

SB 1519 A STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

Action Date: 02/09/26

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Vote: 4-0-1-0

Yea: 4 - Campos, Hayden, Patterson, Taylor

Exc: 1 - Drazan

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Whitney Perez, LPRO Analyst

Meeting Dates: 2/2, 2/4, 2/9

WHAT THE MEASURE DOES:

The measure modifies the compensation a worker receives from workers' compensation insurance during a period of **temporary total disability** to 75 percent of the worker's wage that is equal to or less than 75 percent of the average weekly wage, and to 65 percent of the worker's wage that exceeds 75 percent of the average weekly wage. The measure modifies the compensation a worker receives from workers' compensation during a period of **permanent total disability** to 75 percent of the worker's wage up to 75 percent of the average weekly wage, and to 65 percent of the worker's wage that is over 75 percent of the average weekly wage. The measure retains existing minimum and maximum compensation rates during a period of temporary or permanent total disability. The measure applies to claims with a date of injury on or after January 1, 2027.

ISSUES DISCUSSED:

- Potential impact of the measure on self-sufficiency benefits
- The measure's applicability to claims with a date of injury on or after January 1, 2027
- Calculation based on the average weekly wage in effect on the date of injury
- Indeterminate fiscal impact and need for referral to the Joint Committee on Ways and Means

EFFECT OF AMENDMENT:

The amendment specifies that the modification to the compensation a worker receives during a period of **temporary total disability** applies to the average weekly wage in effect on the date of the injury. It specifies that the statutory definition for "average weekly wage" applicable to temporary total disability only applies to increases in compensation benefits paid when the applicable average weekly wage has increased since the previous fiscal year. The amendment modifies the compensation a worker receives from workers' compensation during a period of **permanent total disability** to 75 percent of the worker's wage up to 75 percent of the average weekly wage and 65 percent of the worker's wage that is over 75 percent of the average weekly wage that is in effect on the date of the injury. The amendment applies to claims with a date of injury on or after January 1, 2027.

BACKGROUND:

Workers' compensation insurance pays for workers' medical treatment and lost wages on accepted claims when workers suffer work-related injuries or illnesses. Oregon employers that have one or more workers must carry workers' compensation insurance or be self-insured. The Workers' Compensation Division of the Department of Consumer and Business Services administers and regulates the laws and rules surrounding workers' compensation in Oregon. The five-member Workers' Compensation Board is charged with resolving workers' compensation disputes.

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By statute, during a period of temporary total disability, a worker is currently entitled to receive compensation of at least 90 percent of their wages per week, or \$50, whichever is less, and a maximum amount of 133 percent of the average weekly wage. During a period of permanent total disability, a worker is currently entitled to receive compensation of not less than 33 percent of the average weekly wage, but not more than 133 percent of the average weekly wage.

Oregon workers' compensation law defines "average weekly wage" as the "Oregon average weekly wage in covered employment, as determined by the Employment Department, for the last quarter of the calendar year preceding the fiscal year in which the injury occurred." As of May 8, 2025, Oregon's average weekly wage is \$1,417.06. This amount is in effect from July 1, 2025, through June 30, 2026.