

HOUSE BILL NO. 5187

October 30, 2025, Introduced by Reps. Breen, Rheingans, Arbit, Weiss, T. Carter, Pohutsky, Brixie, Xiong, Wilson, Conlin, Mentzer, MacDonell, Price, B. Carter, Dievendorf, Paiz, Morgan, McFall, Longjohn, Hope, Byrnes, Andrews, Young, Tsernoglou, Hoskins, McKinney, Skaggs and Myers-Phillips and referred to Committee on Economic Competitiveness.

A bill to amend 1969 PA 317, entitled
"Worker's disability compensation act of 1969,"
by amending section 833 (MCL 418.833).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 833. (1) If payment of compensation is made, other than
2 medical expenses, and an application for further compensation is
3 later filed with the ~~bureau, no~~ **agency**, compensation ~~shall~~ **must not**
4 be ordered for any period ~~which~~ **that** is more than 1 year ~~prior to~~
5 **before** the date of filing of ~~such~~ **the** application.
6 (2) ~~When an employer or carrier takes action to recover~~

~~overpayment of benefits, no recoupment~~ **Recoupment** of money shall be
an overpayment of benefits is not allowed for a period which that
is more than 1 year prior to ~~before~~ the date of taking such
action. that an employer or carrier files an application with the
agency to recoup the overpayment of benefits.

(3) If an employer or carrier voluntarily pays benefits, or
pays benefits under a voluntary pay agreement to an injured
employee, the injured employee must not be ordered to reimburse an
overpayment of benefits unless the employer or carrier establishes
1 or more of the following:

(a) The employee concealed postinjury earnings.

(b) The employer or carrier overpaid benefits as a result of a
mathematical, technological, or clerical error.

(c) The employer or carrier overpaid benefits as a result of a
coordination error as described in section 354(9).

(4) If an employer or carrier overpays benefits to an injured
employee as a result of a mathematical, technological, or clerical
error, the employer or carrier may recoup the overpayment of
benefits by reducing the employee's weekly benefit amount, but
shall not reduce the weekly benefit amount by more than 50%.

(5) A worker's compensation magistrate shall not order an
injured employee to reimburse an overpayment of benefits to the
employer or carrier if the employer or carrier unreasonably changes
its position regarding whether the employee has a work-related
condition or disability under this act.

(6) A worker's compensation magistrate may waive an employer's
or carrier's recoupment of an overpayment of benefits if the
injured employee proves that the recoupment would cause the
employee undue harm or would not serve the purposes of this act.

1 (7) As used in this section:

2 (a) "Carrier" includes the PEGSISF, the Christopher R. Slezak
3 first responder presumed coverage fund, or the self-insurers'
4 security fund.

5 (b) "Voluntary pay agreement" means a written agreement
6 between the employee and employer for the employer to provide
7 benefits under this act.