

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended, Be Printed Engrossed, and Be Referred to the Committee on Rules
Vote:	9 - 1 - 0
Yeas:	Barton, Fagan, Holvey, Kennemer, Matthews, Thatcher, Thompson, Witt, Doherty
Nays:	Weidner
Exc.:	0
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	4/1, 4/17

WHAT THE MEASURE DOES: Extends exclusive remedy protections of workers' compensation statutes to partners, limited liability company members, general partners, limited liability partners, and limited partners. Applies exclusive remedy protections only for claims or causes of action arising on or after effective date. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Updating statutes to reflect common choice of limited liability company (LLC) as form of corporate ownership
- *Cortez v. NACCO Materials Handling Group, Inc.* case currently before the Oregon Supreme Court
- Whether provisions of measure should apply to existing claims or causes of action
- Replacing outdated legal test of "proximately caused"
- Belief by LLC members and partners that they have exclusive remedy protections

EFFECT OF COMMITTEE AMENDMENT: Modifies when exclusive remedy protections do not apply. Applies exclusive remedy protections only for claims or causes of action arising on or after effective date.

BACKGROUND: Oregon law requires Oregon employers to obtain and maintain workers' compensation insurance coverage when they employ subject workers. This coverage protects employers from personal liability, and provides guaranteed benefits to workers when they are hurt on the job.

The exemption from liability is for the employer as well as the employers' contracted agents, employees, officers and directors. House Bill 2923-A extends the exemption to include the employer's partners, limited liability company members, general partners, limited liability partners, and limited partners.

The Management-Labor Advisory Committee voted on March 22 to support the measure as amended.