Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

| 1  | State of Arkansas   | A D'11                                |                    |
|----|---|---------------------------------------|--------------------|
| 2  | 86th General Assembly   | A Bill                                |                    |
| 3  | Regular Session, 2007   |                                       | HOUSE BILL 2674    |
| 4  |   |                                       |                    |
| 5  | By: Representative Anderson   |                                       |                    |
| 6  |   |                                       |                    |
| 7  |   |                                       |                    |
| 8  | For An Act To Be Entitled   |                                       |                    |
| 9  | AN ACT TO AMEND ARKANSAS CODE § 11-9-525                                      |                                       |                    |
| 10 | CONCERNING COMPENSATION FOR SECOND INJURIES; TO                               |                                       |                    |
| 11 | AMEND A PROTION OF THE ARKANSAS CODE WHICH                                    |                                       |                    |
| 12 | RESULTED FROM INITIATED ACT 4 OF 1948; AND FOR                                |                                       |                    |
| 13 | OTHER PUI   | RPOSES.                               |                    |
| 14 |   |                                       |                    |
| 15 | Subtitle  |                                       |                    |
| 16 | AN ACT TO AMEND ARKANSAS CODE § 11-9-525                                      |                                       |                    |
| 17 | CONCERNING COMPENSATION FOR SECOND  |                                       |                    |
| 18 | INJURIES AND TO AMEND A PROTION OF THE  |                                       |                    |
| 19 | ARKANSAS CODE WHICH RESULTED FROM   |                                       |                    |
| 20 | INITIA  | ATED ACT 4 OF 1948.                   |                    |
| 21 |   |                                       |                    |
| 22 |   |                                       |                    |
| 23 | BE IT ENACTED BY THE GE   | NERAL ASSEMBLY OF THE STATE OF ARKAN  | ISAS:              |
| 24 |   |                                       |                    |
| 25 | SECTION 1. Arkan  | nsas Code § 11-9-525 is amended to re | ad as follows:     |
| 26 | 11-9-525. Compensation for disability - Second injuries.                      |                                       |                    |
| 27 | (a)(1) The Second Injury Trust Fund established in this chapter is a          |                                       |                    |
| 28 | special fund designed to ensure that an employer employing a handicapped      |                                       |                    |
| 29 | worker will not, in the event that the worker suffers an injury on the job,   |                                       |                    |
| 30 | be held liable for a greater disability or impairment than actually occurred  |                                       |                    |
| 31 | while the worker was in his or her employment.                                |                                       |                    |
| 32 | (2) The employee is to be fully protected in that the fund pays               |                                       |                    |
| 33 | the worker the difference between the employer's liability and the balance of |                                       |                    |
| 34 | his or her disability or impairment which results from all disabilities or    |                                       |                    |
| 35 | impairments combined.   |                                       |                    |
| 36 | (3) It is   | intended that latent conditions whic  | h are not known to |



the employee or employer not be considered previous disabilities or
 impairments which would give rise to a claim against the fund.

3 (b)(1) Commencing January 1, 1981, through December 31, 2007, all
4 cases of permanent disability or impairment where there has been previous
5 disability or impairment shall be compensated as provided in this section.

6 (2) Compensation shall be computed on the basis of the average 7 earnings at the time of the last injury.

8 (3) If any employee who has a permanent partial disability or 9 impairment, whether from compensable injury or otherwise, receives a 10 subsequent compensable injury resulting in additional permanent partial 11 disability or impairment so that the degree or percentage of disability or 12 impairment caused by the combined disabilities or impairments is greater than 13 that which would have resulted from the last injury, considered alone and of 14 itself, and if the employee is entitled to receive compensation on the basis 15 of combined disabilities or impairments, then the employer at the time of the 16 last injury shall be liable only for the degree or percentage of disability 17 or impairment which would have resulted from the last injury had there been 18 no preexisting disability or impairment.

19 (4) After the compensation liability of the employer for the 20 last injury, considered alone, which shall be no greater than the actual 21 anatomical impairment resulting from the last injury, has been determined by 22 an administrative law judge or the Workers' Compensation Commission, the 23 degree or percentage of employee's disability that is attributable to all 24 injuries or conditions existing at the time the last injury was sustained 25 shall then be determined by the administrative law judge or the commission, 26 and the degree or percentage of disability or impairment which existed prior 27 to the last injury plus the disability or impairment resulting from the 28 combined disability shall be determined, and compensation for that balance, 29 if any, shall be paid out of the fund provided for in § 11-9-301.

30 (5) If the previous disability or impairment, whether from 31 compensable injury or otherwise, and the last injury together result in 32 permanent total disability, the employer at the time of the last injury shall 33 be liable only for the actual anatomical impairment resulting from the last 34 injury considered alone and of itself. However, if the compensation for which 35 the employer at the time of the last injury is liable is less than the 36 compensation provided in §§ 11-9-501 - 11-9-506 for permanent total

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1 disability, then, in addition to the compensation for which the employer is 2 liable and after the completion of payment of compensation by the employer, 3 the employee shall be paid the remainder of the compensation that would be 4 due for permanent total disability under §§ 11-9-501 - 11-9-506 out of the 5 fund.

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The Treasurer of State shall be the custodian of the fund, (6) 7 and any interest accruing shall be added thereto.

8 (7) The commission shall direct the distribution of the funds 9 from the fund.

10 (c)(1) In all cases in which a recovery against the fund is sought for 11 permanent partial disability or for permanent total disability, the Treasurer 12 of State as custodian shall be named as a party and shall be entitled to 13 defend against the claim.

14 (2) The Treasurer of State, with the advice and consent of the 15 Attorney General, may enter into settlements as contemplated by §§ 11-9-804 16 and 11-9-805.

17 (3) All awards for permanent partial disability or for permanent 18 total disability affecting the fund shall be subject to the provisions of the Workers' Compensation Law, § 11-9-101 et seq., governing review and appeal. 19

20 (d)(1) If more than one (1) injury in the same employment causes 21 concurrent temporary disabilities, weekly benefits shall be payable only for 22 the longest and largest paying disability.

23 (2) If more than one (1) injury in the same employment causes 24 concurrent and consecutive permanent partial disability, weekly benefits for 25 each subsequent disability shall not begin until the end of the compensation 26 period for the prior disability.

27 (e) No claims under this section shall be made on or after 28 January 1, 2008. 29

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