



Bruce Hanna

State Representative, District 7

Testimony of Rep. Bruce Hanna in Support of House Bill 2923

House Bill 2923 is a relatively simple bill that clarifies Oregon workers' compensation statutes, bringing printed language in line with what many – if not all – of us believed current law to be.

A recent Court of Appeals decision interpreted the absence of particular language within our workers' compensation statutes to be an intentional omission. Specifically, the Court indicated that LLC members and owners are not protected under the workers' compensation exclusive remedy provisions because they are not specifically listed in the statute. This flies in the face of commonly-accepted liability principles for LLCs, their members and their owners.

The omission cited by the Court does not reflect legislative intent; it is merely a situation of statute not keeping pace with advancements in corporate governance law and the widespread acceptance of Limited Liability Companies as a form of corporate ownership.

This bill is about a simple, but much-needed, fix. Without it, Oregon's 130,000 limited liability companies face tremendous uncertainty in their liability exposure. These companies represent a major part of our economic activity; they represent risk takers and capital investors; and, importantly, they represent job creators.

No one argues that employers bear responsibility for maintaining a safe work environment; and I have long been a supporter of our solid workers' compensation laws. This bill is not about that. It is merely about clarifying our statutes so that the letter of the law coincides with the spirit of the law.

I want to thank the collaborative work of so many organizations and stakeholders to get the -3 amendment, which provides even more clarity, prepared for today's work session.

I encourage you to support House Bill 2923 with the -3 amendments. Thank you for your time and attention to this very important issue.