

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 762 (as introduced 9-28-99)
Sponsor: Senator Mike Rogers
Committee: Human Resources, Labor, Senior Citizens and Veterans Affairs

Date Completed: 9-29-99

CONTENT

The bill would amend the Worker's Disability Compensation Act to allow a mediator to approve a redemption agreement for \$5,000 or less. A redemption agreement of more than \$5,000 could be approved only by a worker's compensation magistrate. The Director of the Bureau of Worker's Disability Compensation could set aside a redemption of \$5,000 or less that was approved by a mediator, if a request were made to the Director within 15 days after the mediator's approval. The Director could set aside the redemption, without prejudice, for any reason.

The bill specifies legal counsel would not be required for either party in cases of redemption of \$5,000 or less that were heard by a mediator.

Currently, a redemption agreement may be approved by a worker's compensation magistrate if the magistrate finds that the redemption agreement serves the Act's purpose and is agreed to by all parties; an application for mediation or a hearing, if filed, alleges a compensable cause of action; and the injured employee is fully aware of his or her rights under the Act and the consequences of the agreement. Under the bill, a mediator also would have to make the same findings.

The bill also specifies that an order of a worker's compensation magistrate would be final unless review was ordered or requested within 15 days after the date the order was mailed to or personally served on the parties. (The current Act refers only to an order that was mailed.)

MCL 418.836 & 418.837

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: M. Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.