



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY  
LANSING

JEFF DONOFRIO  
DIRECTOR


# Memorandum

**DATE:** January 22, 2020

**TO:** The Honorable Ken Horn, Chair  
Senate Appropriations Subcommittee on Talent and Economic Development/MEDC  
Senate Standing committee on Economic and Small Business Development

The Honorable Steve Marino, Chair  
House standing committee on Commerce and Tourism

The Honorable Mark Huizenga, Chair  
House Appropriations Subcommittee on General Government

**FROM:** Steve Gray, Director   
Unemployment Insurance Agency

**SUBJECT:** Unemployment Insurance Agency Hardship Waiver Report

The Hardship Waiver Program was created by the enactment of Public Act 1 of 1936, Employment Security Act (MES Act). The Hardship Waiver's purpose is to allow an individual to request a waiver of recovery for the balance of an overpayment account that does not involve fraud.

Per Section 421.62g of the Employment Security Act, the Unemployment Insurance Agency shall provide a written report regarding waivers to the chairpersons of the standing committees and the appropriations subcommittees of the house of representatives and senate having jurisdiction over legislation pertaining to employment security that includes:

- i. The procedures relating to waivers that the unemployment agency used or adopted.
- ii. The number of applications for a waiver the unemployment agency received.
- iii. The number of individuals who submitted an application for a waiver.
- iv. The number of waivers that were granted by each of the following methods:
  - a. An unemployment agency determination.
  - b. An unemployment agency redetermination.
  - c. An administrative law judge order.
  - d. A Michigan compensation appellate commission order.
  - e. A court order.
- v. The number of waivers that were denied, tabulated by the reason for the denial, by each of the following methods:
  - a. An unemployment agency determination.

- b. An unemployment agency redetermination.
  - c. An administrative law judge order.
  - d. A Michigan compensation appellate commission order.  
A court order.
- vi. The total amount of restitution waived.

If you have any questions, please contact Stephanie Glidden, UIA Legislative Liaison at 517-241-0029.

**Unemployment Insurance  
Hardship Waiver Report  
January 1, 2019 through December 31, 2019**

Per Section 421.62g of the Employment Security Act, the Unemployment Insurance Agency shall provide a written report regarding waivers to the chairpersons of the standing committees and the appropriations subcommittees of the house of representatives and senate having jurisdiction over legislation pertaining to employment security.

- i. The procedures relating to waivers that the unemployment agency used or adopted.
- ii. The number of applications for a waiver the unemployment agency received.  
1,270 applications
- iii. The number of individuals who submitted an application for a waiver.  
1,261 individuals
- iv. The number of waivers that were granted by each of the following methods:
  - a. An unemployment agency determination.  
318 waivers
  - b. An unemployment agency redetermination.  
25 waivers
  - c. An administrative law judge order.  
1 waiver
  - d. A Michigan compensation appellate commission order.  
0 waivers
  - e. A court order.  
0 waivers
- v. The number of waivers that were denied by each of the following methods:
  - a. An unemployment agency determination.  
595 waivers
    - i. Failed to provide information: 257
    - ii. Income guidelines Not Met: 215
    - iii. Judgement Issued: 12
    - iv. Overpayment due to Fraud: 111
  - b. An unemployment agency redetermination.  
1 waiver
    - i. Income Guidelines Not Met: 1

LEO is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.  
UNEMPLOYMENT INSURANCE AGENCY • 3024 W. GRAND BLVD. • DETROIT, MICHIGAN 48202 • [www.michigan.gov/uia](http://www.michigan.gov/uia)

- ii. Overpayment Due to Fraud: 0
  - c. An administrative law judge order.  
15 waivers
  - d. A Michigan compensation appellate commission order.  
0 waivers
  - e. A court order.  
0 waivers
- 6. The total amount of restitution waived.  
\$652,414.01

A waiver application can only be submitted once every six months. If denied, the claimant can protest. The protest must address the original application. If the waiver is allowed as a result of the protest, a redetermination should be issued.

The decision on whether to allow a waiver of the balance of a non-fraud overpayment due to financial hardship is based on information provided by the claimant on Form UIA 1795. The individual requesting a waiver must disclose his/her current financial condition.