

Department of Consumer and Business Services

MLAC | Management-Labor Advisory Committee 350 Winter Street NE, Rm 200, Salem, OR 97309-0405

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February 8, 2019

Representative Jeff Barker, Chair House Committee on Business and Labor

Dear Representative Barker:

The Workers' Compensation Management-Labor Advisory Committee (MLAC) has reviewed HB 2788, which impacts the workers' compensation law and the Workers' Benefit Fund. The bill implements recommendations from a 2018 a study conducted by MLAC. We recommend the legislature support the bill.

For your committee's information, we have attached a one-page information sheet about MLAC and our process.

Sincerely,

Kimberly Wood Management Co-chair Diana Winther Labor Co-chair Members

Aida Aranda Oregon & Southern Idaho Laborers-Employers Training Trust

Kevin Billman UFCW Local 555

Tammy Bowers May Trucking Company

Alan Hartley Management representative

Jill Fullerton Clackamas Co. Fire District #1

Lynn McNamara CityCounty Insurance Services

Kathy Nishimoto Duckwall-Pooley Fruit Company

Ateusa Salemi Oregon Nurses Association

Diana Winther IBEW Local 48

Kimberly Wood Perlo Construction

Cameron Smith

Director, Oregon Department of Consumer & Business Services, Ex-Officio

Committee administration

Theresa Van Winkle Committee Administrator



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The Workers' Compensation Management Labor Advisory Committee (MLAC) was originally established in the early 1990s to develop strategies for making workers' compensation costs affordable to employers and fair and improved benefits for workers. These recommendations also included formal establishment of this committee in statute. Since its inception, MLAC provides an effective forum for business and labor to meet to explore, discuss, and resolve issues involving the workers' compensation system, based on a common set of values:

- Balance and fairness for Oregon workers and employers
- Adequacy of benefits where the benefits are commensurate with the severity of the injury.
- Affordability where the system contributes to a healthy Oregon business climate.
- **Efficiency** a system that is streamlined and accessible.
- Stability and flexibility a system established enough to be predictable, which encourages consistency, but is accommodating to change when necessary.

MLAC is a vehicle for reaching consensus, and minimizes the danger of making major structural changes from one legislative session to the next. The forum supports the long-term stability of Oregon's workers' compensation system that has led to lower premiums for employers and adequate benefits to employees.

MLAC is composed of five representatives each from business and labor, appointed by the Governor and confirmed by the Senate, with the director of the Department of Consumer and Business Services (DCBS) serving as an exofficio member. The committee is charged by statute to provide accountability to the workers' compensation system, such as:

- Receiving annual financial reports from DCBS about the programs funded by the Workers' Benefit Fund;
- Biennially reviewing the standards for evaluating permanent disability and permanent partial disability benefits;
- Advising DCBS about any proposed changes in the operation of programs funded by the Workers' Benefit Fund; and
- Reporting to the Legislature on workers' compensation as considered appropriate.

Reports to the Legislature are conducted via the review and advisory recommendations of proposed legislation or formal reports as required by law.

MLAC is also charged with studying workers' compensation statutes or other issues at the request of the DCBS director or by the committee itself. Between legislative sessions, MLAC is often asked to focus on complex areas of the law that merit longer discussions than a typical legislative session allows.

Members

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