

WORKER'S DISABILITY COMPENSATION ACT OF 1969 (EXCERPT)
Act 317 of 1969

418.552 Insufficiency of funds; borrowing; repayment; restriction; special assessment.

Sec. 552. (1) If, before the end of any calendar year, the annual assessments, after having been substantially collected, have not provided funds sufficient to either the second injury fund or the silicosis, dust disease, and logging industry compensation fund to meet the known obligations of those funds as they mature before the next available assessment date, the trustees, if the trustees find it to be reasonably required, may borrow on behalf of 1 fund from the other fund a sum or sums as may be required.

(2) Any sum or sums borrowed on behalf of 1 fund from the other fund shall be included in the next assessment of the borrowing fund and shall be repaid after the assessment has been substantially collected and the fund from which the sum or sums were borrowed during the period before repayment shall record the sum or sums as an asset.

(3) The trustees shall not borrow in the manner described in this section if it would impair the ability of either fund to meet its known obligations as the obligations mature before the next available assessment date.

(4) If the trustees find that it is reasonably required that they borrow on behalf of 1 fund from the other, but that the borrowing will impair the ability of the fund to meet the fund's known obligations as the obligations mature before the next assessment date, then, and in that event only, the trustees may order the director to levy a special assessment on each carrier in a sum sufficient to permit the fund making the assessment to meet the fund's known obligations as the obligations mature before the next available assessment date. The assessment shall be levied on each carrier in the same proportion as used in the preceding annual assessment. Payment of the special assessment shall be paid by each carrier within 45 days after the date of the mailing of the notice of special assessment.

History: Add. 1970, Act 3, Imd. Eff. Feb. 19, 1970;—Am. 1980, Act 357, Eff. Jan. 1, 1982;—Am. 1982, Act 32, Imd. Eff. Mar. 10, 1982.

Popular name: Act 317