

HB 3188 -2 STAFF MEASURE SUMMARY

House Committee On Business and Labor

Prepared By: Jan Nordlund, LPRO Analyst

Meeting Dates: 3/15, 4/12

WHAT THE MEASURE DOES:

Modifies definition of "employer" and "worker" for purposes of workers' compensation law.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Modifies definition of "employer" to remove reference to direction and control. Updates threshold for employment that is "casual" and exempt from workers' compensation laws.

BACKGROUND:

Workers' compensation law requires most employers to provide their workers with workers' compensation insurance coverage; the law provides an exclusive remedy for job-related injuries and occupational diseases. A person who is paid for their work and is under the direction and control of the employer is a "subject worker," meaning they are subject to workers' compensation law. There are, however, approximately 30 statutory exemptions to the "worker" definition.

Being free from the direction and control of an employer is one part of four-part test to determine if a worker is an independent contractor, as provided in ORS 670.600. The other prongs of the four-part test are: customarily engaged in an independently established business; licensed by the Landscape Contractors Board or Construction Contractors Board, if work performed requires such a license; and is responsible for obtaining other licenses or certifications necessary to perform the work. To be deemed an independent contractor, all relevant parts of the test must be satisfied.

House Bill 3188 modifies the definition of a worker, for purposes of workers' compensation insurance laws, to include all workers except independent contractors and those currently statutorily exempted.