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February 7, 2023

The Honorable Kathleen Taylor, Chair Senate Committee on Labor and Business Oregon State Capitol Salem, OR 97301

Subject: SB 418 - OPPOSE

Chair Tylor, Vice Chair Bonham and Committee Members:

Associated Oregon Loggers Services, Inc. (AOLS) cares deeply about the effectiveness of workers' compensation insurance in Oregon.

AOLS is a single line insurance agency specializing in workers' compensation insurance for Oregon's forest operator and associated companies. AOLS operates the workers' compensation group insurance program for Associated Oregon Loggers, Oregon's state forest operator trade association. Our insurance agency provides access to SAIF workers' compensation insurance to approximately half the logging and forest operating companies in Oregon.

Additionally, our safety consultancy provides safety services to the majority of the policies SAIF writes for loggers and forest operations weather or not they are within our group insurance program. Our safety management consultants work diligently to educate employers and employees on practices to increase safety in the workplace.

Until the end of 2022, AOLS also provided return-to-work services for forest operating companies in Oregon. As you can see, AOLS has significant experience and expertise with Oregon's workers' compensation system.

We are concerned about SB 418 because it sets a dangerous president in removing the "exclusive remedy" of workers' compensation. Because the bill takes the remedy out of the workers' compensation system, employers will be forced to pay for remedy as a state mandated employee benefit. This circumvents and weakens the exclusive remedy of the workers' compensation system.

AOLS believes this bill unjustly applies fault to the employer. The bill would require **employers** to pay, as a benefit, for time that is not included in accepted time loss for workers' compensation according to law. Employers and employees would be entering a relationship not covered by the exclusive remedy of the workers' compensation system.

Associated Oregon Loggers and our Services subsidiary are committed to increasing safety of our member companies and the safety of their employees. Safety is at our core. We cannot complete our work without our employees and caring for them like our family is the rule, not the exception.

To that end, we want to retain the solid foundation of the workers' compensation system in Oregon and thus cannot support SB 418.

Thank you for your consideration. We are happy to discuss further how to improve the workers' compensation system in Oregon, so please feel free to reach out to our staff or our contract lobbyist for coordination and collaboration.

Graciously,

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