

WORKMEN'S COMPENSATION AND INSURANCE

TABLE 11-B

STATE WORKMEN'S COMPENSATION LAWS INCREASING OR DECREASING
COMPENSATION TO THE EMPLOYEE WHERE INJURY IS DUE TO
VIOLATION OF STATE SAFETY LAW OR ORDER OR EMPLOYER SAFETY RULE¹

State	Percentage of Increased Compensation for Employer Violation	Percentage of Decreased Compensation for Employee Violation
Colorado	None	50
Florida	None	25
Kentucky	15 ²	15
Missouri	15	15 ²
Nevada	None	25 ⁴
New Mexico	10	10
North Carolina	10	10 ²
Ohio	15 to 50	None
South Carolina	10	10 ²
Utah	15	15
Wisconsin	15	15 ²

Source Workmen's Compensation Laws pamphlets published by Association of Casualty and Surety Companies, Sept 1968

NOTES

¹ This table does not include those laws where increase or decrease may be due to interpretation of the term "serious and wilful misconduct," or where all compensation is denied to an employee because of safety violation, or where other types of assessments may be made for such purposes

² Specific safety statute or regulation must be communicated to employer

³ Employee must know of rule adopted by employer. Also, employer must have made a diligent effort to cause employee to use safety devices and to follow safety rules

⁴ If employee removes safeguard

⁵ Employer safety rule must be brought to knowledge of employee

⁶ Employer must reasonably enforce provision requiring safety devices, employee must have notice of employer safety rule

that where a right of action exists against a third party, the employee or dependent may either claim compensation or sue the third party for damages. If the employer has paid or becomes obligated to pay compensation, he is subrogated to the employee's cause of action against the third party, but any excess recovery is held for the benefit of the employee.

If the employee elects to sue, the employer or insurer is liable only for the deficiency, if any, between the amount of the recovery and the compensation awarded. No compromise of the suit is permissible without the consent of the employer and in some instances also of the commission or court.

Extraterritorial effect

Most of the compensation acts include application to injuries sustained outside their respective states if the injuries are sustained while employees are temporarily outside the state. Other important criteria include employee's residence, place of employer's business, and state where contract of hire was made.

Moreover, a state may take jurisdiction of an injury occurring within its boundaries and compensate an employee even though his contract of hire was made in another state.

Since there is obviously no uniformity in this matter, it is important that an employer whose employees work in different states provide coverage for all eventualities.