

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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SENATE BILL 839

Short Title: Workers' Comp. Carriers/Third-Party Claims.

(Public)

Sponsors: Senator Rucho.

Referred to: Insurance and Consumer Protection.

April 4, 2001

A BILL TO BE ENTITLED

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2 AN ACT TO PROHIBIT WORKERS' COMPENSATION CARRIERS FROM
3 INCREASING PREMIUMS, REDUCING COVERAGE, OR INCREASING AN
4 EMPLOYER'S LOSS MODIFICATION FACTOR WHEN THE INJURY OF
5 THAT EMPLOYER'S EMPLOYEE IS CAUSED BY A THIRD PARTY.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 97-10.2(a) reads as rewritten:

8 "(a) The right to compensation and other benefits under this Article for disability,
9 disfigurement, or death shall not be affected by the fact that the injury or death was
10 caused under circumstances creating a liability in some person other than the employer
11 to pay damages therefor, such person hereinafter being referred to as the "third party."
12 The respective rights and interests of the employee-beneficiary under this Article, the
13 employer, and the employer's insurance carrier, if any, in respect of the common-law
14 cause of action against such third party and the damages recovered shall be as set forth
15 in this section. The employer's insurance carrier shall not charge any additional
16 premium, change policy coverage to the detriment of the employer, or increase the
17 employer's loss modification factor when the employee's injury or death was caused by
18 a third party, unless the liability of the third party for the employee's injury or death is
19 not established under this section, by settlement agreement, or in any other action.

20 **SECTION 2.** This act is effective when it becomes law.