

SB1410, As Passed House, December 12, 2002

REPRINT

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.~~