

**SB 1580 A STAFF MEASURE SUMMARY**

**House Committee On Judiciary**

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**Meeting Dates:** 2/27, 2/29

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**WHAT THE MEASURE DOES:**

Provides that an employer commits a Class A misdemeanor crime if, with the intent to decrease the employer's premium for coverage as required by Oregon's workers' compensation laws, knowingly submits a false payroll report to the Workers' Compensation Board, the Workers' Compensation Board chairperson, the Director of the Department of Consumer and Business Services, the corporation or an insurer. Applies to employer conduct occurring on or after the effective date of the act. Declares an emergency, effective on passage.

**ISSUES DISCUSSED:**

- Fraud in the system is rare overall
- Current statute is slightly unclear about what would constitute employer fraud, goal is to clarify
- Protect against potential abuse of the system of workers' compensation system

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

In Oregon, workers' compensation laws require employers to maintain insurance coverage for their employees and beneficiaries for compensation of compensable injuries. Oregon law defines compensable injury, and it includes an accidental injury arising out of and in the course of employment requiring medical services or resulting in disability or death. Employers must either be self-insured as specified in law or be a carrier-insured employer. Carrier-insured employers are those who provide workers' compensation coverage through the State Accident Insurance Fund (SAIF) Corporation or another insurer authorized by law to transact workers' compensation insurance in Oregon. The Department of Consumer and Business Services (DCBS) maintains a Workers' Compensation Division that administers and regulates Oregon's workers' compensation laws and rules. Included within DCBS responsibilities is managing the Workers' Benefit Fund, which helps support programs for employers and injured workers. The Workers' Compensation Board is also within DCBS and is charged with resolving disputes under Oregon's workers' compensation laws.