

Date: February 12, 2025
To: Chair Grayber and Members of the House Labor and Workplace Standards Committee
From: Ivo Trummer, Government Relations Director, ivotru@saif.com
Elaine Schooler, Assistant General Counsel, elasch@saif.com
Re: **SAIF opposes HB 2799 as introduced but is committed to working with stakeholders on finding common ground**

SAIF is Oregon's not-for-profit workers' compensation insurance company and the leading workers' compensation insurance carrier in Oregon. Since 1914, we've been taking care of injured workers and helping them get back to work. Through our partnership with Oregon employers, we've worked to advance workplace safety in Oregon, reducing the total number of injuries and keeping premium costs low. We're proud to be the workers' compensation provider of choice for the majority of Oregon employers, from thousands of small businesses to some of the state's economic leaders; as well as insuring over 1,200 public entities: state agencies, public universities, cities, counties, special districts, and school districts throughout the entire state. Covering more than half a million local workers each day, SAIF is committed to helping Oregon work better, smarter, and safer.

We want to thank the Oregon Trial Lawyers Association for engaging with us – as well as with the Management Labor Advisory Committee – early on. This has enabled stakeholders to engage in in-depth conversations about the issues behind the bill and proposed solutions. SAIF and the Oregon Trial Lawyers Association have been in continuous and collaborative conversations on this issue, and we believe that we will be able to find common ground through the MLAC process.

HB 2799 as introduced seeks to raise the statutory limit for reimbursable attorney costs, expands which costs are reimbursable, and extends reimbursement to any dispute over benefits. Currently, an insurer will reimburse a claimant's attorney for costs if they prevail against the insurer's denial of a claim or a subsequent medical condition (ORS 656.386). The attorney's costs are limited to \$1,500 – except for "extraordinary circumstances".

HB 2799 replaces the current statutory amount of \$1,500 and replaces it with "reasonable costs". We oppose eliminating the cap completely and are worried that these will lead to increased and prolonged litigation to determine what constitutes "reasonable costs". We also oppose expanding the list of reimbursable costs to include costs that are not defined by current statute. Lastly, we are unsure of the expansion of reimbursable costs to cover any "dispute over the entitlement to, or the amount of, any benefits". This expansive and undefined language may also result in protracted litigation over the application of this proposed change.

In summary, SAIF remains committed to engaging with the Oregon Trial Lawyers Association, MLAC and other stakeholders to address the issues raised by the proponents of this bill. We appreciate the House Labor and Workplace Standards Committee hearing HB 2799 and urge the committee and the Chair to continue to engage the Management Labor Advisory Committee as you consider HB 2799.