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AOI SUPPORTS SENATE BILL 1558 SENATE COMMITTEE ON BUSINESS & TRANSPORTATION

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AOI supports Senate Bill 1558 with the -1 amendment.

Several months ago, officials from DCBS and the Workers' Compensation Department approached AOI with the issue of how the Department should responsibly respond to recent developments surrounding the bankruptcy of a handful of workers' compensation group self-insurance pools with total liabilities in excess of \$10 million.

At that time, the Department was seeking feedback on a range of options to deal with this critical problem. In the absence of a solution, injured workers would be left without claims payments for treatment of their injuries and hundreds of small businesses would be subject to litigation for recovery of the \$10 million in outstanding and future claims.

AOI agrees with the Department's position that Senate Bill 1558, with the -1 amendment, is the best possible solution to the problem.

In the absence of Senate Bill 1558, there would be an unacceptable risk of chaos for both the injured workers and the businesses involved in the affected group self-insurance pools. There also needs to be a much higher bar for the workers' comp self-insurance groups so the events that precipitated Senate Bill 1558 do not happen again.

On balance, Senate Bill 1558, with the -1 amendment, is the right call to fix what would otherwise be a disastrous situation for hundreds of Oregon small businesses and injured workers.