

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 518

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

1 RELATING TO WORKER'S COMPENSATION; REPEALING SECTION 72-404, IDAHO CODE,
2 RELATING TO LUMP SUM PAYMENTS; AMENDING CHAPTER 4, TITLE 72, IDAHO CODE,
3 BY THE ADDITION OF A NEW SECTION 72-404, IDAHO CODE, TO PROVIDE FOR SET-
4 TLEMENT AGREEMENTS AND LUMP SUM PAYMENTS; AND DECLARING AN EMERGENCY
5 AND PROVIDING AN EFFECTIVE DATE.
6

7 Be It Enacted by the Legislature of the State of Idaho:

8 SECTION 1. That Section [72-404](#), Idaho Code, be, and the same is hereby
9 repealed.

10 SECTION 2. That Chapter 4, Title 72, Idaho Code, be, and the same is
11 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
12 ignated as Section 72-404, Idaho Code, and to read as follows:

13 72-404. SETTLEMENT AGREEMENTS -- LUMP SUM PAYMENTS. (1) Pursuant to
14 the provisions of this section, parties may compromise and settle claims by
15 way of agreements for lump sum payments, future payments, accrued income
16 benefits, future income benefits, medical cost reimbursements, and other
17 benefits payable under Idaho's worker's compensation laws.

18 (2) Except as provided in subsection (3) of this section, commission
19 approval is not required for parties to enter into enforceable compromise or
20 settlement agreements.

21 (3) In any case where a party is a minor child or legally incompetent
22 person, the commission shall review compromise or settlement agreements.
23 The commission shall approve such an agreement if it determines that ap-
24 proval is in the best interests of the parties. If the commission declines to
25 approve a compromise or settlement agreement, it shall issue a written deci-
26 sion, including factual findings, conclusions of law, and an order declining
27 to approve the agreement. Such decision and order shall be immediately ap-
28 pealable to the Idaho supreme court on grounds of abuse of discretion.

29 (4) If the commission requires a hearing as part of the settlement re-
30 view and approval process pursuant to subsection (3) of this section, the
31 commission shall, prior to such hearing, provide each party with written no-
32 tice of the commission's specific issues to be addressed at the settlement
33 review hearing.

34 (5) All compromise and settlement agreements shall be filed with the
35 commission for recordkeeping purposes and for purposes of assessment under
36 section 72-327, Idaho Code. A settlement agreement shall be effective on the
37 date it is filed with the commission and shall for all purposes constitute an
38 adjudication of the claims resolved in the settlement agreement. All agree-
39 ments filed with the commission pursuant to this section shall include, at
40 a minimum, a detailed ledger of all benefits paid or disputed and all terms
41 agreed upon by the parties. A copy of the settlement agreement executed by

1 the parties shall be filed with the commission. When the worker is repre-
2 sented by an attorney, the worker's attorney shall file an attorney charging
3 lien with the commission. The filing of an attorney charging lien shall be
4 deemed to satisfy the requirements of section 72-803, Idaho Code, with re-
5 spect to approval for claims of attorney's fees, provided that the fees as-
6 sessed comply with the requirements of Idaho Code and the rules of the com-
7 mission.

8 (6) The commission shall, within seven (7) days after the filing of a
9 settlement agreement, issue a notice of dismissal with prejudice, excepting
10 future claims that may include medical or other benefits as agreed upon by
11 the parties.

12 SECTION 3. An emergency existing therefor, which emergency is hereby
13 declared to exist, this act shall be in full force and effect on and after
14 July 1, 2022.