



BURR ALERT

Alabama Workers' Compensation Act Held Unconstitutional

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On Monday, May 8, 2017, Jefferson County Circuit Court Judge Pat Ballard unexpectedly ruled that the Alabama Workers' Compensation Act is unconstitutional. Specifically, Judge Ballard found the \$220 per week cap on workers' compensation benefits unconstitutional because the cap was below the poverty level and equal to just over twenty-five percent of the state's average weekly wage. Judge Ballard also found the statute's fifteen percent cap on attorneys' fees unconstitutional because the cap "fails to afford due process of the law." He also concluded that a cap on attorneys' fees is a function of the judiciary, not legislative, branch.

Given the magnitude of the ruling, Judge Ballard stayed enforcement of his order for 120 days to afford the Alabama legislature time to act in light of the ruling. Employers should, therefore, continue to use the processes and procedures they currently have in place for handling on-the-job injuries and workers' compensation claims. We expect much more litigation surrounding this decision and will continue to monitor this developing situation and provide you with timely updates. If you have any immediate questions, we are available to discuss at any time.

If you would like more information, please contact:

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