

Date: June 12, 2025

To: Honorable Members of the MI House Committee on Economic Competitiveness

From: Jacob Fallman – UIA Policy Coordinator, Sugar Law Center for Economic & Social Justice

Subject: **Opposition to HB 4516** (Disqualification from Unemployment Benefits)

As a non-profit, public interest law center with nationally recognized expertise in unemployment law and policy, the Sugar Law Center advocates for equitable and accessible jobless benefits on behalf of Michigan workers and their families. Sugar Law has assisted hundreds of workers access and obtain unemployment benefits and coordinates advocacy networks both at the state and national levels on unemployment issues.

We recommend that Members of the Committee **oppose HB 4516**. While well intentioned, this bill would misallocate limited administrative resources in response to a “problem” for which there is little evidence. Instead, HB 4516 would impose a harsh and unnecessary blanket disqualification on workers, even those who dutifully search for work or who have good reasons to miss an interview or day of work. With limited time remaining before the United States experiences another recession and an ongoing modernization project underway, there are simply other unemployment policy priorities that would be a better use of time and resources for our State.

“Ghosting” is Relatively Rare for Employers, but Common for Job Seekers

Some employers have raised concerns that job seekers who fail to appear at scheduled job interview – a practice commonly referred to as “ghosting” an interview – do so because they want to continue to obtain unemployment benefits. Their worry is that these individuals are claiming unemployment and may not be meeting their obligations to apply diligently for available suitable work and therefore should not be qualified for benefits. But this conclusion is unfounded and is based on a misapprehension of recent and ongoing changes to the labor market.

As digital tools and web-based applications have increased efficiency for both employers and job seekers, the number of applications to submit and sort through has increased drastically. These technological changes have changed how Americans look for work and how businesses find new employees. But even as new tools have modernized job search and recruiting processes, there are many “misses” for the “hits” that are generated.

Available evidence on “ghosting” suggests that it is a widespread phenomenon in the modern labor market. Importantly, **“ghosting” is a two-way street** – both employers and job seekers fail to reply to one another at significant rates.¹

¹ Kelly, J. Forbes. *Job Ghosting: Why Employers Ghost Candidates During the Interview Process* (March 5, 2024). <https://www.forbes.com/sites/jackkelly/2024/03/01/job-ghosting/>

However, data from the job marketplace Indeed indicates that the “ghosting” problem is far more pronounced on the employer side, with between **70-80% of employers “ghosting” job seekers.**² This is nearly three times the rate of job seekers, who “ghost” potential employers at between an 18-28% rate.³ Additionally, even when a job seeker does “ghost” an interview, employers have no way of knowing why or if that person was even receiving unemployment benefits at all.

Reports from job seekers as well as recent studies, show that workers are submitting an increasingly large number of applications just to have a reasonable chance of securing a position. Data from 2023 showed that jobseekers who apply for between 21-80 jobs only have about a 30% chance of receiving a job offer.⁴ Given the harsh realities of the current labor market, workers may apply to hundreds of jobs as they try to find suitable work to support themselves and their families. If a claimant misses an interview, it is entirely plausible that they missed it to pursue one of the dozens of other opportunities for which they have applied. Workers who diligently search for work should not be punished by having their benefits denied – but this bill would do that.

Put simply, **it is not in workers’ economic interests to collect unemployment rather than work.** Unlike during the COVID-19 pandemic, when Federal top-ups temporarily boosted benefit payments above what some low-wage employers pay their workers, current benefit payments replace only a portion of the lost wages from workers’ previous employment. **To the extent that job seekers are “ghosting” interviews – it is not so that they can get unemployment benefits.**

HB 4516 Would Be the Harshest Anti-“Ghosting” Law in the Country

Like killing a fly with a cannonball, HB 4516 represents a harsh and overbroad solution to the limited problem it seeks to address. Claimants should not receive credit for work search activities that they did not complete, but they should **not** be needlessly denied benefits if they are diligently searching for work. So long as a job seeker completes the required number of work search activities, failing to appear at a particular interview should not affect their entitlement to benefits.

Unlike other states who have attempted to address “ghosting” through legislation, HB 4516 would impact far more than just the week of the missed interview. As drafted, even if a claimant completes more than the number of work search activities required under the law, failing to appear for a single interview without notice could cause them to be denied retroactively for all weeks of benefits they received. This differs from other states, which only deny benefits for the week during which the missed interview occurred or simply initiate an audit process.⁵

HB 4516 also includes an additional disqualification provision unlike any other state. For **ninety-one days** after obtaining a new job, if an individual misses work for two consecutive days without notice there is a presumption that they should be retroactively disqualified from all benefits.

² Threlkeld, K. Indeed. *Employer Ghosting: A Troubling Workplace Trend*. (Feb. 11, 2021).
<https://www.indeed.com/lead/impact-of-covid-19-on-job-seeker-employer-ghosting>

³ *Id.*

⁴ Wells, R. Forbes. *How Many Jobs Should You Apply for to Land an Offer in 2023?* (Oct. 23, 2023).

<https://www.forbes.com/sites/rachelwells/2023/10/22/how-many-jobs-should-you-apply-for-to-land-an-offer-in-2023/>

⁵ See Arkansas, HB 1197 (2023); Idaho, HB 686 (2024); Kansas, HB 2570 (2024); and Tennessee, HB 1060/SB 1285 (2023).

Effectively, this new provision would duplicate the “no call, no show” provision that was amended by the Legislature just last session. Under current law, it is already the case that a worker is disqualified from unemployment if they “ghost” their employer at any time by being absent without notice for three consecutive days.⁶ Shaving one day off of that rule for the first three months at a new job will not solve Michigan’s workforce problems, but it will cost time and money for the UIA to implement. Time and money that could be better spent ensuring that the job matches that workers do make are stable and high-quality.

**Work Search Reforms Should Avoid Unnecessary Disqualifications & Be Aimed
Toward Connecting Michigan Workers to Good Jobs**

No amount of policing will help the diligent worker who desperately is searching for a job that will allow them to take care of their and their family’s needs. Already, USDOL and UIA participate in regular compliance reviews, including monitoring claimants’ work search activities, through the Benefits Accuracy Measurement (BAM) program. Additionally, employers are already able to report individuals who refuse to accept work, as was communicated by the UIA to all employers via its Employer Advisor Newsletter in July 2024.⁷

Serious efforts to reform the work search process and better connect Michigan workers to good jobs should focus on helping job seekers match up with a job that fits their skills and needs. All workers who receive unemployment benefits are required under the law to report to Michigan Works! before obtaining a single payment. Despite this, the bulk of evidence points to most workers engaging in a long and challenging search in order to obtain a good job. Michigan’s limited resources are better spent helping that search to be successful than monitoring for the very few, if any, who may try to abuse the work search process.

We are available for you and your staff to learn more if you have any questions or would like to engage in further discussions about what is needed to improve Michigan’s unemployment benefits system, please do not hesitate to reach out. Thank you for your consideration and for your service.

Sincerely,



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⁶ MCL 421.29(1)(a).

⁷ The July 2024 Michigan UIA Employer Advisor newsletter contained instructions for employers to report either (a) through MiWAM or (b) via mail or fax to the UIA if an individual declines work or otherwise fails to actively search for work.

