## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL

No. 685

Session of 2023

INTRODUCED BY BARTOLOTTA, GEBHARD AND BAKER, MAY 5, 2023

REFERRED TO LABOR AND INDUSTRY, MAY 5, 2023

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## AN ACT

Amending the act of June 2, 1915 (P.L.736, No.338), entitled "An act defining the liability of an employer to pay damages for 2 injuries received by an employe in the course of employment; 3 establishing an elective schedule of compensation; providing 4 procedure for the determination of liability and compensation 5 thereunder; and prescribing penalties," in liability and 6 compensation, further providing for compensable injuries, 7 subrogation and proration. 8 9 The General Assembly of the Commonwealth of Pennsylvania 10 hereby enacts as follows: 11 Section 1. Section 319 of the act of June 2, 1915 (P.L.736, 12 No.338), known as the Workers' Compensation Act, is amended to 13 read: 14 Section 319. Where the compensable injury is caused in whole 15 or in part by the act or omission of a third party, the employer 16 shall be subrogated to the right of the employe, his personal 17 representative, his estate or his dependents, against such third 18 party to the extent of the compensation payable under this 19 article by the employer; reasonable attorney's fees and other 20 proper disbursements incurred in obtaining a recovery or in

effecting a compromise settlement shall be prorated between the

- 1 employer and employe, his personal representative, his estate or
- 2 his dependents. The employer shall pay that proportion of the
- 3 attorney's fees and other proper disbursements that the amount
- 4 of compensation paid or payable at the time of recovery or
- 5 settlement bears to the total recovery or settlement. Any
- 6 recovery against such third person in excess of the compensation
- 7 theretofore paid by the employer shall be paid forthwith to the
- 8 employe, his personal representative, his estate or his
- 9 dependents, and shall be treated as an advance payment by the
- 10 employer on account of any future [instalments of] compensation.
- 11 Where an employe has received payments for the disability or
- 12 medical expense resulting from an injury in the course of his
- 13 employment paid by the employer or an insurance company on the
- 14 basis that the injury and disability were not compensable under
- 15 this act in the event of an agreement or award for that injury
- 16 the employer or insurance company who made the payments shall be
- 17 subrogated out of the agreement or award to the amount so paid,
- 18 if the right to subrogation is agreed to by the parties or is
- 19 established at the time of hearing before the referee or the
- 20 board.
- 21 Section 2. This act shall take effect in 60 days.