

SENATE BILL 1237

By Norris

AN ACT to amend Tennessee Code Annotated, Title 50;
Title 56 and Title 62, relative to rights to recovery.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 50-6-112(a), is amended by deleting the language "against the other person" and substituting instead the language:

against the other person, if the court apportions fault to the employer and reduces the recovery awarded to the injured worker or to whom the injured workers' right of action survives at law based on the percentage of fault apportioned to the employer. Nothing in this subsection (a) precludes the employer and the employee from reaching a voluntary agreement as to a reduction in the employer's lien without the necessity of court action.

SECTION 2. Tennessee Code Annotated, Section 50-6-112(c), is amended by adding the following new subdivision:

(4) Any subrogation lien or credit that is due to an employer pursuant to this subsection (c) must be reduced by the percentage of fault that was apportioned to the employer by a court or as a result of a voluntary agreement pursuant to subsection (a).

SECTION 3. Tennessee Code Annotated, Section 62-6-123, is amended by deleting the word "sole".

SECTION 4. This act shall take effect July 1, 2017, the public welfare requiring it, and shall apply to subrogation and indemnification rights for injuries occurring on or after the effective date of this act.