

HB 2337 STAFF MEASURE SUMMARY

Senate Committee On Workforce

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Meeting Dates: 4/24, 5/3

WHAT THE MEASURE DOES:

Increases minimum and maximum workers' compensation benefits for permanent total disability.

- Fiscal impact statement issued; no revenue impact
- House vote: 59-0

ISSUES DISCUSSED:

- Scope of workers affected by measure
- Funding sources for enhanced benefits
- Support by Workers' Compensation Management-Labor Advisory Board

EFFECT OF AMENDMENT:

BACKGROUND:

In the workers' compensation system, a permanent total disability is the loss of use or function of any portion of the body which permanently prevents the worker from regularly performing work in a gainful and suitable occupation; the designation can include a preexisting disability. A "suitable" occupation is one in which the worker has the ability and training or experience to perform, or an occupation the worker can perform after rehabilitation. The Department of Consumer and Business Services reports that there are about 600 people currently receiving benefits for a permanent total disability, and that about 10 new awards are made each year. An injured worker may receive a permanent total disability benefit for their lifetime. The benefit is two-thirds of the worker's wage, but capped at Oregon's average weekly wage (currently \$974.20). The minimum benefit is 90 percent of the worker's wage or \$50, whichever is lower.

House Bill 2337-A increases the permanent total disability maximum benefit to two-thirds of the worker's wage, capped at 133 percent of the Oregon's average weekly wage (which would calculate at \$1,295.69). The measure also increases the minimum benefit to one-third of Oregon's average weekly wage (which would calculate at \$321.49). House Bill 2337-A applies to injuries occurring on or after the effective date of the measure; however, benefit levels for those injured prior to the effective date will be adjusted subject to the Retroactive Program established in statute (ORS 656.506).