

SENATE BILL NO. 566

September 18, 2025, Introduced by Senator ANTHONY and referred to Committee on Appropriations.

A bill to amend 1969 PA 317, entitled
"Worker's disability compensation act of 1969,"
by amending sections 625 and 835 (MCL 418.625 and 418.835), section
625 as amended by 2012 PA 83 and section 835 as amended by 2011 PA
266.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 625. **(1)** Each insurer mentioned in section 611 ~~issuing~~
2 **that issues** an insurance policy ~~covering worker's~~ **that covers**
3 **workers'** compensation in this state shall file with the director,

~~within not later than~~ 30 days after the effective date of the policy, a notice of the issuance of the policy and ~~its the~~ effective date **of the policy.**

(2) An insurer or the Compensation Advisory Organization of Michigan on behalf of the insurer may submit to the director all of the following notices in writing or by using agency-approved electronic filing and transaction standards:

(a) A notice of issuance of insurance. ~~or a~~

(b) A notice of termination of insurance. ~~or a~~

(c) A notice of ~~employer change to an employer's address, location, or name. change may be submitted in writing or by using agency-approved electronic filing and transaction standards and may be submitted by the insurer directly or by the compensation advisory organization of Michigan on behalf of the insurer. Payment shall not be required by the agency or any third party for the use of agency-approved electronic record layout and transaction standards under this act.~~

(3) The agency or a third party shall not require payment for the use of agency-approved electronic record layout and transaction standards under this act.

(4) Time requirements for notices under this act apply whether **the notices are** filed by the insurer or the ~~compensation advisory organization~~ **Compensation Advisory Organization** of Michigan. If the policy covers ~~persons who~~ **a person that** would otherwise be exempted from this act ~~by under~~ section 115, the notice ~~shall~~ **must** contain a specific statement to that effect. A notice is not required of any insurer if the policy issued is a renewal of the preceding policy. ~~The~~ **An** insurer ~~if it that~~ refuses to accept any coverage under this act ~~shall do so~~ **must put the refusal** in writing.

(5) The director shall promulgate rules under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to establish both of the following:

(a) A filing fee for a notice described in subsections (1) and (2).

(b) A system for the collection of a filing fee.

Sec. 835. (1) ~~After 6 months' time has elapsed from~~ **Not less than 6 months after** the date of a personal injury, any liability resulting from the personal injury may be redeemed by the payment of a lump sum by agreement of the parties, subject to the approval of a ~~worker's~~ **workers'** compensation magistrate. If special circumstances are found which in the judgment of the ~~worker's~~ **workers'** compensation magistrate require the payment of a lump sum, the ~~worker's~~ **workers'** compensation magistrate may direct at any time in any case that the deferred payments due under this act be commuted on the present worth at 10% per annum to 1 or more lump sum payments and that the lump sum payments ~~shall~~ **must** be made by the employer or carrier. When a proposed redemption agreement is filed, it may be treated as a lump sum application, within the discretion of a ~~worker's~~ **workers'** compensation magistrate. The filing of a proposed redemption agreement or lump sum application ~~shall~~ **must** not be considered an admission of liability and if the ~~worker's~~ **workers'** compensation magistrate treats a proposed redemption agreement as a lump sum application under this section, the employer ~~shall be~~ **is** entitled to a hearing on the question of liability.

(2) The carrier shall notify the employer in writing, which may be electronically transmitted, of the proposed redemption agreement not less than 10 business days before a hearing on the

1 proposed redemption agreement is held. The notice ~~shall~~**must**
 2 include all of the following **information**:

3 (a) The amount and conditions of the proposed redemption
 4 agreement.

5 (b) The procedure available for requesting a private informal
 6 managerial level conference.

7 (c) The name and business phone number of a representative of
 8 the carrier familiar with the case.

9 (d) The time and place of the hearing on the proposed
 10 redemption agreement and the right of the employer to object to it.

11 (3) The ~~worker's~~**workers'** compensation magistrate may waive
 12 the requirements of subsection (2) if the carrier provides evidence
 13 that a good-faith effort has been made to provide the required
 14 notice or if the employer has consented in writing to the proposed
 15 redemption.

16 (4) ~~Except as otherwise provided in this subsection, for all~~
 17 ~~proposed redemption agreements filed after December 31, 1983, each~~
 18 **Each** party to ~~the~~**a proposed redemption** agreement ~~shall be~~**is**
 19 liable for a fee, ~~of \$100.00~~**as determined by the agency**, to be
 20 used to defray costs incurred by the agency, the ~~worker's~~**workers'**
 21 compensation board of magistrates, and the ~~worker's~~**workers'**
 22 **disability** compensation ~~appellate~~**appeals** commission administering
 23 this act. ~~, except that in the case of multiple defendants the fee~~
 24 ~~for the party defendant shall be \$100.00 to be paid by the carrier~~
 25 ~~covering the most recent date of injury. The agency shall develop a~~
 26 **promulgate rules under the administrative procedures act of 1969,**
 27 **1969 PA 306, MCL 24.201 to 24.328, to establish both of the**
 28 **following:**

29 (a) **A fee amount for the fee provided under this subsection.**

1 **(b) A** system to provide for the collection of the fee provided
2 ~~for by~~ **under** this subsection.

3 (5) The fees collected ~~pursuant to~~ **under** subsection (4) ~~shall~~
4 **must** be placed in the worker's compensation administrative
5 revolving fund under section 835a. Money in the worker's
6 compensation administrative revolving fund ~~shall only~~ **must** be used
7 **only** to pay for costs in regard to the following specific purposes
8 of the agency, the ~~worker's~~ **workers'** compensation board of
9 magistrates, and the ~~Michigan~~ **workers' disability** compensation
10 ~~appellate~~ **appeals** commission as applicable:

11 (a) Education and training.

12 (b) Case management.

13 (c) Hearings and claims for review.

14 ~~(6) Subsections (2) to (5) only apply to proposed redemption~~
15 ~~agreements filed after December 31, 1983.~~