



February 7, 2023

TO: Members of the Senate Committee on Labor and Business

FR: Derek Sangston, Oregon Business & Industry

RE: OBI's Opposition to SB 418

Chair Taylor, Vice-Chair Bonham, members of the Senate Committee on Labor and Business. For the record, my name is Derek Sangston, Policy Director and Counsel for Oregon Business & Industry.

Oregon Business & Industry (OBI) is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

Thank you for the opportunity to comment on SB 418. OBI has concerns with SB 418 because, as drafted, the bill violates two of the main tenants of Oregon's workers' compensation system: that workers comp is the exclusive remedy for work related injuries and that workers comp is a no-fault system. If passed, OBI worries about the potential negative impacts SB 418 would have on Oregon's workers' compensation system.

Oregon law¹ provides that the workers comp system is to be the exclusive remedy for workers who are injured while on the job. By requiring employers to provide workers paid time off to seek medical care, SB 418 creates an additional remedy that is outside of the workers comp system.

That workers comp is a no-fault system is also well-settled in Oregon.² This is a system that benefits both employers and workers. Employers benefit by knowing claims will conclude within certain parameters, while workers benefit by receiving coverage for their injuries without needing to prove who was at fault, even if it was the employee who was responsible. Requiring employers to provide paid leave to workers when they seek medical care disrupts that system. It places fault on employers by making them pay for that time.

OBI is additionally concerned SB 418 has come before this committee without completing the MLAC process. SB 418 was heard by MLAC last Friday, February 3, and OBI respectfully asks this committee to defer action on this bill until MLAC is able to fully evaluate it.

Thank you for your time and consideration.

Contact: dereksangston@oregonbusinessindustry.com

¹ See ORS 656.012(2)(e).

² See ORS 656.012(2)(a).