

**HB 2338 A STAFF MEASURE SUMMARY**

**Carrier:** Rep. Evans

**House Committee On Business and Labor**

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**Action Date:** 03/08/17

**Action:** Do pass with amendments. (Printed A-Eng.)

**Vote:** 9-0-0-0

**Yeas:** 9 - Barreto, Bynum, Doherty, Evans, Fahey, Hack, Heard, Holvey, Kennemer

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

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**WHAT THE MEASURE DOES:**

Simplifies criteria and benefit levels for death benefits due to children of worker who dies from on-the-job injury or occupational disease, or who dies while permanently and totally disabled. Requires Director of Department of Consumer and Business Services to adjust amount and duration of death benefits for injuries that occurred prior to effective date.

**ISSUES DISCUSSED:**

- Number of average annual fatalities
- Number of surviving children receiving benefits
- Variables considered when determining benefits to children
- Reasoning agency used to select benefit levels proposed in measure

**EFFECT OF AMENDMENT:**

Requires Director to adjust amount and duration of death benefits for injuries that occurred prior to effective date. Requires Director to take from Workers' Benefit Fund to reimburse insurer or self- insured employer for difference between initial benefit and adjusted benefit. Directs insurer to adjust length of benefit for child or dependent attending post-secondary training or education if person turned 19 and received benefits prior to effective date.

**BACKGROUND:**

When a worker dies from an on-the-job injury, occupational disease or while permanently and totaling disabled, their surviving spouse, children and other dependents are entitled to receive benefits. Approximately 310 surviving children and dependents currently receive benefits due to the death of a worker. The benefit structure is complex and difficult to administer, and it can result in different benefit levels for children of the same family, depending on such factors as school enrollment and dependence on surviving spouse.

House Bill 2338-A simplifies the criteria for death benefits, making the system easier to understand and administer, and producing benefit levels that are predictable for families. The measure allows a child or dependent to receive benefits until the age of 19, and specifies that the benefit level is the same regardless of the child's dependence on the worker's surviving spouse or age at the time of the worker's death. Benefits will be paid for up to 48 months when the child is in a post-secondary education or training program through age 26. The measure applies to benefits associated with injuries or deaths that occur after the measure's effective date; however, children and dependents in an education program will receive benefits under the structure provided in House Bill 2338-A regardless of when the worker was injured or died. Children and dependents who receive benefits prior to the effective date will have their benefits adjusted subject to the Retroactive Program established in statute (ORS 656.506).