



Hundredth Legislature - Second Session - 2008
Introducer's Statement of Intent
LB 1086

Chairperson: Abbie Cornett
Committee: Business and Labor
Date of Hearing: February 25, 2008

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 1086 would recognize the right of an employer or workers' compensation insurance carrier to recover under its right of subrogation in the same proportion as the amount received by an injured employee from all sources other than the employer or workers' compensation insurance carrier bears to the total loss suffered by the employee.

Under current law, if an employee and his or her employer or workers' compensation carrier cannot agree upon the distribution of any judgment or settlement obtained by the employee from a third party, the Workers' Compensation Court is directed to order a "fair and equitable" distribution of such proceeds. **LB 1086** would modify existing law by providing that when a third party is responsible for injuries sustained by an employee, the employee and the subrogated employer would share the proceeds of such settlement or judgment on a pro rata basis.

Principal Introducer:

Senator Scott Lautenbaugh