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BILL ANALYSIS

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Senate Bill 797

Sponsor: Senator Fred Dillingham

Committee: Human Resources and Senior Citizens

Date Completed: 5-3-88

SUMMARY OF SENATE BILL 797 as introduced 4-13-88:

The bill would amend Section 360 of the Worker's Disability Compensation Act to provide that a professional athlete injured in the course of employment would not be entitled to benefits, nor be considered an employee, under the Act, if his or her contract of hire provided during the time of employment for wages during a period of disability due to injury arising out of, and in the course of, such employment. (Under Section 360, an employee who suffers an injury in the course of employment is entitled to weekly benefits when his or her average weekly wage at the time of application for benefits, and afterward, is less than 200% of the State average weekly wage.)

The bill would eliminate a provision in the Act that states that Section 360 cannot be constructed to prohibit an otherwise eligible person from receiving benefits under other sections of the Act that: 1) require an employer to furnish medical care to an employee injured during employment; 2) entitle an injured employee to prompt medical rehabilitation services, and vocational services necessary to restore the employee to useful employment; and, 3) require employers to pay to partially injured employees weekly compensation for specific losses.

MCL 418.360

Legislative Analyst: G. Towne

FISCAL IMPACT

If workers' compensation benefits were denied to professional athletes who have disability clauses in their contracts, the annual premiums paid by the employing organization would consequently be reduced to reflect the drop in anticipated compensation and medical losses. There should be no fiscal impact on the State of Michigan and there should not be any fiscal implications for local units of government unless they purchase a team franchise or otherwise organize and manage a professional sports team.

Fiscal Analyst: K. Lindquist

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