

# HOUSE BILL No. 5482

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,"  
by amending section 391 (MCL 418.391), as amended by 2007 PA 190.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 391. (1) The compensation supplement fund is created as a  
2       separate fund in the state treasury. The fund shall be administered  
3       by the state treasurer pursuant to this section. The legislature  
4       shall appropriate to the compensation supplement fund from the  
5       general fund the amounts necessary to meet the obligations of the  
6       compensation supplement fund under section 352, and the  
7       administrative costs incurred by the bureau under this section.

8       (2) The director shall promulgate rules under the  
9       administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
10      24.328, that prescribe the conditions under which the money in the

1 compensation supplement fund shall be expended pursuant to section  
2 352 and this section.

3 (3) The department of treasury shall cause to be paid from the  
4 compensation supplement fund those amounts and at those times as  
5 are prescribed by the director pursuant to subsection (2).

6 (4) The director may employ the personnel the director  
7 considers necessary for the proper administration of the  
8 compensation supplement fund.

9 (5) The director shall annually recommend to the governor and  
10 the chairpersons of the senate and house appropriations committees  
11 the amount of money the director considers necessary to implement  
12 and enforce this section and section 352 during the ensuing fiscal  
13 year. The compensation supplement fund may carry forward into a  
14 subsequent fiscal year any unexpended funds, and reduce the  
15 necessary appropriation by the amount of the unobligated balance in  
16 the fund.

17 (6) Not later than April 1 of each year the director shall  
18 submit a report to the governor and the legislature summarizing the  
19 transactions of the compensation supplement fund during the  
20 preceding calendar year. The report shall identify each insurer and  
21 self-insurer that receives a reimbursement payment from the  
22 compensation supplement fund and the amount of reimbursement. When  
23 all liabilities of the compensation supplement fund for  
24 reimbursements required pursuant to section 352 are paid, the  
25 director shall recommend to the governor and the legislature that  
26 the compensation supplement fund be abolished. The director shall  
27 certify to the department of treasury and the commissioner of

1 insurance the identity of each insurer and self-insurer that claims  
2 a credit as provided for under section 352(8) and the amount of  
3 each supplemental payment under section 352 paid by that insurer or  
4 self-insurer to which the credit applies.

5 (7) Pursuant to section 352, insurers and self-insurers not  
6 subject to ~~either~~ section 440a of the insurance code of 1956, 1956  
7 PA 218, MCL 500.440a, section 38b of ~~the single business tax act,~~  
8 **FORMER** 1975 PA 228, ~~MCL 208.38b,~~ or section 423 of the Michigan  
9 business tax act, 2007 PA 36, MCL 208.1423; ~~the second injury~~  
10 ~~fund; and the self-insurers' security fund;~~ **AND THE PRIVATE**  
11 **EMPLOYER GROUP SELF-INSURERS SECURITY FUND** are entitled to  
12 reimbursement from the compensation supplement fund. An application  
13 for reimbursement shall be on the forms and contain information as  
14 required by the director. Application for a claim for reimbursement  
15 from the compensation supplement fund shall be filed with the  
16 director within 3 months after the date on which the right to  
17 reimbursement first accrues. After the insurer, self-insurer, the  
18 second injury fund, ~~or the self-insurers' security fund,~~ **OR THE**  
19 **PRIVATE EMPLOYER GROUP SELF-INSURERS SECURITY FUND** has established  
20 a right to reimbursement, payment from the compensation supplement  
21 fund shall be made without interest on a proper showing every  
22 quarter. A reimbursement shall not be allowed for a period that is  
23 more than 1 year before the date of the filing of the application  
24 for reimbursement pursuant to this section. A reimbursement shall  
25 not be allowed for payments made under section 352 for which an  
26 insurer or self-insurer takes a credit as provided for in section  
27 352(8).

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

4           (a) Senate Bill No. \_\_\_\_ or House Bill No. 5478 (request no.  
5 04526'13).

6           (b) Senate Bill No. \_\_\_\_ or House Bill No. 5479 (request no.  
7 04547'13).

8           (c) Senate Bill No. \_\_\_\_ or House Bill No. 5483 (request no.  
9 04548'13).

10          (d) Senate Bill No. \_\_\_\_ or House Bill No. 5480 (request no.  
11 04549'13).