

**SB 1410, As Passed Senate, November 13, 2002**

**SUBSTITUTE FOR**

**SENATE BILL NO. 1410**

(As passed the Senate, November 13, 2002)

A bill to amend 1969 PA 317, entitled  
"Worker's disability compensation act of 1969,"  
by amending section 625 (MCL 418.625), as amended by 1995 PA  
271.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 625. ~~(1)~~ Each insurer mentioned in section 611 issu-  
2       ing an insurance policy covering ~~workmen's~~ WORKER'S compensa-  
3       tion in this state shall file with the director, within 30 days  
4       after the effective date of the policy, a notice of the issuance  
5       of the policy and its effective date. A NOTICE OF ISSUANCE OF  
6       INSURANCE, A NOTICE OF TERMINATION OF INSURANCE, OR A NOTICE OF  
7       EMPLOYER NAME CHANGE MAY BE SUBMITTED IN WRITING OR BY USING  
8       BUREAU APPROVED ELECTRONIC RECORD LAYOUT AND TRANSACTION  
9       STANDARDS AND MAY BE SUBMITTED BY THE INSURER DIRECTLY OR BY THE  
10      COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN ON BEHALF OF THE

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1 INSURER. PAYMENT SHALL NOT BE REQUIRED BY THE BUREAU OR ANY  
2 THIRD PARTY FOR THE USE OF BUREAU APPROVED ELECTRONIC RECORD  
3 LAYOUT AND TRANSACTION STANDARDS UNDER THIS ACT. TIME REQUIRE-  
4 MENTS FOR NOTICES UNDER THIS ACT APPLY WHETHER FILED BY THE  
5 INSURER OR THE COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN. If  
6 the policy covers persons who would otherwise be exempted from  
7 ~~the provisions of~~ this act by section 115, the notice shall  
8 contain a specific statement to that effect. A notice shall not  
9 be required of any insurer where the policy issued is a renewal  
10 of the preceding policy. The insurer, if it refuses to accept  
11 any coverage under this act, shall do so in writing.

12 ~~(2) If, following a hearing held by the director under this~~  
13 ~~act, the director determines that an insurer has engaged in a~~  
14 ~~pattern and practice of numerous intentional violations of this~~  
15 ~~section, the director may assess against that insurer a civil~~  
16 ~~fine of up to \$750.00. This subsection and subsection (3) do not~~  
17 ~~apply after the director certifies that an electronic data~~  
18 ~~reporting system for reporting of this information is~~  
19 ~~operational.~~

20 ~~(3) The director may alternatively proceed under section~~  
21 ~~631.~~