

**HB 3541 STAFF MEASURE SUMMARY**

**House Committee On Business and Labor**

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**Prepared By:** Erin Seiler, LPRO Analyst

**Meeting Dates:** 3/22

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**WHAT THE MEASURE DOES:**

Extends exemption of insured employer from liability outside workers' compensation law to employer's parent company and related entities of employer under same parent company. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Workers' compensation insurance provides medical treatment and lost wages to employees or their dependents in the case of employment-related accidents or illnesses. Oregon employers are required to carry workers' compensation insurance or be self-insured.

Oregon employers are required to carry workers' compensation insurance or be self-insured. Almost all Oregon employees are covered by workers' compensation, but employees are eligible for benefits regardless of whether their employers are in compliance with the law. The law specifies the types of employees who are not required to have workers' compensation insurance coverage, including certain corporate officers, partners, and family-member business owners, as well as independent contractors. Employers can purchase insurance from the State Accident Insurance Fund (SAIF) Corporation (a publicly owned nonprofit company), from a private insurance company, or be self-insured.

The Workers' Compensation Division (Division) is a part of the Department of Consumer and Business Services (Department). The Division administers Oregon's workers' compensation system. Additionally, the Workers' Compensation Management Labor Advisory Committee (MLAC) reviews key components of the workers' compensation system, such as advising the Department about any proposed changes to the Workers' Benefit Fund. The Workers' Benefit Fund provides benefits for a number of programs, such as return-to-work programs.