

March 31, 2025

RE: Senate Bill 705

Dear Chairs Strickland and Priest, and Members of the Committee,

Associated General Contractors – Oregon Columbia Chapter represents a broad cross-section of the commercial construction industry, including open shop and union, rural and metro, highway and building contractors. Most of our members are small, homegrown businesses, doing business throughout Oregon.

First, we'd like to express our gratitude to AFSCME for their introduction of this measure and their continued work on the concept. We strongly agree with the intention behind the bill: to ensure that workers are receiving the compensation they deserve while unable to work due to a workers' compensation injury. The testimony and rationale behind this legislation is compelling – we need to ensure that there is no disincentive for lower wage workers to file workers' compensation claims, and we need to make sure that Oregon's workers' compensation system takes care of all injured workers.

However, the bill as introduced and the amendments presented do not strike the right balance. It is our view that they are over-inclusive in looking to raise the percentage overall, and as a result, will likely cause significant cost increases to the system. We believe that with further in-depth examination, there can be a solution that ensures appropriate payment of all workers, while minimizing the impact to system cost-wise.

For these reasons, we respectfully urge you not to advance SB 705 at this time, and to instead form a subcommittee at MLAC to further examine and determine the right calculation to ensure all injured workers are being paid the appropriate amount. We stand ready to collaborate with AFSCME and other stakeholders to develop a solution that solves the problem identified while not putting an undue burden on the system. As has historically been the case, the unique management-labor make-up of MLAC lends itself to robust discussion of complex issues such as this. We

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believe that this can lead to the right solution of the issue before us, and request that MLAC take the next step of appointing a subcommittee on this topic.

Thank you for your consideration.

Sincerely,

Kirsten Adams  
Director and Counsel – Policy and Public Affairs  
Associated General Contractors, Oregon-Columbia Chapter

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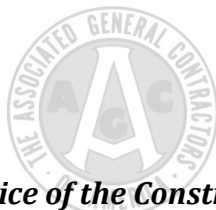
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