



1997 SENATE BILL 238

June 10, 1997 – Introduced by Senator BRESKE, cosponsored by Representatives RYBA and BOYLE. Referred to Committee on Labor, Transportation and Financial Institutions.

1 **AN ACT to amend** 102.32 (6), 102.32 (7) and 102.59 (1) of the statutes; **relating**
2 **to:** lump sum settlements of worker's compensation claims.

Analysis by the Legislative Reference Bureau

Under current law, if worker's compensation for permanent disability or death is payable to an injured employe or his or her dependent, payments must be made on a monthly basis, except that a lump sum settlement is allowed in a case of permanent total disability if all parties consent and if the department of industry, labor and job development (DILJD) finds, after a hearing, that the interests of the injured employe will be conserved by the lump sum settlement.

This bill permits a dependent to accept a lump sum settlement if death benefits are payable. The bill also eliminates the requirement that DILJD hold a hearing and find that the interests of the injured employe will be conserved by a lump sum settlement before a lump sum settlement is allowed in cases of total permanent disability.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 102.32 (6) of the statutes is amended to read:

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1 102.32 (6) If compensation is due for permanent disability following an injury
2 or if death benefits are payable, payments shall be made to the employe or dependent
3 on a monthly basis, unless the employe or dependent accepts a lump sum settlement
4 under sub. (7). The department may direct an advance on a payment of unaccrued
5 compensation or death benefits if it determines that the advance payment is in the
6 best interest of the injured employe or his or her dependents. In directing the
7 advance, the department shall give the employer or the employer's insurer an
8 interest credit against its liability. The credit shall be computed at 7%.

9 **SECTION 2.** 102.32 (7) of the statutes is amended to read:

10 102.32 (7) ~~No An injured employe may accept a lump sum settlement shall be~~
11 ~~allowed in any case of permanent total disability based upon an estimated life~~
12 ~~expectancy, except upon consent of all parties, after hearing and finding by the~~
13 ~~department that the interests of the injured employe will be conserved thereby in any~~
14 ~~case of permanent total disability. A dependent may accept a lump sum settlement~~
15 ~~if death benefits are payable.~~

16 **SECTION 3.** 102.59 (1) of the statutes is amended to read:

17 102.59 (1) If an employe has at the time of injury permanent disability which
18 if it had resulted from such injury would have entitled him or her to indemnity for
19 200 weeks and, as a result of such injury, incurs further permanent disability which
20 entitles him or her to indemnity for 200 weeks, the employe shall be paid from the
21 funds provided in this section additional compensation equivalent to the amount
22 which would be payable for said previous disability if it had resulted from such injury
23 or the amount which is payable for said further disability, whichever is the lesser.
24 If said disabilities result in permanent total disability the additional compensation
25 shall be in such amount as will complete the payments which would have been due

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1 had said permanent total disability resulted from such injury. This additional
2 compensation accrues from, and may not be paid to any person before, the end of the
3 period for which compensation for permanent disability resulting from such injury
4 is payable by the employer, and shall be subject to s. 102.32 (6) and (7). No
5 ~~compromise agreement of liability for this additional compensation may provide for~~
6 ~~any lump-sum payment.~~

7 **SECTION 4. Initial applicability.**

8 (1) This act first applies to settlements of worker's compensation claims
9 entered into on the effective date of this subsection.

10 (END)