

HOUSE BILL No. 5479

(as amended May 27, 2014)

April 29, 2014, Introduced by Rep. Graves and referred to the Committee on Commerce.

A bill to amend 1969 PA 317, entitled
"Worker's disability compensation act of 1969,"
(MCL 418.101 to 418.941) by adding section 501a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 501A. (1) THE LIABILITY OF THE SELF-INSURERS' SECURITY
2 FUND UNDER THIS ACT FOR ANY PAYMENT OF CLAIMS MADE AGAINST A SELF-
3 INSURED MEMBER OF A PRIVATE EMPLOYER GROUP SELF-INSURER TERMINATES
4 ON JANUARY 1, [2020]. THE PEGSISF IS RESPONSIBLE FOR PAYMENT OF
5 ELIGIBLE CLAIMS MADE AGAINST THE PEGSISF ON AND AFTER JANUARY 1,
6 [2020], AND FOR CLAIMS AGAINST A PRIVATE EMPLOYER GROUP SELF-INSURER
7 FOR WHICH THE SELF-INSURERS' SECURITY FUND WAS FORMERLY LIABLE
8 UNDER THIS ACT.

9 (2) IF THE DIRECTOR DETERMINES THAT A TRUST ESTABLISHED UNDER

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R 408.43S(2) OF THE MICHIGAN ADMINISTRATIVE CODE IS REASONABLY
LIKELY TO BE INSUFFICIENT TO FULFILL THE LIABILITY FOR CLAIMS MADE
AGAINST THE SELF-INSURED MEMBERS OF A PRIVATE EMPLOYER GROUP SELF-
INSURER BEFORE JANUARY 1, [2020], THE DIRECTOR MAY ASSESS ALL PRIVATE
EMPLOYER GROUP SELF-INSURERS BASED ON THE PROPORTION OF THE TOTAL
PAID LOSSES, AS DEFINED IN SECTION 551(3)(B), OF EACH PRIVATE
EMPLOYER GROUP SELF-INSURER PAID IN THE PRIOR YEAR TO COVER THE
COST OF BENEFITS INCURRED. AN ASSESSMENT MADE UNDER THIS SUBSECTION
IS PAYABLE TO THE TRUST TO SATISFY LIABILITY FOR THOSE CLAIMS.

Enacting section 1. This amendatory act does not take effect
unless all of the following bills of the 97th Legislature are
enacted into law:

(a) Senate Bill No.____ or House Bill No. 5478 (request no.
04526'13).

(b) Senate Bill No.____ or House Bill No. 5483 (request no.
04548'13).

(c) Senate Bill No.____ or House Bill No. 5480 (request no.
04549'13).