

From: Oregon Federation of Nurses and Health Professionals
Re: Support of SB 1519
Date: 2/4/26

Chair Taylor, Vice Chair Hayden, and Members of the Committee,

On behalf of the Oregon Federation of Nurses and Health Professionals (OFNHP), thank you for the opportunity to submit testimony in strong support of SB 1519. OFNHP is a union representing more than 7,000 nurses and health professionals across Oregon and Southwest Washington. Our members care for injured workers every day and see firsthand how financial instability during recovery can delay healing and worsen long-term outcomes. We write in strong support of SB 1519 with the proposed -2 amendment.

Oregon's workers' compensation system is intended to provide equitable wage replacement when workers are injured on the job. In practice, however, the current time loss benefit formula penalizes lower-income workers. Under existing law, workers receive 66 and $\frac{2}{3}$ percent of their average weekly wage, subject to a cap tied to the state average weekly wage. This formula is based on a tax bracket assumption that more closely reflects higher-income earners and fails to account for the fact that lower-wage workers pay a smaller share of their income in taxes. As a result, many low-income workers receive less in workers' compensation benefits than they would take home if they were working.

Because of this inequity, some workers choose not to file for workers' compensation at all, knowing they cannot make ends meet on reduced income. This creates unnecessary financial stress at a time when workers should be focused on recovery.

SB 1519 with the -2 amendment addresses this problem in a targeted and responsible way. The bill would provide workers with benefits equal to 75 percent of their weekly wage for the portion of wages below 75 percent of the state average weekly wage (SAWW), and 65 percent for wages above that threshold, while maintaining the overall benefit cap at 133 percent of SAWW. This approach better reflects actual take-home pay for lower-income workers and evens the playing field within the system.

This reform is especially critical given today's economic realities. The cost of living has increased dramatically in recent years, and many workers are already living paycheck to paycheck. Notably, 56 percent of accepted compensable claims in Oregon come from individuals earning under \$50,000 per year. These are the workers most harmed by the current formula and the least able to absorb income loss after an injury.

Ensuring workers can afford to take the time they need to heal is essential for both individual well-being and workplace safety. When injured workers are rushed back to work out of financial necessity, they are more likely to accept light-duty or modified work



www.ofnhp.org
itsmyunion@ofnhp.org
(503) 657-9974

before they are medically ready, increasing the risk of re-injury and prolonging recovery. By improving time loss benefits, SB 1519 allows workers to focus on healing, access necessary medical treatment, and return to work safely.

With this reform, Oregon has the opportunity to lead the nation in prioritizing workers' overall well-being within the workers' compensation system. SB 1519 represents a thoughtful adjustment that strengthens the system without undermining its core structure.

We urge the committee to pass SB 1519 with the -2 amendment and take an important step toward a fairer, more functional workers' compensation system for Oregon's working families. Thank you for your consideration.

Sincerely,
Oregon Federation of Nurses and Health Professionals