## SENATE BILL 233

## 52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

## INTRODUCED BY

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AN ACT

RELATING TO INSURANCE; AMENDING THE WORKERS' COMPENSATION ACT AND THE NEW MEXICO OCCUPATIONAL DISEASE DISABLEMENT LAW TO CHANGE TEMPORARY DISABILITY BENEFITS; PROVIDING FOR LIFETIME MAXIMUM PERIOD.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 52-1-41 NMSA 1978 (being Laws 1959, Chapter 67, Section 20, as amended) is amended to read:

"52-1-41. COMPENSATION BENEFITS--TOTAL DISABILITY.--

A. For total disability, the worker shall receive, during the period of that disability, sixty-six and two-thirds percent of [his] the worker's average weekly wage, and not to exceed a maximum compensation of eighty-five percent of the average weekly wage in the state, a week, effective July 1, 1987 through December 31, 1999, and thereafter not to exceed a

maximum compensation of one hundred percent of the average weekly wage in the state, a week; and to be not less than a minimum compensation of thirty-six dollars (\$36.00) a week.

[Except as provided in Subsections B and C of this section, the worker shall receive compensation benefits for the remainder of his life.]

B. For permanent total disability as set forth in

- Section 52-1-25 NMSA 1978, the worker shall receive compensation benefits for the remainder of the worker's life.

  For temporary disability as set forth in Section 52-1-25.1 NMSA 1978, the maximum period of compensation is subject to the maximum duration and limitation on compensation benefits set forth in Section 52-1-47 NMSA 1978.
- <u>C.</u> For disability resulting from primary mental impairment, the maximum period of compensation is [one hundred weeks] the maximum period allowable for a physical injury, as set forth in Sections 52-1-26 and 52-1-42 NMSA 1978, and subject to the maximum duration and limitations on compensation benefits set forth in Section 52-1-47 NMSA 1978. For disability resulting in secondary mental impairment, the maximum period of compensation is the maximum period allowable for the disability produced by the physical impairment, [or one hundred weeks, whichever is greater.
- G.] as set forth in Section 52-1-26 or 52-1-43 NMSA

  1978 and Section 52-1-42 NMSA 1978, and subject to the maximum

  .198444.3

<u>duration</u>	and	<u>limitati</u>	ons	on	compensation	benefits	set	forth	in
					<u>-</u>				
Section 5	52-1-	47 NMSA	1978	3.					

 $\underline{\text{D.}}$  For the purpose of paying compensation benefits for death, pursuant to Section 52-1-46 NMSA 1978, the worker's maximum disability recovery shall be deemed to be seven hundred weeks.

 $[\frac{\mathbf{D}_{\bullet}}]$   $\underline{\mathbf{E}_{\bullet}}$  Where the worker's average weekly wage is less than thirty-six dollars (\$36.00) a week, the compensation to be paid the worker shall be  $[\frac{\mathbf{his}}]$  the worker's full weekly wage.

[E.] F. For the purpose of the Workers'

Compensation Act, the average weekly wage in the state shall be determined by the [employment security division of the labor] workforce solutions department on or before June 30 of each year and shall be computed from all wages reported to the [employment security division] workforce solutions department from employing units, including reimbursable employers, in accordance with the [regulations] rules of the [division] department for the preceding calendar year, divided by the total number of covered employees divided by fifty-two.

 $[rac{F_{ullet}}{G_{ullet}}]$  The average weekly wage in the state, determined as provided in Subsection  $[rac{E}{A}]$   $[rac{F}{A}]$  of this section, shall be applicable for the full period during which compensation is payable when the date of the occurrence of an accidental injury falls within the calendar year commencing

January 1 following the June 30 determination.

[G.] <u>H.</u> Unless the computation provided for in Subsection [ $\pm$ ]  $\underline{F}$  of this section results in an increase or decrease of two dollars (\$2.00) or more, raised to the next whole dollar, the statewide average weekly wage determination shall not be changed for any calendar year."

SECTION 2. Section 52-1-42 NMSA 1978 (being Laws 1959, Chapter 67, Section 21, as amended) is amended to read:

"52-1-42. COMPENSATION BENEFITS--PERMANENT PARTIAL DISABILITY--MAXIMUM DURATION OF BENEFITS.--

A. For permanent partial disability, the workers' compensation benefits not specifically provided for in Section 52-1-43 NMSA 1978 shall be a percentage of the weekly benefit payable for total disability as provided in Section 52-1-41 NMSA 1978. The percentage of permanent partial disability shall be determined pursuant to the provisions of Sections 52-1-26 through 52-1-26.4 NMSA 1978. The duration of partial disability benefits shall depend upon the extent and nature of the partial disability, subject to the following:

- (1) where the worker's percentage of disability is equal to or greater than eighty, the maximum period is seven hundred weeks;
- (2) where the worker's percentage of disability is less than eighty, the maximum period is five hundred weeks;

- (3) where the partial disability results from a primary mental impairment, the maximum period is [one hundred weeks] the maximum period allowable for a physical injury, as set forth in Section 52-1-26 NMSA 1978, and subject to the maximum duration and limitations on compensation benefits set forth in Section 52-1-47 NMSA 1978; and
- (4) where the partial disability results from a secondary mental impairment, the maximum period is the maximum period allowable for the disability produced by the physical impairment, [or one hundred weeks, whichever is greater] as set forth in Section 52-1-26 or 52-1-43 NMSA 1978, and subject to the maximum duration and limitations on compensation benefits set forth in Section 52-1-47 NMSA 1978.
- B. If an injured worker receives temporary [total] disability benefits prior to an award of <u>permanent</u> partial disability benefits, the maximum period for <u>permanent</u> partial disability benefits shall be reduced by the number of weeks the worker actually receives temporary [total] disability benefits."
- SECTION 3. Section 52-1-47 NMSA 1978 (being Laws 1959, Chapter 67, Section 26, as amended) is amended to read:
- "52-1-47. LIMITATIONS ON COMPENSATION BENEFITS.--Subject to the limitation of compensation payable under Subsection G of Section 52-1-46 NMSA 1978 and except for provision of lifetime benefits for <u>permanent</u> total disability awarded pursuant to .198444.3

## Section 52-1-41 NMSA 1978:

- A. compensation benefits for any combination of disabilities, whether temporary or permanent, or any combination of disabilities and death shall not be payable for a period in excess of seven hundred weeks;
- B. compensation benefits for any combination of disabilities or any combination of disabilities and death shall not exceed an amount equal to seven hundred multiplied by the maximum weekly compensation payable at the time of the accidental injury resulting in the disability or death under Section 52-1-41 NMSA 1978, exclusive of increased compensation that may be awarded under Sections 52-1-10, 52-1-28.1 and 52-1-46 NMSA 1978 and exclusive of any attorney fees awarded under Section 52-1-54 NMSA 1978;
- C. in no case shall compensation benefits for disability continue after the disability ends or after the death of the injured worker; and
- D. the compensation benefits payable by reason of disability caused by accidental injury shall be reduced by the compensation benefits paid or payable on account of any prior injury suffered by the worker if compensation benefits in both instances are for injury to the same member or function or different parts of the same member or function or for disfigurement and if the compensation benefits payable on account of the subsequent injury would, in whole or in part,

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"52-3-14.

duplicate the benefits paid or payable on account of [such] the prior injury."

Section 52-3-14 NMSA 1978 (being Laws 1945, SECTION 4. Chapter 135, Section 14, as amended) is amended to read:

COMPENSATION--LIMITATIONS.--

The compensation to which [an employee] a worker who has suffered disablement, or [his] the worker's dependents, shall be entitled under the New Mexico Occupational Disease Disablement Law is limited to the provisions of that law. compensation shall be due or payable under the New Mexico Occupational Disease Disablement Law for any disablement [which] that does not result in either the temporary disablement of the [employee] worker lasting for more than seven days or in [his] the worker's permanent disablement as herein described or in death; provided, however, that if the period of temporary disablement of the [employee] worker lasts for more than four weeks from the date of the disablement, compensation under the New Mexico Occupational Disease Disablement Law shall be payable in addition to the amount hereinafter stated in a like amount for the first seven days after the date of disablement. But for any such disablement for which compensation is payable under the New Mexico Occupational Disease Disablement Law, the employer shall in all proper cases, as herein provided, pay to the disabled [employee] worker or to some person authorized by the director

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to receive the same, for the use and benefit of the beneficiaries entitled thereto, compensation at regular intervals of no more than sixteen days apart, in accordance with [the following] this section, less proper deductions on account of default in failure to give notice of such disablement as required in Section 52-3-19 NMSA 1978.

- For total disablement, the [employee] worker shall receive sixty-six and two-thirds percent of [his] the worker's average weekly wage, not to exceed a maximum compensation of eighty-five percent of the average weekly wage in the state, a week, effective July 1, 1987, continuing through December 31, 1999, and thereafter not to exceed a maximum of one hundred percent of the average weekly wage in the state, a week, but not to be less than a minimum compensation of thirty-six dollars (\$36.00) a week, during the period of such disablement, but in no event to exceed a period of seven hundred weeks; provided, however, that [where his] when the workers's wages are less than thirty-six dollars (\$36.00) a week, then the compensation to be paid such [employee] worker shall be the full amount of such weekly wages; provided further that the benefits paid or payable during a [employee's] worker's entire period of disablement shall be based on and limited to the benefits in effect on the date of the occurrence of the disablement.
- C. For partial disablement, the benefits shall be a .198444.3

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percentage of the benefits payable for total disablement calculated under Subsection B of this section as that percentage is determined pursuant to the provisions of Section 52-3-4 NMSA 1978. In no event shall the duration of partial benefits extend longer than five hundred weeks.

D. In no event shall the duration of any combination of disablements, whether temporary or partial disablements, and death be payable for a period in excess of seven hundred weeks.

[D.] E. For the purpose of the New Mexico Occupational Disease Disablement Law, the average weekly wage in the state shall be determined by the [employment security division of the labor workforce solutions department on or before June 30 of each year and shall be computed from all wages reported to the [employment security division] department from employing units, including reimbursable employers, in accordance with the [regulations] rules of the [employment security division] department for the preceding calendar year, divided by the total number of covered employees divided by fifty-two. The first such determination by the employment security division of the average weekly wage in the state shall be made on or before June 30, 1975 from reported wages and covered employees for the calendar year ending December 31, 1974.

[E.] F. The average weekly wage in the state, .198444.3

determined as provided in Subsection  $[\mbox{$\frac{1}{2}$}]$   $\mbox{$\frac{E}$}$  of this section, shall be applicable for the full period during which compensation is payable when the date of the occurrence of the disablement falls within the calendar year commencing January 1 following the June 30 determination.

 $[F_{\bullet}]$   $G_{\bullet}$  Unless the computation provided for in Subsection [B] E of this section results in an increase or decrease of two dollars (\$2.00) or more, raised to the next whole dollar, the statewide average weekly wage determination shall not be changed for any calendar year.

[G.] <u>H.</u> In case death proximately results from the disablement within the period of two years, compensation benefits to be paid such [employee] worker shall be in the amounts and to the persons as follows:

- (1) if there are no dependents, the compensation shall be limited to the funeral expenses not to exceed seven thousand five hundred dollars (\$7,500) and the expenses provided for medical and hospital services for the deceased, together with such other sums as the deceased may have been paid for disablement; or
- (2) if there are dependents at the time of death, the payment shall consist of a sum not to exceed seven thousand five hundred dollars (\$7,500) for funeral expenses and expenses provided for medical and hospital services for the deceased, together with such other sums as the deceased may

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have been paid for disability, and a percentage specified in this paragraph for average weekly wages subject to the limitations of the New Mexico Occupational Disease Disablement Law to continue for the period of seven hundred weeks from the date of death of such [employee] worker; provided that the total death compensation, unless otherwise specified, payable in any of the cases mentioned in this section shall not be less than the minimum weekly compensation provided in Subsection B of this section or more than the maximum weekly compensation provided in Subsection B of this section and shall be based on and limited to the benefits in effect on the date of the occurrence of the disablement. If there are dependents entitled thereto, compensation shall be paid to the dependents or to the person authorized by the director or the court to receive the same for the benefit of the dependents in such portions and amounts as the director or the court, bearing in mind the necessities of the case and the best interests of the dependents and of the public, may determine, to be computed on the following basis and distributed to the following persons:

- (a) to the child or children, if there is no widow or widower entitled to compensation, sixty-six and two-thirds percent of the average weekly wage of the deceased;
- (b) to the widow or widower, if there are no children, sixty-six and two-thirds percent of the average weekly wage of the deceased, until remarriage;

(c) to the widow or widower, if there is a child or children living with the widow or widower, forty-five percent of the [average weekly wage] compensation rate, as provided in Subsection B of this section, of the deceased, or forty percent, if such child is not or all such children are not living with a widow or widower, and in addition thereto, compensation benefits for the child or children, which shall make the total benefits for the widow or widower and child or children sixty-six and two-thirds percent of the average weekly wage of the deceased. When there are two or more children, the compensation benefits payable on account of such children shall be divided among such children, share and share alike;

(d) two years' compensation benefits in one lump sum shall be payable to a widow or widower upon remarriage; however, the total benefits shall not exceed the maximum compensation benefits as provided in Paragraph (2) of this subsection;

(e) if there is neither widow, widower nor children, then to the father and mother or the survivor of them if dependent to any extent upon the [employee] worker for support at the time of [his] the worker's death, twenty-five percent of the average weekly wage of the deceased; provided that if such father and mother, or the survivor of them, was totally dependent upon such [employee] worker for support at the time of [his] the worker's death, [he or] they shall be

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entitled to fifty percent of the average weekly wage of the deceased, subject to the maximum weekly compensation provided for in Subsection B of this section;

(f) no disablement benefits payable by reason of [an employee's] a worker's death shall exceed the maximum weekly compensation provided for in Subsection B of this section, and no dependent or any class thereof other than a widow or widower or children shall in any event be paid total benefits in excess of seven thousand five hundred dollars (\$7,500) exclusive of funeral expenses and the expenses provided for medical and hospital services for the deceased paid for by the employer. If there is neither widow, widower nor children nor dependent parent, then to the brothers and sisters, if actually dependent to any extent upon the deceased for support at the time of [his] the deceased's death, thirtyfive percent of the average weekly wage of the deceased, with fifteen percent additional for brothers or sisters in excess of two, with a maximum of sixty-six and two-thirds percent to be paid to their guardian; provided that the maximum compensation to partial dependents shall not exceed the respective amounts therefor contributed by the deceased employee or the maximum weekly compensation provided for in Subsection B of this section; and

(g) in the event of the death or remarriage of the widow or widower entitled to compensation .198444.3

under this subsection, the surviving children shall then be
entitled to compensation computed and paid as in Subparagraph
(a) of this paragraph for the remainder of the compensable
period, and in the event compensation benefits payable to
children as provided in this section are terminated as provided
in Paragraph (5) of Subsection A of Section 52-3-13 NMSA 1978,
a surviving widow or widower shall then be entitled to
compensation benefits computed and paid as provided in
Subparagraphs (b) and (d) of this paragraph for the remainder
of the compensable period."

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