



SENATE BILL No. 89

January 13, 1993, Introduced by Senator HONIGMAN and referred to the Committee on Labor.

A bill to amend section 625 of Act No. 317 of the Public Acts of 1969, entitled as amended
"Worker's disability compensation act of 1969,"
being section 418.625 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 625 of Act No. 317 of the Public Acts of
2 1969, being section 418.625 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 625. (1) The accident fund and every insurer men-
5 tioned in section 611 issuing an insurance policy covering
6 workmen's compensation in this state shall file with the direc-
7 tor, within 10 days after the effective date ~~thereof~~ OF THE
8 POLICY, a notice of the issuance of ~~such~~ THE policy and its
9 effective date. If the policy covers persons who would otherwise
10 be exempted from the provisions of this act by section 115, the

1 notice shall contain a specific statement to that effect. A
2 notice shall not be required of the accident fund or any insurer
3 where the policy issued is a renewal of the preceding policy.
4 The accident fund or insurer, if it refuses to accept any cover-
5 age under this act, shall do so in writing.

6 (2) AN INSURER WHO FAILS TO FURNISH A NOTICE OF ISSUANCE OF
7 POLICY TO THE DIRECTOR WITHIN THE TIME PERIOD REQUIRED BY SUBSEC-
8 TION (1) SHALL PAY A CIVIL PENALTY OF \$10.00 FOR EACH DAY THE
9 FILING IS LATE. THE DIRECTOR SHALL ADVISE EACH INSURER BY FIRST
10 CLASS MAIL EACH MONTH OF ALL DELINQUENT NOTICES RECEIVED BY THE
11 BUREAU IN THE PRIOR MONTH WITH A CALCULATION OF THE PENALTIES DUE
12 AND PAYABLE TO THE BUREAU. A PENALTY IMPOSED PURSUANT TO THIS
13 SUBSECTION SHALL BE PAYABLE BY THE INSURER WITHIN 30 DAYS AFTER
14 THE DATE OF THE BUREAU NOTICE. THE DIRECTOR SHALL TAKE WHATEVER
15 ACTION IS PROPER TO AFFECT COLLECTION OF ANY DELINQUENT
16 PAYMENTS. MONEY RECEIVED FROM COLLECTION OF THESE PENALTIES
17 SHALL BE DEPOSITED IN THE WORKER'S COMPENSATION ADMINISTRATIVE
18 REVOLVING FUND.