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BILL ANALYSIS

Senate Fiscal Agency

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House Bill 4162 (as reported without amendment)

Sponsor: Representative Juanita Watkins

House Committee: Labor

Senate Committee: Human Resources and Senior Citizens

Date Completed: 3-7-88

RATIONALE

Hearings under the Worker's Disability Compensation Act were exempted from those parts of the Administrative Procedures Act of 1969 (APA) that govern hearings and appeals because workers' compensation procedures generally are more formal and stringent than those of other agencies subject to the APA. In addition, appeals in workers' compensation cases go directly to the Court of Appeals rather than to the county circuit court as is the case under the APA.

Although section 115 of the APA exempts the Bureau of Worker's Disability Compensation and the Worker's Compensation Appeal Board from the hearings and appeal provisions of the Act, the Legislature in 1985 removed the hearing function from the bureau and the appeal function from the appeal board. Those functions were invested instead in a newly created Board of Magistrates and an Appellate Commission, respectively. The Department of Labor has asked for legislation amending the language of the APA to reflect these recent changes.

CONTENT

The bill would amend the Administrative Procedures Act of 1969 to continue the exemption of workers' compensation proceedings from the hearings and appeals provisions of the Act. The exemption would apply to any matter or proceeding pending on the effective date of the bill and to any matter for which an application under the Worker's Disability Compensation Act had been filed after March 31, 1986.

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

ARGUMENTS**Supporting Argument**

Since the new Worker's Compensation Board of Magistrates and the new Appellate Commission are not mentioned in the Administrative Procedures Act of 1969, the present exemption of workers' compensation hearings from the requirements of the Act could be challenged. If successful, such a challenge could reduce the standards for workers' compensation hearings, since such hearings currently are conducted under standards more stringent than those set forth under the APA. The bill would make it clear that all hearings held under the Worker's Disability Compensation Act would be exempted from the APA, just as they have been in the past.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

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