



with the panel are indemnified to the same extent as other state employees. If a panel member, employee, or consultant is subject to a legal claim related to actions taken during the course of their service with the panel, the state is required to defend that person against the claim.

- 3 **Testimonial Privilege.** Prohibits a member of the special master panel from testifying in any civil or administrative action related to the panel member's service on the panel, unless the testimony relates to a statement or conduct that could constitute a crime.
- 4 **Third-Party Subrogation and Recovery Prohibition.** Clarifies the prohibition on third-party subrogation and recovery by specifying some of the rights that are subject to the prohibition. This section also expands the prohibition by including claims made against the state, a municipality, or employees in addition to claims for compensation brought against a survivor.

This section also makes conforming modifications to the process in the event a person challenges the prohibition on subrogation and recovery claims.

Subrogation means the right of a third-party who has made a payment on behalf of an individual to recover the amount of that payment if the individual also receives compensation from some other source for the same claim or issue. Often, insurance companies who have made a payment to a person following an injury will seek to be reimbursed for their payment if the injured person later recovers money in court from the person who caused their injury.

- 5 **Effective Date.** This act is effective retroactively to May 8, 2008, the date the underlying act creating the compensation process was signed by the governor.