

March 16, 2023

RE: HB 3471

Dear Chair Holvey, Vice Chairs Elmer and Sosa, and Members of the Committee:

Associated General Contractors – Oregon Columbia Chapter represents a broad cross-section of the commercial construction industry, including open shop and union, rural and metro, highway and building contractors.

First, we'd like to thank the committee for ensuring that MLAC had the opportunity to review this bill before hearing it in committee. It is important to keep MLAC in the process, and we appreciate this committee's dedication to ensuring that continues.

We have concerns about HB 3471 and the chilling effect it will have on the ability for employers to reach settlement agreements when workers' compensation issues are involved. This bill would require that the injured worker be the one to request this provision.

It is important to note the difference between this bill and SB 726 that passed in the 2019 Session. That bill dealt with no-hire provisions in situations where there were discrimination and harassment claims. These claims have fault issues at play, by nature of the claims. However, workers' compensation is a no fault system; this is a very important principle to the system as a whole. Because of this difference in the nature of the claims at issue in the settlement agreements, the policy decision being made here is a very different one than the decision made by the Legislature in SB 726.

To this bill and workers' compensation claims specifically, we believe that no re-hire provisions can serve important functions, when used appropriately. In the construction industry in particular, there are safety issues with rehires. Depending on the job, there can be significant physical requirements to do the work. If the worker has limitations as result of their injury that would inhibit their ability to complete the work, there can be safety issues with having the worker rehired.

There are legitimate reasons for the use of no re-hire agreements, and we have not heard any data about these being abused. Because there is no data that this tool is creating issues, we urge you to keep this tool for employers to use when needed.

Thank you for your time, and please reach out with any questions.

Best Regards,

Kirsten Adams
Director and Counsel – Policy and Public Affairs



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