

SB 214 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Meeting Dates: 1/26

WHAT THE MEASURE DOES:

Modifies definition of "average weekly wage" for calculating fatality benefits. Allows Workers' Benefit Fund to advance funds due workers' beneficiaries when insurer defaults in payment of compensation.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Workers' Compensation Division (Division) is a part of the Department of Consumer and Business Services (Department). The Division administers Oregon's workers' compensation system. Additionally, the Workers' Compensation Management Labor Advisory Committee (MLAC) reviews key components of the workers' compensation system, such as advising the Department about any proposed changes to the Workers' Benefit Fund. The Workers' Benefit Fund provides benefits for a number of programs, such as return-to-work programs.

Currently, Oregon law allows the Workers' Benefit Fund to advance funds to an injured worker when the insurer defaults on payments. Senate Bill 214 clarifies existing law by specifying that the Workers' Benefit Fun may also advance funds to workers' beneficiaries.

Oregon law has two definitions for "average weekly wage" within workers' compensation statutes. The general statutory definition uses the average weekly wage in effect at the time of injury. The other definition uses the average weekly wage in effect when compensation is paid. The latter definition is currently applied for determining fatality benefits. Senate Bill 214 modifies the definition of "average weekly wage" for calculating fatality benefits by citing to the general statutory definition in workers' compensation statutes.