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## DIGEST

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HB 306 Original

2022 Regular Session

Green

**Abstract:** Provides for workers' compensation intervention rights.

Proposed law provides that the employer or the employer's insurer shall not unreasonably refuse to approve a final good faith settlement agreed upon and tendered to the employer or his insurer by the employee and the third party defendant. Proposed law further provides that refusal by the employer or his insurer to approve a final good faith settlement shall be considered unreasonable if the amount of the settlement is greater than the discounted value of future compensation and medical benefits.

Proposed law provides that the following shall occur if the employer's or his insurer's refusal is considered unreasonable:

- (1) The employer's or his insurer's credit against future compensation due to the employee will be reduced by 50% of that portion of a subsequent judgment obtained against the third party defendant that is in excess of the final good faith settlement offer.
- (2) The employee will be entitled to reasonable attorney fees for the portion of the judgment that is in excess of the final good faith settlement offer from the employer or his insurer.

Proposed law provides that if the employee brings suit against more than one third party, limitation on the employer's or his insurer's credit shall only be applicable to a third party tendering to the employer or his insurer a final good faith settlement with the employee.

Proposed law provides that the limitation on the employer or his insurer will not be applicable to a judgment secured by the employee against any other third party.

(Adds R.S. 23:1102(C)(3) and (4))