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Background on the Workers' Compensation Management-Labor Advisory Committee (MLAC)

PREPARED FOR: House Interim Committee on Labor and Workforce Development
DATE: September 30, 2025
BY: Tyler Larson, Research Analyst

What is MLAC?

Established by legislation in 1990 and codified in [ORS 656.790](#), MLAC is a public stakeholder advisory body required to review aspects of the state's workers' compensation system and reports its recommendations to the Director of the Department of Consumer and Business Services (DCBS) and the Legislative Assembly.

MLAC is composed of 10 members appointed by the Governor and confirmed by the Senate with equal representation from subject employees and employers.

- 5 members from organized labor who represent subject workers
- 5 members who represent subject employers

The Director of DCBS serves as an ex officio member.



1980's: Before MLAC

“In 1986, Oregon ranked sixth highest in the nation in the average workers' compensation premium rates paid by employers. It also had one of the nation's highest occupational injury and illness incidence rates.”

-DCBS, Oregon's workers' compensation history

“The failure of a workers' compensation bill at the end of the 65th Oregon Legislature led some lawmakers to predict Tuesday that they might have to return sometime for a special session. ...

“[Governor] Goldschmidt and legislators were increasing the pressure to act after the quasi-public SAIF Corp. warned that heavy losses might force it to drop workers' compensation insurance coverage for as many as 10,000 businesses. That would mean heavy rate increases for businesses forced into the assigned-risk pool.”

-The Oregonian, July 5, 1989



1990: The “Mahonia Hall Group” and Creation of MLAC

“By the start of 1990, Saif had dropped coverage for about 10,000 employers and workers' compensation had turned into one of the state's major political issues. In January, Goldschmidt brought together a task force called the Mahonia Hall group for its first meeting.”

“The Oregon Legislature met for less than 11 hours Monday to pass a sweeping workers' compensation reform bill that was quickly signed into law by Gov. Neil Goldschmidt. ...

“The reform package was drafted by a labor-business task force that was called the Mahonia Hall group because it met regularly for four months at the governor's official residence. ...

“The bill raises benefits for some injured workers but also narrows access to the system by requiring that injuries be more clearly work-related. It also steers injured workers into managed health-care groups and beefs up workplace safety efforts.”

-The Oregonian, May 8, 1990



1990: The Mahonia Hall Group Recommendations

Benefits for workers:

- Safety committees and increased emphasis on safety education and enforcement
- A 45% increase in OR-OSHA compliance officers
- Managed medical care system to consistent, high-quality care to all workers
- Disabilities rated by a worker's own attending physician
- Reinstatement right for up to three years
- Enhanced preferred worker program that encourages hiring previously injured workers
- 2-year limit for claim denials
- Less litigation on extent of liability
- Fewer medical exams
- Quicker determination of responsible insurer



1990: The Mahonia Hall Group Recommendations

Benefits for employers:

- Narrowed definition of compensability to remove injuries and occupational diseases that are not clearly work-related
 - A managed medical system to control costs and eliminate unnecessary care
 - Establishment of the small business ombudsman as an advocate
 - Less litigation for responsibility questions, extent of disability issues, and penalty and fee disputes.
- Opportunity to negotiate settlements
 - Payment of benefits limited pending appeal
 - No time-loss payments to incarcerated workers



1995:

Labor and Management Advise on a Compromise

“Gov. John Kitzhaber and Republican legislators have reached a tentative agreement on a workers' compensation bill, apparently ending a session-long dispute over the future of the state's system for dealing with workplace injuries. ...

“The governor had earlier threatened to veto Senate Bill 369 because he said it was unfairly weighted toward business and against workers. ...

“Both business and labor have sought a workers' compensation bill this session, although for different reasons. ...

“The latest agreement came after Kitzhaber put together a business-labor working group to advise him on what changes to accept.”

-The Oregonian, May 16 1995



1999: Policymakers Rely on MLAC's Recommendations

“Kitzhaber has made it clear he doesn't want to go beyond the modest changes recommended by a management-labor advisory committee.”

-The Oregonian, January 14, 1999

“Republican sponsors assured swift passage of the bill by making sure it followed the recommendations of a management-labor advisory committee.”

-The Oregonian, February 23, 1999



2007-2009: MLAC Study Informs Program Reforms

Lawmakers have used MLAC to study workers' compensation issues.

Senate Bill 835 (2007) required MLAC to study the adequacy of workers' compensation death benefits and report findings to the Legislative Assembly.

“MLAC found that death benefits were not adequate in amount and too restricted in use, and that in some cases, children and dependents of deceased workers were severely limited in their ability continue their educations.”

-SMS for Senate Bill 110 (2009)

Senate Bill 110 (2009):

- doubled workers' compensation death benefits
- required any benefits remaining after final disposition and funeral expenses be paid to the worker's estate
- Increased benefits paid to an eligible child or dependent age 18 to 23 as long as the child is attending higher education.



2020: MLAC Deadlocks on COVID Recommendations

“Dear Governor Brown:

“On June 22, you asked the Management-Labor Advisory Committee to review the current workers’ compensation system and the impact of the COVID-19 pandemic. The committee met six times to review current data and information about COVID-19 workers’ compensation claims, get public testimony on issues, and discuss recommendations for specific workers’ compensation system changes. ...

“The committee heard two distinct proposals for solutions for the issues raised about workers’ compensation claim processing and benefits for COVID-19 claims.... The committee was unable to reach a consensus agreement on recommending either proposal in whole. Each caucus has prepared a summary of their preferred proposal and the merits of each from the perspective of the supporting caucus.”

*-Letter from MLAC to Gov. Kate Brown
dated July 20, 2020*



Today: MLAC Meets Frequently

Management-Labor Advisory Committee

Updated Meeting Schedule 2025

In-person meetings held in Conference Room 260 L&I
Building, 350 Winter St, NE, Salem, Oregon

Month	Thursday	In-person	Hybrid	Time
January	9th	X		10:00am-noon
January	23 rd		X	10:00am-11:00am
January	30 th			Cancelled
February	6th		X	10:00am-noon
February	13 th			Cancelled
February	20 th		X	10:00am-11:00am
February	27 th		X	10:00am-11:00am
March	6th		X	10:00am-noon
March	13 th		X	Cancelled
March	20 th		X	9:00am-11:00am
March	27 th		X	10:00am-11:00am
March	31 st		X	1:00pm-1:30pm
April	3rd	X		10:00am-noon^
April	17 th		X	10:00am-11:00am
May	1st			10:00am-noon
May	15 th		X	10:00am-11:00am^
June	5th		X	10:00am-noon
July				Cancelled
August	21st		X	10:00am-noon
September*	15th	X		4:30-6:30pm
October	2nd		X	10:00am-noon
November	6th		X	10:00am-noon
December	4th	X		10:00am-noon

*September 15th, off-site meeting, Bend, Oregon – Riverhouse Lodge Convention Center

^Chamber Deadlines, April 9th - First Chamber Deadline, and May 23rd - Second Chamber Deadline



NOTICE OF PUBLIC MEETING WORKERS' COMPENSATION MANAGEMENT-LABOR ADVISORY COMMITTEE

Virtual Meeting

August 21, 2025

10:00 a.m. – 12:00 noon

Virtual audience information

By computer:

<https://www.zoomgov.com/j/1619618603?pwd=1dJM4N8T0sQcigbUurBuagCz2ajWOI.1>

By phone: 833 568 8864 US Toll-free

Meeting ID: 161 961 8603

Passcode: 138432

In-person meeting location: Labor & Industries Building, Second Floor, CR C
350 Winter Street NE, Salem, Oregon

Affirmation – We would like to thank everyone for their time, effort, and participation in our work before us today. We want to recognize that it is very difficult and important work and we appreciate and value the perspectives and professionalism that everyone brings here today. Thank you.

Roll Call –

Public Comment –

Review minutes - June 6th

Department updates

Workers' Compensation Board updates – Autumn Blake

- WCB Report – April to June 2025
- WCB Newsletter – June and July 2025

Workers' Compensation Division (WCD) updates – Teri Watson

- MLAC calendar 2026
- Off-site meeting, September 15th w Central Oregon Safety & Health Conference in Bend

Presentation – History of Exclusive Remedy, WCD, Policy Analyst, Aaron Fellman

MLAC Subcommittee Updates

- Access to Care
- Average weekly wage

Upcoming meetings – September 15th, in-person, Riverhouse Lodge Conference Center, Bend, OR., and October 2nd, virtual.

Questions?



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