

A-Engrossed Senate Bill 1580

Ordered by the Senate February 14
Including Senate Amendments dated February 14

Sponsored by Senator TAYLOR, Representatives HOLVEY, ANDERSEN; Senators CAMPOS, DEMBROW, FREDERICK, GELSER BLOUIN, GORSEK, JAMA, LIEBER, MANNING JR, MEEK, PATTERSON, PROZANSKI, SOLLMAN, WOODS, Representatives CHAICHI, GAMBA, HELM, LIVELY, NATHANSON, NELSON, NOSSE, OSBORNE (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would make it a crime for an employer to file a false payroll report to lower its workers' comp premium. (Flesch Readability Score: 69.1).

[Digest: The Act would make it a crime for an employer to report false data in order to lower its workers' comp premium. (Flesch Readability Score: 65.2).]

[Creates the crime of fraudulent misrepresentation by an employer to an insurer of certain employee-related data with the intent to decrease the employer's workers' compensation insurance premium. Punishes by a maximum fine of \$125,000 plus specified forms of restitution.]

Provides that an employer commits a Class A misdemeanor if the employer knowingly submits a false payroll report with the intent to decrease the employer's premium for workers' compensation insurance. Punishes by a maximum of 364 days' imprisonment, a \$6,250 fine, or both.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to fraudulent misrepresentation by employers to reduce workers' compensation premiums;
3 creating new provisions; amending ORS 656.990; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 656.990 is amended to read:

6 656.990. (1) Any person who knowingly makes any false statement or representation to the
7 Workers' Compensation Board or its employees, the Workers' Compensation Board chairperson, the
8 Director of the Department of Consumer and Business Services or employees of the director, the
9 insurer or self-insured employer for the purpose of obtaining any benefit or payment under this
10 chapter, either for self or any other person, *[or who knowingly misrepresents to the board, the board*
11 *chairperson, the director or the corporation or any of their representatives the amount of a payroll, or*
12 *who knowingly submits a false payroll report to the board, the board chairperson, the director or the*
13 *corporation,]* commits a Class A misdemeanor.

14 **(2) An employer commits a Class A misdemeanor if the employer, with the intent to de-**
15 **crease the employer's premium for coverage under this chapter, knowingly submits a false**
16 **payroll report to the Workers' Compensation Board, the Workers' Compensation Board**
17 **chairperson, the Director of the Department of Consumer and Business Services, the cor-**
18 **poration or an insurer.**

19 *[(2)]* **(3)** Violation of ORS 656.052 is a Class D violation. Each day during which an employer
20 engages in any subject occupation in violation of ORS 656.052 constitutes a separate offense.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 [(3)] (4) Violation of ORS 656.056 is a Class D violation.

2 [(4)] (5) The individual refusing to keep the payroll in accordance with ORS 656.726 or 656.758
3 when demanded by the director or corporation commits a Class C misdemeanor.

4 [(5)] (6) Failure on the part of an employer to send the signed payroll statement required by
5 ORS 656.504 within 30 days after receipt of notice by the director or corporation is a Class A
6 misdemeanor.

7 [(6)] (7) Violation of ORS 656.560 (4) is a Class D violation.

8 **SECTION 2. The amendments to ORS 656.990 by section 1 of this 2024 Act apply to em-**
9 **ployer conduct occurring on or after the effective date of this 2024 Act.**

10 **SECTION 3. This 2024 Act being necessary for the immediate preservation of the public**
11 **peace, health and safety, an emergency is declared to exist, and this 2024 Act takes effect**
12 **on its passage.**

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