

HERMAN E. BAERTSCHIGER, JR.
STATE SENATOR
DISTRICT 2



OREGON STATE SENATE
900 COURT ST NE
SALEM, OR 97301

To: Department of Consumer and Business Services, Management-Labor Advisory Committee

Submitted Testimony from Senator Herman Baertschiger, Jr., Oregon State Senate, District 2

RE: SB 1525 – Excludes sick leave pay from definition of “payroll” for purpose of workers’ compensation calculations

Members of the Committee,

SB 1525 is a simple administrative correction that adds balance and fairness to the current Oregon Revised Statutes regarding workers’ compensation calculations.

Currently Oregon Law (ORS 656.005) excludes from workers' compensation calculations: overtime pay, vacation pay, bonus pay, tips, amounts payable under profit-sharing agreements or bonus payments, to reward workers for safe working practices. SB 1525 adds three words to the existing ORS 656.005 exclusions, "sick leave pay".

This is an administrative fix and follows the same logic as all the other items that are excluded. If a worker is not present at work, why should the employer pay workers' compensation premiums on the pay they receive while they are not present at work. To include this pay in the calculation is to ask employers to pay premium for a risk that has not occurred.

I appreciate your time and consideration of this simple edit that is in line with the common set of values that MLAC is committed to.

Thank you,

Senator Herman E. Baertschiger, Jr.
Oregon State Senate, District 2

CC: Senator Michael Dembrow