

## Oregon Farm Bureau Supports SB 678

SB 678 addresses the negative ramifications of a recent Oregon Court of Appeals decision in *Antonio Cortez v. Nacco Materials Handling Group, Inc.*

The court's holding undermines the long-standing basic tenet of Oregon's workers' compensation law that an injured workers' exclusive remedy for a workplace injury is through the workers' compensation system. This is known as "exclusive remedy," and it's the critical foundation upon which the workers' compensation system is built in Oregon and most states.

The Appeals Court ruled in *Cortez* that the exclusive remedy provision of the workers' compensation law does not protect the members (owners) of a Limited Liability Company (LLC) from liability stemming from a workplace injury.

The issue stemming from the *Cortez* decision is that all employers across Oregon are protected from liability under Oregon's workers' comp exclusive remedy statute – except for LLC owners and members.

SB 678 makes it clear that members and owners of LLCs are protected under Oregon's exclusive remedy law just like all other employers.

The court's decision in *Cortez* has made clear that we need to be very specific in ORS 656.018 as to who is afforded exclusive remedy protections as an "employer."

This is what SB 678 does. It makes clear that owners, members and partners in limited liability companies and partnerships are protected from personal liability stemming from workplace injuries under Oregon's exclusive remedy law so long as they are acting within the scope of employment.

Most Oregon farms are small businesses and are structured as an LLC. This legislation is *critical* to give Oregon farmers the protection they believed they had when they formed their LLC. SB 678 is a necessary fix to uphold the foundation of our workers' comp system for Oregon's farmers.

Please support SB 678.