## Legislative Analysis



# ALLOWING DISABLED VETERANS TO WAIVE WORK LOSS BENEFIT COVERAGE

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

House Bill 5057 as reported from committee

Sponsor: Rep. Lori M. Stone

**Committee: Insurance and Financial Services** 

**Complete to 10-14-23** 

Analysis available at http://www.legislature.mi.gov

#### **SUMMARY:**

House Bill 5057 would amend the Insurance Code to allow disabled veterans to waive coverage for work loss benefits under personal protection insurance benefits if they would not be able to receive coverage under the act.

Currently, the Insurance Code provides that payable personal protection insurance benefits include benefits for work loss due to the loss of income from work an injured person for work the individual would have performed, if not for the injury, for up to three years after the day of the accident. The act allows individuals who are at least 60 years old to waive coverage for work loss benefits, by signing a form provided by the insurer, if they would not be able to receive them and requires insurers to offer a reduced premium rate for those who sign the waiver.

The bill would add the option for a person who has been determined by the United States Department of Veterans Affairs to be permanently and totally disabled as a result of military service and to be entitled to veterans' benefits at the 100% rate to waive coverage for work loss benefits under the same procedure and conditions available to those 60 years or older.

MCL 500.3107

### **BRIEF DISCUSSION:**

According to committee testimony, veterans with a 100% injury designation are unable to work, and the bill is intended to allow them to avoid paying for coverage they would never be able to use.

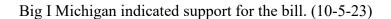
#### **FISCAL IMPACT:**

The bill would not have a fiscal impact on any state or local government units.

### **POSITIONS:**

A representative of the Department of Insurance and Financial Services testified in support of the bill. (10-5-23)

House Fiscal Agency Page 1 of 2



The Mackinac Center indicated opposition to the bill. (10-5-23)

Legislative Analyst: Alex Stegbauer Fiscal Analyst: Marcus Coffin

House Fiscal Agency HB 5057 as reported Page 2 of 2

<sup>■</sup> This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.