

**WORKERS' COMPENSATION
MANAGEMENT-LABOR ADVISORY COMMITTEE
MLAC Meeting
Subcommittee on Paid Leave**

November 28, 2017
1:00 p.m. – 3:00 p.m.

Committee Members Present:

Guy Boileau, Louisiana-Pacific Corporation
Kimberly Wood, Perlo Construction
Tammy Bowers, May Trucking
Alan Hartley, Shari's Restaurants
Lynn McNamara, CityCounty Insurance
Theresa Van Winkle, MLAC Committee Administrator

Committee Members Excused:

Aida Aranda, Oregon and Southern Idaho Labor-Employers Training Trust
Rachel Brozovich, Keizer Fire District
Kevin Billman, United Food and Commercial Workers
Ateusa Salemi, Oregon Nurses Association
Diana Winther, IBEW Local 48
Jean Straight, Acting DCBS Director, *ex-officio*

Meeting Participants:

Paul Cosgrove, NCCI
Jennifer Flood, Ombudsman for Injured Workers
Michelle Frost, Multnomah County
Chris Clark, Workers' Compensation Division
Marcus Bratcher, Workers' Compensation Division
Lou Savage, Workers' Compensation Division
Cara Filsinger, Workers' Compensation Division
Kim Ritts, Workers' Compensation Division
Brian Murphy, SAIF Corp.
Dave Barenberg, SAIF Corp.

Agenda Item	Discussion
Opening (0:00:00)	Guy Boileau opened the meeting at 1:00 p.m.
Overview (0:02:19)	Theresa Van Winkle did an overview of the memo from Lou Savage. The subcommittee was formed because there were two bills in the 2016/2017 session, Senate Bill 1525 and Senate Bill 607, that did not have a hearing. MLAC committee members had questions in regards to looking at the different kinds of pay and what the impact would be if all paid leave was excluded. The purpose of the conversation is really about what's included

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	<p>and what's excluded in the premium calculation.</p> <ul style="list-style-type: none"> ▪ This started because of the passage of statewide sick leave mandate for employers ▪ Some feel that by excluding paid time off, it would help reduce employers cost for providing workers' compensation coverage. ▪ Stakeholders and NCCI feel that while the premiums would go down a bit, it would eventually catch up.
(0:04:41)	<p><i>Public Testimony</i></p> <ul style="list-style-type: none"> ▪ David Barenberg went over premium calculations and how the idea may sound good, but really the cost to the business doesn't change. The NCCI memo says if you make this change, the rates will have to increase. There will be more record keeping as well. ▪ Guy Boileau stated that one of the bigger concerns is we would end up increasing premiums for a net gain of zero. Oregon has a good reputation in respect to a highly functional system where we don't regularly raise premiums. ▪ Brian Murphy stated that the law allows for excluding vacation pay from premium calculations, it doesn't allow for the exclusion of paid time off. To compensate for that, they will accept an exclusion if a business tracks pre-arranged time off for vacation purposes, but not a personal or sick day. If you are a company with a large number of employees, tracking can be very cumbersome.
(0:09:38)	<p><i>Member Opinions</i></p> <ul style="list-style-type: none"> ▪ Lynn McNamara stated that there was a fundamental misunderstanding of the math. Understands wanting to offset cost but doesn't think this is the answer. ▪ Alan Hartley says that in terms of simplicity, he understands wanting to keep rates as low as possible. If you extend it to sick pay you might as well say it's all paid time off. He is not a proponent of it. ▪ Kimberly Wood believes it will complicate things and doesn't see the need. It creates extra work without gain, but would like to see some education for employers who don't understand the math so they can get a clearer picture. ▪ Tammy Bowers understands employers not wanting to pay premiums when workers are at home sick. Believes that education is crucial.
Closing (0:13:50)	<ul style="list-style-type: none"> ▪ Guy Boileau says he does not want to act unilaterally since there are no labor members there, but seems pretty unanimous on the management side that the support isn't there. ▪ Theresa Van Winkle confirmed that the position of MLAC is with a full committee. The present members can formulate their thoughts and report back to the full committee, put the subject up for debate, and have a final vote.

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Meeting Adjourned (0:15:23)	The meeting adjourned at 1:18 p.m.

*These minutes include time stamps from the meeting audio found here:
<http://www.oregon.gov/DCBS/mlac/Pages/paid-leave-subcommittee.aspx>

**Referenced documents can be found on the MLAC Meeting Information page here:
<http://www.oregon.gov/DCBS/mlac/Pages/paid-leave-subcommittee.aspx>

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