Another Record-Breaking Year

The MRL Fund Returns $5 Million to Members

For more than two decades, the Michigan Restaurant and Lodging Fund (MRL Fund) has operated as a member-owned, self-insured, workers' compensation fund. This year, the State of Michigan Workers' Compensation Agency has given its approval for the MRL Fund to return $5 million in surplus premiums to Fund members.

Each year, all premiums collected by the MRL Fund which are not used for claims and administrative expenses are returned to members. Since its inception in 1992, the total of premiums returned is in excess of $44 million.

Tim Hanna, MRL Fund Administrator from Regency Group, states, "I am very pleased with the performance of the Fund. It provides a significant financial return to each member while maintaining the sound financial stability of the group."

By focusing on accident prevention and proper claims management, MRL Fund members can continue to keep their costs down and their returned premiums high. The MRL Fund works with designated loss control specialists who are familiar with the exposures of the restaurant industry. They provide sound guidance and cost-saving solutions on safety and loss prevention issues.

Members are strongly encouraged to work with the loss control specialists on a regular basis. Members can also access safety webinars and other loss control resources free of charge. In addition, MRL Fund members receive semi-annual reports which indicate how they are performing and the estimated amount of surplus premium from each fund year they will most likely receive in the future. Currently, the average premium return for members is 48 percent.

"MRL Fund members should be proud of their outstanding job at keeping losses low. By working with members to prevent employee injuries, the Fund is the best choice for employers striving to reduce their workers' compensation costs," added Hanna.

For more information about participating with the MRL Fund, contact Pam Sawatzki at 800-968-9668 or psawatzki@mramail.org.

New Alcohol Bill Introductions Create Controversy

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4 a.m. Sales – Senate Bill 247

The Senate Regulatory Reform Committee recently held a hearing on Senate Bill 247, which is sponsored by Senator Virgil Smith (D – Detroit) and would permit on-premises licensees to sell alcohol until 4 a.m. if certain criteria are met. To qualify, the licensed premises would have to be located in a city's central business district, pay a $10,000 permit fee, and provide enhanced security measures. Under the bill, 85 percent of the permit fee would go to local law enforcement, 5 percent to the local government, and 10 percent to the Michigan Liquor Control Commission to administer the program.

Those promoting the legislation argued that Detroit and other large urban centers cannot compete with the nightlife of large cities elsewhere which allow establishments to stay open until 4 a.m. or later.

The issue drew strong criticism from the Michigan Association of Chiefs of Police and several anti-alcohol organizations. The MRA stressed that, while very few of its members will likely be interested in holding such a permit, the state should not discriminate by limiting those permits exclusively within central business districts.

B.Y.O.W. – House Bill 5046

Another bill introduced on October 2 would allow patrons to take their own bottle of wine into a restaurant if that establishment allowed the practice and if several other criteria were met. As introduced, the bill would allow only unopened wine in its original, sealed container to be taken into a licensed premises. The bill also requires that a minimum corkage fee of $25 be charged for each bottle of wine supplied by a patron.

No language in the bill restricts a restaurant from tailoring the plan to its needs. For example, a restaurant could allow patrons to provide their own wine, but stipulate that only wines not listed on the standard menu could qualify for corkage.

At the time that this newsletter was published, the MRA had not taken a formal position on the issue. However, given the permissive (not mandatory) nature of the bill, its broad flexibility for restaurants to tailor a "bring your own" model that suits their individual businesses, and the built-in safety precautions, MRA opposition is unlikely.