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WORKERS' COMPENSATION ALERT

TO: Our Clients and Friends

FROM: Bleakley, Cypher, Parent, Warren & Quinn, P.C.

RE: Workers' Compensation Amendment As It Relates To Jurisdiction

Covered Under the Workers' Disability Compensation Act And

Upcoming Workers' Compensation Law Seminar

DATE: January 29, 2009

In 2007 the Michigan Supreme Court tackled the issue of jurisdiction in the case of *Karaczewesk v Farm & Stein Company*, 479 Mich 28 (2007). The Supreme Court determined that the Workers' Compensation Act conferred jurisdiction on out of state injuries where, 1) the employee was a resident of Michigan when the injury occurred and 2) the contract of hire was made in Michigan. The Court made it clear that, based upon their interpretation of the Act, both elements needed to be met.

That being said, the legislature has now amended Section 845 and has provided for jurisdiction when only one of the above elements is met. In other words, the Workers' Disability Compensation Act and Agency now has jurisdiction over any out of state injury if **either** the employee was a resident of Michigan at the time of injury **or** a contract of hire was made in the State of Michigan. No longer are both requirements necessary, as the legislature definitively increased the jurisdictional limits of the Workers' Disability Compensation Act.

The legislature acted swiftly to amend the Act to provide additional coverage for out of state of injuries such that workers' compensation benefits are the exclusive remedy for out of state injuries when an employee is a resident of the state or a contract of hire was made in this state. In other words, by conferring additional jurisdiction for out of state of injuries, the legislature intends to reduce the potential for a Michigan employer to be sued for any general tort claim and large damage awards.

The legislature's amendment to Section 845 was signed into law and took effect on January 13, 2009.

If you have any questions regarding the application of the new amendment, please feel free to contact any of the attorneys at Bleakley, Cypher, Parent, Warren & Quinn, P.C.

WORKERS' COMPENSATION SEMINAR ALERT

The law firm of Bleakley, Cypher, Parent, Warren & Quinn strives to provide the best legal services available with respect to workers' compensation matters in the State of Michigan and, consistent with that goal, we provide annual workers' compensation seminars. The seminars provide a valuable opportunity to network and to obtain updates with respect to changes in workers' compensation law and administration of claims.

Our first 2009 seminar is scheduled in Grand Rapids, Michigan, on March 20, 2009. You will want to save the date on your calendars, as our special guest keynote speaker is former Chief Justice Clifford Taylor, who played an instrumental role in recent workers' compensation case law including *Rakestraw*, *Sington*, *Stokes*, and numerous other decisions. It is anticipated that he will speak with candor and that he will provide insight regarding the court's decision making process and some of its recent landmark decisions as noted above. Formal invitations will be forthcoming and you will not want to miss this experience. We look forwarding to seeing you on March 20th.

As always, if you have any questions or concerns, please do not hesitate to contact any of the attorneys at Bleakley, Cypher, Parent, Warren & Quinn directly.