

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section 59 of Article 101 of the Annotated Code of Maryland (1951 Edition), title "Workmen's Compensation", sub-title "Miscellaneous", be and it is hereby repealed and re-enacted, with amendments, to read as follows:

59. Where injury or death for which compensation is payable under this Article was caused under circumstances creating a legal liability in some person other than the employer to pay damages in respect thereof, the employee, or in the case of death, his personal representative or dependents as hereinbefore defined, may proceed either by law against that other person to recover damages or against the employer for compensation under this Article, or in case of joint tortfeasors against both; and if compensation is claimed and awarded or paid under this Article, any employer, if he is self-insured, insurance company, association or the State Accident Fund, may enforce for their benefit, as the case may be, liability of such other person; provided, however, if damages are recovered in excess of the compensation already paid or awarded to be paid under this Article, and also any payments made for medical or surgical services, funeral expenses or for any of the other purposes enumerated in Section 49 of this Article, then any such excess shall be paid to the injured employee, or in case of death to his dependents less the expenses and costs of action incurred by the employer, insurance company, association or State Accident Fund as the case may be. If any such employer, insurance company, association or State Accident Fund shall not, within two months from the passage of the award of this Commission, start proceedings to enforce the liability of such other person, the injured employee, or in case of death, his dependents, may enforce the liability of such other person, provided, however, that if damages are recovered the injured employee or in case of death his dependents may first retain therefrom the expenses and costs of action incurred by the said employee or in case of death his dependents, and the employer, insurance company, association or the State Accident Fund, as the case may be, shall be reimbursed for the compensation already paid or awarded and any amount or amounts paid for medical or surgical services, funeral expenses or for any of the other purposes enumerated in Section 49 of this Article, except Court costs and counsel or attorney's fees, which shall be paid by the injured employee and/or his dependents, and the employer, insurance company, association or State Accident Fund in the proportion that the amount received by each shall bear to the whole amount paid in settlement of any claim or satisfaction of any judgment obtained in the case, and the balance in excess of these items shall inure to the injured employee, or in case of death, to his dependents, and the amount thus received by the injured employee or in case of death by his dependents shall be in lieu of any award that might otherwise have been made thereafter in the same case under the provisions of this Article and said case shall thereupon be deemed to have been finally settled and closed.

*When any employee has a right of action under this section against a third party, the period of limitations on such action, as to such employee, shall not begin to run until two months after the first award of compensation made to such employee under this Article, and this Section shall apply to past and future rights of action under this section.*