



March 6, 2025

Good morning Chair Taylor, Vice chair Bonham and members of the committee,

My name is Odalis Aguilar Aguilar and I am a political coordinator at Oregon AFSCME. Our union represents over 39,000 workers across the state in both public and private sectors and we believe in economic and social justice for all Oregon workers and their families. I am here today in strong support for SB 705 with the proposed -2 amendments.

SB 705 with the -2 amendment came to fruition after years of conversation between advocates and the state's largest insurer. Since 2023, this topic has been on MLAC's workplan and Oregon AFSCME is committed to working to ensure the workers compensation system works for all workers across the state. When a worker gets injured on the job, by no fault of their own, they are entitled to benefits to ensure they are able to return to work. I am going to walk through the policy and let other folks speak to the bill:

- Current statute permits time loss benefits to be paid at a rate of 66 and $\frac{2}{3}$ of the workers average weekly wage or the states average weekly wage, whatever is less and is capped at 133% of the state's average weekly wage.
- This is based on an assumption that everyone is taxed at the same rate and treats all workers the same.
- A standard deduction for a worker below the state's average weekly wage can range anywhere between 13-25% which is not anywhere close to the 33.3% that is assumed leaving workers with a huge difference in time loss benefits.
- The -2 allows for benefits paid to the worker to be equal to the sum of 80% of wages below the states average weekly wage and 66.6% of wages above the states average weekly wage with the current cap of 133% of the state's average weekly wage.



- This allows for a more progressive time loss benefit chart which is more reflective of the workers' take home wages.

Ensuring that workers have access to medical treatment and time loss benefits while trying to get back to work is crucial. When workers do not heal adequately, they're rushed back to work and are oftentimes forced to accept "light duty" or modified work, reducing time they should be taking off work in order to heal and to prevent being re-injured. Income lost after an injury on the job affects the worker and their family, placing yet another economic stressor during an already difficult time. Providing an increase in benefits while maintaining the cap allows for monies to be used for everyday living expenses during a time when cost of living has grown exponentially and allows for continued consumer spending to stimulate the local economy.

Since December 2024, we've been engaging in the unique process changes to workers compensation statutes go through where management and labor come together to ensure policies are fair and meet the goals of the workers compensation system. The National Council on Compensation Insurance is currently in the process of providing an analysis and we look forward to seeing that soon.

Thank you for the opportunity to testify in support and we look forward to returning with a recommendation from MLAC and continue to move the bill forward.