



HOUSE BILL No. 4870

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June 17, 1993, Introduced by Rep. Martin and referred to the Committee on Insurance.

A bill to amend section 713 of Act No. 317 of the Public Acts of 1969, entitled as amended
"Worker's disability compensation act of 1969,"
as added by Act No. 157 of the Public Acts of 1990, being
section 418.713 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 713 of Act No. 317 of the Public Acts of
2 1969, as added by Act No. 157 of the Public Acts of 1990, being
3 section 418.713 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 713. (1) The following fees shall be assessed and col-
6 lected on the state accident fund in the same manner as on a pri-
7 vate insurance company:

8 (a) Beginning January 1, 1991, a fee equal to the amount of
9 taxes that would be assessed and collected against the real and

1 personal property of the state accident fund under the general
2 property tax act, Act No. 206 of the Public Acts of 1893, being
3 sections 211.1 to 211.157 of the Michigan Compiled Laws.

4 (b) Beginning January 1, 1991, a fee equal to the amount of
5 taxes that would be assessed and collected on sales at retail to
6 the state accident fund under the general sales tax act, Act
7 No. 167 of the Public Acts of 1933, being sections 205.51 to
8 205.78 of the Michigan Compiled Laws.

9 (c) Beginning January 1, 1991, a fee equal to the amount of
10 taxes that would be assessed to and collected from the state
11 accident fund under the use tax act, Act No. 94 of the Public
12 Acts of 1937, being sections 205.91 to 205.111 of the Michigan
13 Compiled Laws.

14 (d) Beginning January 1, 1991, a fee equal to the amount of
15 taxes that would be assessed and collected from the state acci-
16 dent fund under the internal revenue code in effect for the 1990
17 tax year. If the federal government imposes federal income tax
18 liability on the state accident fund, the fee in this subdivision
19 shall not apply.

20 (e) The fee paid by AND PROVISIONS REQUIRED OF the state
21 accident fund pursuant to section 476c of the insurance code of
22 1956, Act No. 218 of the Public Acts of 1956, being
23 section 500.476c of the Michigan Compiled Laws.

24 (F) THE FEE PAID BY INSURERS PURSUANT TO SECTION 224(4),
25 (5), (6), (7), (8), (9), AND (11) OF ACT NO. 218 OF THE PUBLIC
26 ACTS OF 1956, BEING SECTION 500.224 OF THE MICHIGAN COMPILED
27 LAWS.

1 (2) Except as provided in subsection (3), the fees assessed
2 on the state accident fund in subsection (1) shall be remitted at
3 the times and in the manner provided by the respective tax acts
4 for which the fees are paid in lieu of.

5 (3) The fees assessed on the state accident fund in subsec-
6 tion (1) shall be remitted in the following manner:

7 (a) The revenue from the fee assessed and collected under
8 subsection (1)(a) shall be remitted to the local treasurer in the
9 local unit in which the property of the accident fund is
10 located.

11 (b) The revenue from the fees imposed under subsection
12 (1)(b), (c), and (e) shall be remitted to the state treasurer for
13 deposit in the general fund.

14 (c) The revenue from the fee imposed under subsection (1)(d)
15 shall be deposited in the workplace safety fund.

16 (D) THE REVENUE FROM THE FEE IMPOSED UNDER SUBSECTION (1)(F)
17 SHALL BE PAID PURSUANT TO SECTION 225 OF ACT NO. 218 OF THE
18 PUBLIC ACTS OF 1956, BEING SECTION 500.225 OF THE MICHIGAN
19 COMPILED LAWS.

20 (4) Except for the ~~fee~~ FEES paid by the state accident
21 fund described in subsection (1)(e), this section shall not apply
22 during any time period when the insurance commissioner certifies
23 pursuant to sections 2409 and 2409a of the insurance code of
24 1956, Act No. 218 of the Public Acts of 1956, being sections
25 500.2409 and 500.2409a of the Michigan Compiled Laws, that a rea-
26 sonable degree of competition does not exist in the worker's
27 compensation insurance market.