

Act No. 197
Public Acts of 1993
Approved by the Governor
October 18, 1993
Filed with the Secretary of State
October 19, 1993

STATE OF MICHIGAN
87TH LEGISLATURE
REGULAR SESSION OF 1993

Introduced by Senator Wartner

ENROLLED SENATE BILL No. 50

AN ACT to amend section 55 of Act No. 154 of the Public Acts of 1974, entitled as amended "An act to prescribe and regulate working conditions; to prescribe the duties of employers and employees as to places and conditions of employment; to create certain boards, commissions, committees, and divisions relative to occupational and construction health and safety; to prescribe their powers and duties and powers and duties of the department of labor and department of public health; to prescribe certain powers and duties of the directors of the departments of labor, public health, and agriculture; to impose an annual levy to provide revenue for the safety education and training division; to provide remedies and penalties; to repeal certain acts and parts of acts; and to repeal certain acts and parts of act on specific dates," as amended by Act No. 105 of the Public Acts of 1991, being section 408.1055 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Section 55 of Act No. 154 of the Public Acts of 1974, as amended by Act No. 105 of the Public Acts of 1991, being section 408.1055 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 55. (1) A safety education and training fund is created. Except as provided in subsection (2), the fund shall be used to accomplish the objectives outlined in sections 54 and 56. The state treasurer shall be custodian of the fund and may invest the surplus of the fund in investments as in the state treasurer's judgment are in the best interest of the state. Earnings from those investments shall be credited to the fund. The state treasurer shall notify the director of labor, the director of public health, and the legislature of interest credited and the balance of the safety education and training fund as of December 31 of each year.

(2) On October 1, 1991, \$2,300,000.00 is transferred from the safety education and training fund to the state general fund for the operation of the programs specified in this act.

(3) The director of labor shall supervise and administer the fund. Except as provided in this section, the director shall annually assess a levy based on the total annual worker's disability compensation losses, excluding medical payments, paid in the immediately preceding calendar year by employers under the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, as amended, being sections 418.101 to 418.941 of the Michigan Compiled Laws. Except as provided in this section, each year the director shall assess upon and collect from each carrier and self-insured employer a sum equal to that proportion of 50% of the current fiscal year appropriation of safety education and training funds which the total worker's disability compensation benefits, exclusive of medical payments, paid by each carrier or each self-insured employer bears to the total of the compensation benefits paid by all carriers and self-insured employers during the immediately preceding calendar year. However, the total amount levied annually shall not exceed 3/4 of 1% of the total of the compensation benefits paid by all carriers and self-insured employers during

the immediately preceding calendar year. Funds that are unexpended at the end of each fiscal year shall be returned to the safety education and training fund.

(4) If at any time during the fiscal year in which the assessment required by subsection (3) is made the balance of money in the safety education and training fund is less than \$1,500,000.00, the assessment shall equal the total fiscal year appropriation of safety education and training funds.

(5) Notice of the assessments shall be sent by the director of labor by mail to each carrier. Payment of assessments shall be received in the principal office of the department of labor before a date specified uniformly in the notice, but not less than 90 days after the date of mailing.

(6) The levy assessments shall constitute an element of loss for the purpose of establishing rates for worker's disability compensation insurance. Funds derived from this levy shall be deposited in the safety education and training fund and shall be appropriated by the legislature for the operation of this program.

(7) To enable full and complete legislative review of the assessment process, the department of labor, not later than September 30 of each year, shall submit to the regulatory subcommittees of the house and senate appropriations committees and the house and senate committees that consider labor matters a written report on the status of the safety education and training assessment required by this section. The report shall include, but is not limited to, information on the amount of the assessment, the percentage of the assessment as compared to losses, an explanation of all expenditures from the safety education and training fund, and the balance of money in the safety education and training fund.

Section 2. This amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws.

Section 3. This amendatory act shall not take effect unless all of the following bills of the 87th Legislature are enacted into law:

- (a) Senate Bill No. 48.
- (b) Senate Bill No. 49.
- (c) Senate Bill No. 51.
- (d) Senate Bill No. 52.
- (e) Senate Bill No. 346.

Secretary of the Senate.

Co-Clerk of the House of Representatives.

Approved -----

Governor.