligible for up to 26 weeks of benefits.

Does the new law change the minimum number of weeks of eligibility?

No, the minimum number of weeks of eligibility will remain at 14. After April 2, claimants can qualify for 14-26 weeks of benefits.

Will there be an extension of weeks for those approved for 20 weeks?

No. Only claimants who file on or after April 2, 2025, would qualify for up to 26 weeks of benefits. The additional weeks do not apply to active claims and won't change how many weeks of benefits a claimant has been approved to receive.

Will a claimant who exhausts their weeks of benefits before the changes go into effect have their claim weeks extended by six weeks?

No. The new 26-week maximum applies only to new claims filed on or after April 2, 2025.

Can a claimant cancel their claim and file a new claim to qualify for the additional weeks?

No. Once a claim has been filed and a claimant has certified the claim it cannot be withdrawn or canceled, even if a payment has not been issued. A request to cancel a claim must be made in writing and should be done before a claimant has certified for the first time. A waived week is considered part of the certification process.

ADDITIONAL BENEFITS

How will UIA reconcile the January 1 date mentioned in the Public Act?

The increased weekly benefit and higher dependent allowance will be applied retroactively to active claims between January 1, 2025, and April 2, 2025. This meets language of Public Act 173, which states benefits were to increase as of January 1, 2025. Claims filed between January 1, 2025, and April 2, 2025, will be reviewed on a case-by-case basis to see whether they meet the criteria for an increase in either the weekly benefit or dependent allowance, or both.

How will a claimant know if they will receive higher benefits?

If it's determined a higher benefit amount applies to a claim, UIA will issue a monetary redetermination. UIA will send a letter to the claimant and issue any pay adjustments. A claimant should watch their MiWAM account and mailbox for updates about their claim.

When and how will claimants receive added benefits?

Once UIA determines whether a claim qualifies for additional weekly benefits or dependent allowance, the money will be added to a claimant's U.S. Bank debit card or automatically deposited into bank accounts in one lump sum. This could take between three and five days to process once a determination is made.

Will everyone see a change in benefit amounts?

No. The amount a claimant receives depends on calculations by staff based on wage information provided by the claimant and previous employers during a prescribed timeframe.

Is there anything claimants must do to receive additional benefits?

No. There is no process to apply for or request adjustments to benefit amounts. UIA will review claims and let claimants know of any changes to the amount they receive.

Do most claimants use their full weeks of benefits?

Only 33 percent of claimants use the full number of weeks for which they qualify, according to the [UIA Economic Dashboard](#). The exhaustion rate is defined as the number of claimants drawing the final payment of their original entitlement for the weeks they are approved.

IMPACT ON TAXES, WAIVERS

Will benefit changes affect taxes paid on unemployment benefits?

An increase in the amount of benefits received could mean an increase in the amount of state or federal taxes a claimant must pay depending on their individual tax circumstances. When

filing a claim, workers have the option to have UIA withhold a percentage of their benefits for taxes or they can choose not to have taxes withheld.

How does a claimant know how much they've paid in taxes?

Claimants who are paid benefits in a given year will receive a 1099-G tax statement the following January that lists how much was withheld in state and federal taxes. For more information, go to [UIA's 1099-G tax page](#).

What is the impact on seeking work waivers?

There will be no change in the criteria for any registration and seeking work waiver eligibility.

OTHER CURRENT AND UPCOMING LAW CHANGES

What other changes went into effect on April 2, 2025?

- [Public Act 239](#) says claimants can provide credible evidence to challenge being disqualified from receiving benefits if they miss three or more consecutive days of work without notifying their employer. A claimant must explain why they could not contact their employer and that they had not voluntarily left their job, or why they left their job as the result of their employer's actions.
- [Public Act 240](#) makes technical amendments and updates.

Are there any other changes to the law in the future?

Yes, under [Public Act 238](#) these changes go into effect on July 17, 2026:

- Modifies the requirements to qualify for financial hardship waivers and requires the agency to review the basis for waiving overpayments before starting the process to recover overpayments.
- Requires an individual to search for work at least three times each week that they claim UI benefits and modifies work share plan requirements.
- Allows a person to request to consolidate matters on their claim before the agency transfers them to the Michigan Office of Administrative Hearings and Rules (MOAHR) for an appeal hearing. This will avoid scheduling multiple hearings before a judge.