

Date: February 4, 2026
To: Chair Taylor and Members of the Senate Labor and Business Committee
From: Ivo Trummer, Government Relations Director, ivotru@saif.com
Elaine Schooler, Assistant General Counsel, elasch@saif.com
Re: **SAIF supports the MLAC process that led to SB 1519, and with the -2 amendment is neutral on the bill**

SAIF is Oregon's not-for-profit workers' compensation insurance company and the leading workers' compensation insurance carrier in Oregon. Since 1914, we've been taking care of injured workers and helping them get back to work. Through our partnership with Oregon employers, we worked to advance workplace safety in Oregon, reducing the total number of injuries and keeping costs affordable for employers. We're proud to be the workers' compensation provider of choice for the majority of Oregon employers, from thousands of small businesses to some of the state's economic leaders; as well as insuring over 1,200 public entities: state agencies, public universities, cities, counties, special districts, and school districts throughout the state. Covering more than half a million local workers each day, SAIF is committed to helping Oregon work better, smarter, and safer.

SAIF strongly supports the Management Labor Advisory Committee (MLAC) and its statutory role to advise the legislature on issues concerning Oregon's workers' compensation system. MLAC initially raised the issue of whether the current time loss rate still resulted in adequate compensation for lower-wage injured workers who are unable to work due to a work-related injury or disease. SB 1519 with the -2 amendment reflects the efficacy of the MLAC process that involved a subcommittee and extensive engagement by diverse stakeholders. This bill and amendment are the result of MLAC's collaborative approach that considers the balance of adequate worker benefits and affordability for Oregon businesses.

SB 1519 with the -2 amendment increases the temporary disability rate from 66 2/3 to 75% of the injured worker's weekly wage, for the portion of wages below 75% of the state average weekly wage (SAWW), and 65% for any wages above 75% of the SAWW, in effect on the date of injury and maintains existing statutory minimum and maximum benefit amounts. The changes are not retroactive and only apply to claims with a date of injury on or after January 1, 2027, ensuring that the time loss rate for current claims (i.e. claims with a date of injury prior to January 1, 2027) will not be recalculated after January 1, 2027.

In addition, the -2 amendment ensures that an injured worker's temporary disability and permanent total disability rates are the same except for a worker who receives the statutory minimum amount. The -2 amendment preserves the current statutory minimum for PTD benefits, which is greater than the statutory minimum for temporary disability benefits.

SAIF is neutral on SB 1519 with the -2 amendment because of the expected impact to employer insurance costs. SAIF estimates a 2.9% increase to SAIF's pure premium rate (i.e., \$16M increase to earned premium). If the proposed changes to the time loss rate calculation were retroactive or not based on the state average weekly wage in effect on the date of injury, SAIF's estimated impact to employer insurance costs and overall position would change.