

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

**418.391 Compensation supplement fund; creation; administration; appropriation; rules; payments; personnel; recommendations; carrying forward unexpended funds; reduction of appropriation; report; reimbursement of insurers, self-insurers, second injury fund, self-insurers' security fund, or private employer group self-insurers security fund; application.**

Sec. 391.

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

(2) The director shall promulgate rules under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, that prescribe the conditions under which the money in the compensation supplement fund shall be expended pursuant to section 352 and this section.

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

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

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

(6) Not later than April 1 of each year the director shall submit a report to the governor and the legislature summarizing the transactions of the compensation supplement fund during the preceding calendar year. The report shall identify each insurer and self-insurer that receives a reimbursement payment from the compensation supplement fund and the amount of reimbursement. When all liabilities of the compensation supplement fund for reimbursements required pursuant to section 352 are paid, the director shall recommend to the governor and the legislature that the compensation supplement fund be abolished. The director shall certify to the department of treasury and the commissioner of insurance the identity of each insurer and self-insurer that claims a credit as provided for under section 352(8) and the amount of each supplemental payment under section 352 paid by that insurer or self-insurer to which the credit applies.

(7) Pursuant to section 352, insurers and self-insurers not subject to section 440a of the insurance code of 1956, 1956 PA 218, MCL 500.440a, section 38b of former 1975 PA 228, or, for periods prior to January 1, 2012, section 423 of the Michigan business tax act, 2007 PA 36, MCL 208.1423; the second injury fund; the self-insurers' security fund; and the private employer group self-insurers security fund are entitled to reimbursement from the compensation supplement fund. An application for reimbursement shall be on the forms and contain information as required by the director. Except as otherwise authorized by the director, application for a claim for reimbursement from the compensation supplement fund shall be filed with the director within 3 months after the date on which the right to reimbursement first accrues. After the insurer, self-insurer, the second injury fund, the self-insurers' security fund, or the private employer group self-insurers security fund has established a right to reimbursement, payment from the compensation supplement fund shall be made without interest on a proper showing every quarter. Except as otherwise authorized by the director, a reimbursement shall not be allowed for a period that is more than 1 year before the date of the filing of the application for reimbursement pursuant to this section. A reimbursement shall not be allowed for payments made under section 352 for which an insurer or self-insurer takes a credit as provided for in section 352(8).

**History:** Add. 1980, Act 357, Eff. Jan. 1, 1981 ;-- Am. 1982, Act 32, Imd. Eff. Mar. 10, 1982 ;-- Am. 1984, Act 46, Imd. Eff. Apr. 9, 1984 ;-- Am. 2007, Act 190, Imd. Eff. Dec. 21, 2007 ;-- Am. 2014, Act 268, Imd. Eff. July 2, 2014

**Popular Name:** Act 317

**Popular Name:** Heart and Lung Act