



HOUSE BILL No. 5383

November 8, 1995, Introduced by Reps. Perricone, DeLange, Randall and Galloway and referred to the Committee on Human Resources and 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," as amended by Act No. 117 of the Public Acts of 1993, 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, as amended by Act No. 117 of the Public Acts of 1993, being
3 section 418.625 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 625. ~~-(1)-~~ The accident fund and every insurer men-
6 tioned in section 611 issuing an insurance policy covering
7 workmen's compensation in this state shall file with the
8 director, within 30 days after the effective date of the policy,
9 a notice of the issuance of the policy and its effective date.

1 If the policy covers persons who would otherwise be exempted from
2 the provisions of this act by section 115, the notice shall con-
3 tain a specific statement to that effect. A notice shall not be
4 required of the accident fund or any insurer where the policy
5 issued is a renewal of the preceding policy. The accident fund
6 or insurer, if it refuses to accept any coverage under this act,
7 shall do so in writing.

8 ~~(2) An insurer or the accident fund who fails to furnish a~~
9 ~~notice of issuance of policy to the director within the time~~
10 ~~period required by subsection (1) shall pay a civil penalty of~~
11 ~~\$10.00 for each day the filing is late. Not more than \$750.00~~
12 ~~shall be assessed against an insurer or the accident fund for~~
13 ~~each late notice of issuance of policy under this subsection.~~
14 ~~The director shall advise each insurer and the accident fund by~~
15 ~~first class mail each month of all delinquent notices received by~~
16 ~~the bureau in the prior month with a calculation of the penalties~~
17 ~~due and payable to the bureau. A penalty imposed pursuant to~~
18 ~~this subsection shall be payable by the insurer or the accident~~
19 ~~fund within 30 days after the date of the bureau notice. The~~
20 ~~director shall give consideration to proof offered by an insurer~~
21 ~~or the accident fund that a notice of issuance of policy was~~
22 ~~filed with the director in a timely manner. The director shall~~
23 ~~take whatever action is proper to affect collection of any delin-~~
24 ~~quent payments. Money received from collection of these penal-~~
25 ~~ties shall be deposited in the worker's compensation administra-~~
26 ~~tive revolving fund.~~