



From the desk of Rep. Jim Weidner

Job Killer Alert Vote No on HB 2764 and Stop Increased Workers' Compensation Costs

Increased Costs for Employers, No Benefit for Workers:

HB 2764 proponents argue that Oregon should increase claimants' attorney fees to attract more attorneys to the practice of workers' compensation law. They argue that it is increasingly difficult for workers to obtain counsel in the ever-more-complex world of workers' comp litigation, and that the unmet need for counsel is growing. In fact, workers' comp lawyers have had several fee increases in recent years and the percentage of workers represented by an attorney in hearings has remained close to 90% over the last decade. Clearly, workers have the same ability to access to counsel that they have had for at least the last 10 years.

Since the bipartisan, business-labor Mahonia Hall reforms of 1990, Oregon's Workers' Compensation system has been a national model for compensating injured workers while keeping system costs low. One of the main reasons for this success has been the state's consistent focus on providing excellent compensation to injured workers.

HB 2764 attempts to increase compensation for claimants' attorneys who will do nothing to improve benefits for injured workers. Rather, it will ultimately result in higher costs and a diminished focus on what really matters: caring for injured workers.

The Mahonia Hall reforms established an MLAC process in which labor and employers work out their differences on workers' comp issues before they go to the Legislature. HB 2764 is a violation of the MLAC process and will return us to the days when each Legislative Session was embroiled in contentious workers' comp battles.

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New and Higher Attorney Fees:

HB 2764 increases attorney fees awarded in workers' comp cases in several areas. It:

- Pays claimant's attorney new fees when they request hearings;
- Pays claimant's attorney new fees for participating in a claim investigation *regardless of whether the claim is accepted or denied*;
- Pays claimant's attorney new fees in disputes over higher attorney fees and penalties;
- Eliminates most caps on the amount of claimants' attorney fees that can be awarded;
- Eliminates statutorily mandated proportionality between benefits obtained and attorney fees awarded.

New Objectives:

HB 2764 adds a new provision to the workers' comp law stating that one of the system's objectives is "to ensure injured workers have access to adequate representation."

- If the Workers' Comp Board gives deference to this new language when awarding attorney fees and penalties, attorney fee dollars and attorney involvement may increase.

A second new objective requires that the provisions of the workers' comp law be interpreted to allow benefits "if a reasonable reading of the law so allows." This conflicts with current law, which requires that the statutes be interpreted in "an impartial and balanced manner."

- If enacted, this passage could lead to a significant increase in the number of workers' comp claims filed, because claims that are not currently considered compensable would have a chance of being adjudicated more generously under the new law.

HB 2764 attempts to increase compensation for claimants' attorneys will do nothing to improve benefits for injured workers. The bill will ultimately result in higher costs and a diminished focus on what really matters: caring for injured workers. We urge your "NO" vote.

Associated Oregon Industries (AOI)
Associated General Contractors (AGC)
Associated Oregon Loggers (AOL)
Columbia Gorge Fruit Growers
Independent Insurance Agents and Brokers
of Oregon (IIABO)
Medford Chamber of Commerce
National Association of Insurance and
Financial Advisors (NAIFA)
National Federation of Independent
Businesses (NFIB)
Northwest Food Processors Association
(NWFPA)
Northwest Grocery Association (NWGA)
Oregon Auto Dealers Association (OADA)
Oregon Bankers Association (OBA)
Oregon Business Association (OBA)

Oregon Cattlemen's Association (OCA)
Oregon Dairy Farmers Association (ODFA)
Oregon Farm Bureau (OFB)
Oregon Forest Industries Council (OFIC)
Oregon Home Builders Association (OHBA)
Oregon Liability Reform Coalition (ORLRC)
Oregon Metals Industry Council (OMIC)
Oregon Restaurant & Lodging Association
(ORLA)
Oregon Seed Council (OSC)
Oregon State Association of Plumbing –
Heating – Cooling Contractors (PHCC)
Oregon State Chamber of Commerce (OSCC)
Oregon Trucking Association (OTA)
Oregon Wheat Growers League (OWGL)
Oregonians for Food & Shelters (OFS)
Salem Chamber of Commerce