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WORKER'S COMP.; AUTHORITIES

House Bill 4831

Sponsor: Rep. Richard Bandstra

Committee: Transportation

Complete to 6-9-93

A SUMMARY OF HOUSE BILL 4831 AS INTRODUCED 6-3-93

Under the Worker's Disability Compensation Act, the state guarantees the payment of worker's disability compensation claims arising against certain public bodies (public transportation authorities and the like) if those entities are self-insured under the act and if they cease to operate or are dissolved without a successor agency being created. The act says that this provision shall not be construed to permit the use of state funds for the payment of private obligations, and that, therefore, if an authority delegates or contracts with a private employer for the performance of any of its functions, then the authority may no longer hold self-insured status. The bill would amend the act to clarify this provision; a private employer performing the functions of a public authority could not "be included under the authorization granted by the director [of the worker's compensation bureau] to the authority or other agency to self-insure" under the act.

MCL 418.702

House Bill 4831 (6-9-93)