



## Workers' Benefit Fund (WBF) Assessment



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# Workers' Benefit Fund (WBF) Assessment

## Background

Employers who maintain workers' compensation insurance for themselves, their workers, or both are subject to three types of payment, each of which sounds similar:

- **The insurance premium** — This is the payment employers make to an insurer for workers' compensation insurance coverage. The State of Oregon does not collect insurance premiums, and insurance premiums do not fund State of Oregon programs or services.
- **The workers' compensation premium assessment** — This is an assessment that insurers calculate as a percentage of the insurance premium paid by each employer and charge to employers as part of their insurance billing. Insurers collect the premium assessment from the employers they cover via the employer's premium statement, and then send it to the state. Premium assessments fund administrative costs of the state's workers' compensation system, noncomplying employer claims, a portion of Oregon OSHA administrative costs, and other related programs.
- **The Workers' Benefit Fund (WBF) assessment** — This is a payroll assessment calculated on the basis of hours worked by all paid workers, owners, and officers covered by workers' compensation insurance in Oregon, and by all workers subject to Oregon's workers' compensation laws (whether or not covered by workers' compensation insurance). Employers report and pay the WBF assessment

directly to the state with other state payroll taxes. The WBF assessment funds state programs that directly benefit injured workers and the employers who help make it possible for them to return to the workforce.

**This information addresses only the Workers' Benefit Fund assessment.**

## 1. What is the Workers' Benefit Fund (WBF) assessment?

The WBF assessment is a payroll assessment that employers of Oregon workers have paid since 1966. From 1966 to 1994, subject Oregon employers paid this assessment (then commonly referred to as the cents-per-day tax), along with their workers' compensation insurance premiums, to their insurance carrier. The insurer then forwarded the assessment money (not the premiums) to the state.

Then, in 1995, the way in which employers report and pay this assessment changed. Instead of paying this assessment to the state through their insurance carrier, employers began to report and pay the WBF assessment directly to the state (along with state withholding taxes, unemployment insurance taxes, and certain transit taxes) through the Combined Payroll Tax Reporting System. Employers report electronically online through Oregon Payroll Reporting (OPRS) at <https://www.oregon.gov/EMPLOY/Businesses/Tax/Pages/OPRS.aspx>, or by hard copy using a *Form OQ* or *Form OA Domestic*. Employers pay electronically using the Department of Revenue's electronic funds transfer (EFT) program or by check and a *Form OR-OTC* (payment coupon).

## 2. Why am I paying this assessment?

The WBF assessment pays for programs that accomplish the following:

- Pay monthly cost-of-living increase (inflation) payments to permanently and totally disabled workers and to the spouses and children of workers deceased as the result of an occupational injury or disease
- Encourage the employment and re-employment of previously injured or handicapped workers
- Offer Oregon employers monetary incentives to hire or rehire Oregon injured workers

More information about programs funded by the Workers' Benefit Fund is available at <http://www.oregon.gov/DCBS/Pages/wbf.aspx> or by calling 800-445-3948 (toll-free) or 503-947-7588.

## Subjectivity

### 3. Who is subject to the WBF assessment?

Generally, an employer must report and pay the WBF assessment for all people on its payroll who are or legally should be covered by workers' compensation insurance in Oregon.

This includes all employers with workers subject to Oregon's workers' compensation laws (Oregon Revised Statutes Chapter 656). Each such employer must report and pay the WBF assessment. Whether or not the employer

provides the required workers' compensation insurance coverage, the employer is liable for reporting and paying the WBF assessment for all workers for whom Oregon law requires such coverage. (In other words, being a noncomplying employer does not relieve the employer's WBF assessment reporting liability.)

In addition, any employer of people who perform personal support work eligible for workers' compensation insurance coverage under House Bill 3618 (2010) must report and pay the WBF assessment. Independent contractors (in effect, both employer and worker) who perform personal support work eligible for workers' compensation insurance under HB 3618 are responsible to report and pay both halves of the WBF assessment.

Also, if Oregon law does not require workers' compensation insurance, but the employer chooses to provide coverage, the employer must report and pay the WBF assessment for all people (including owners, officers, and non-subject workers) who are covered by the workers' compensation insurance. Electing to provide coverage to people for whom coverage is not required by Oregon law (personal election) triggers the employer's liability to report and pay the WBF assessment for each covered person.

**Exception:** Employers do not need to report hours worked by volunteer workers or pay the WBF assessment for them, even if they are covered by the employer's workers' compensation insurance policy. Volunteer workers are workers who do not receive money or receive only nonmonetary compensation for services rendered.

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Employers who have both paid and volunteer workers covered by their workers' compensation insurance policy need to report only the hours worked by paid employees and pay the assessment based only on those hours. Employers who have no paid employees or who have only volunteer workers, but who maintain active workers' compensation insurance coverage, may either complete a Corrections and Changes Notification form ([http://wcd.oregon.gov/WCDForms/211\\_158.pdf](http://wcd.oregon.gov/WCDForms/211_158.pdf)) to be exempted from reporting, or file a quarterly *Form OQ* to report "0" hours worked and "0" assessment due. Both options prevent receipt of "Failure to File" notices and possible penalties.

## 4. Who is exempt from reporting and paying the WBF assessment?

Employers are exempt from reporting and paying the WBF assessment only if all of the following are true:

- They are not required by Oregon law to have workers' compensation insurance
- They are not (nor have workers who are) provided with workers' compensation insurance under HB 3618 (2010)
- They do not elect to maintain workers' compensation insurance coverage for themselves or their paid workers

Among workers exempt from the coverage requirement are casual labor workers when the total labor cost never exceeds \$500 in a 30-day period; partners who are also the only workers

for the business; certain corporate officers; volunteers; and workers specifically listed as exempt under ORS 656.027.

With the exception of volunteers (who are never required to report and pay the WBF assessment, even if covered by workers' compensation insurance), if an employer elects to provide workers' compensation insurance coverage for any of the otherwise exempted workers referenced above, the employer must report and pay the WBF assessment for all such covered workers.

Call 888-877-5670 (toll-free) to speak with a compliance specialist to clarify whether a worker is subject to Oregon's workers' compensation law and the WBF assessment.

## 5. Is the employer of a preferred worker (an injured worker who has qualified to participate in Oregon's Preferred Worker Program) required to report and pay the WBF assessment for that preferred worker?

Yes. ORS 656.622(10) and Oregon Administrative Rule 436-110-0325(1) exempt an employer from paying workers' compensation insurance premiums and premium assessments on a preferred worker for three years from the date of hire. However, the statute does not authorize exemption from reporting and paying the WBF assessment. The employer must comply with the WBF assessment reporting and payment requirements of OAR 436-070 for preferred workers and other subject workers.

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## 6. Who is responsible for reporting and paying the WBF assessment for workers in a wrap-up project?

A wrap-up project is usually a large construction project in which multiple contractors work together under one umbrella for several things, including covering the cost of workers' compensation insurance. A wrap-up, for workers' compensation purposes, is not the employer, but the person (loosely defined as an entity) that pays the insurance on the wrap-up project.

Although the wrap-up pays the workers' compensation insurance, each individual employer continues to have responsibility to report and pay its WBF assessment. In other words, although all contractors involved in the wrap-up project may get their insurance coverage paid by the wrap-up, each participating employer is responsible for reporting and paying the WBF assessment for any of its workers covered by that insurance.

## Assessment rate

## 7. What is the WBF assessment rate for 2021?

The Department of Consumer and Business Services has set the WBF assessment rate for calendar year 2021 at 2.2 cents per hour. The WBF assessment applies to each full or partial hour worked by each paid individual that an employer is required or chooses to provide with workers' compensation insurance coverage. (See Item No. 3 Exception above for policy regarding nonpaid/volunteer workers.)

This rate complies with the statutory requirement that DCBS maintain a fund balance sufficient to provide uninterrupted benefits and services to insured workers, despite revenue fluctuations that have occurred due to uncertain economic conditions. The 2.2 cents-per-hour rate will fully fund the benefit programs for calendar year 2021.

The 2.2 cents-per-hour rate is the employer rate and worker rate combined. Employers contribute not less than half of the hourly assessment (1.1 cents per hour) and deduct not more than half from the worker's wages. In no case may an employer deduct more than half of the assessment from the worker's wages and, in all cases, the employer is responsible for payment of the full 2.2 cents-per-hour assessment.

## 8. How is the assessment rate determined?

The Department of Consumer and Business Services may adjust the WBF assessment rate as needed to meet stringent fund-balance requirements. The hourly rate is determined based on cash balances and projected levels of need of the programs funded by the assessment. The department provides public notice and mails a rate notice to employers and payroll service providers in advance of any change to the rate. Call 503-378-2372 for a copy or view the notice online at <https://www.oregon.gov/dcbs/cost/Pages/index.aspx>.

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Calendar Year	WBF Assessment Rate	Employer's Portion	Worker's Portion
2020-2021	<b>2.2</b> cents per hour	1.1 cents per hour	1.1 cents per hour
2019	<b>2.4</b> cents per hour	1.2 cents per hour	1.2 cents per hour
2017-2018	<b>2.8</b> cents per hour	1.4 cents per hour	1.4 cents per hour

## Determining hours worked

### 9. What is the definition of hours worked?

An hour worked is an hour in which the covered (or not covered but subject) worker, owner, or officer is engaged in a work activity. The WBF assessment is based on hours or parts of hours worked. (See below for how to treat partial hours worked.)

### 10. How are hours calculated?

Employers who track actual hours worked (including overtime hours) must use those records to determine actual hours and parts of an hour worked.

Not all employers of individuals who are salaried, paid on commission, paid "by the piece," or who work on an honor system track actual hours worked and are not required to do so exclusively for purposes of calculating the WBF assessment. If hours are not tracked, choose the method that ensures the most reasonable estimate of hours worked:

- Employers who have information available showing hours worked, such as a contract, should use this information to determine or reasonably estimate hours worked.

- Employers who estimate hours worked using a flat-rate calculation should use 173.33 hours per month, 40 hours per week, or eight hours per day (prorated for part-time).

If any method other than actual tracking or the flat-rate calculation without adjustment is used to determine a reasonable estimate of hours worked, the employer must document the method used in case of an audit.

### 11. Are overtime, leave (vacation, sick leave, paid time off, and holiday), training, orientation, travel, standby, or on-call time hours included as hours worked?

It depends.

If all actual hours worked are tracked:

- Include overtime hours.
- Do not include leave hours.
- If the person is required by the employer to attend, include hours attending orientation or training.
- If the person is required by the employer to travel and is paid for the hours of travel as hours worked, include travel time. (This does not include commute time for which the

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person is not paid by the employer as hours worked.)

- Do not include on-call or standby hours.

If no tracking system is available to track all actual hours worked, use the flat-rate calculation with no adjustment for overtime, leave, training, orientation, travel, on-call, or standby hours.

## 12. Workers work part-time. How are hours worked calculated?

Either track actual hours worked or, only if hours are not tracked, use the appropriate fraction of the appropriate flat rate to calculate hours worked. For example, for half-time workers paid weekly or biweekly, use a flat rate of half of 40 hours per week to calculate hours worked. For half-time workers paid monthly or semi-monthly, use half or one-quarter of 173.33 hours per month as a flat calculation. Document the calculation method.

## 13. Employer has both part-time and full-time workers. Can the flat rate be used for the full-time workers and actual hours tracked for the part-time employees?

**IMPORTANT!** The flat rate may **not** be used for anybody, full- or part-time, whose hours are tracked. However, the employer is not required to use same method for everybody. For example, if hours are not tracked for full-time workers, but are tracked for part-time workers, use the flat rate for full-time workers and the actual hours tracked for part-time workers.

## 14. Employer has monthly salaried employees working overtime. Must hours be tracked or may the flat rate be used?

The flat rate should be used if the employer does not track and has no way to estimate reasonably the overtime hours worked. Nothing in the law or administrative rules requires employers to track hours exclusively for the purpose of calculating the WBF assessment. However, whatever method is used to calculate workers' withholdings must also be used for the employer's contributions and vice versa.

## 15. Workers are paid a biweekly salary. Workers track their hours, but report them to the employer subsequent to each pay period. (In other words, the employer pays ahead.) Where hours are tracked, but reported after pay, can the flat rate be used to calculate the assessment or must the tracking method be used?

If an employer is paying by the hour before timesheets are collected, payment must be calculated on base hours worked, with adjustments for overtime or leave time made in the subsequent pay period. The assessment can be calculated the same way. The assessment may be based on the base hours assumed worked during a pay period, and any adjustment to actual hours worked may be used to calculate the assessment in the following pay period.

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## Calculating the assessment

### 16. What is a pay period?

The assessment is based on hours or parts of an hour worked in a pay period. Use the same pay period used to calculate the workers' state and federal withholding tax. Whatever pay period is used to compute the workers' withholding must be used to calculate the WBF assessment.

### 17. At the change of a calendar year, what assessment rate is used for payroll earned in the last quarter of one year, but not paid until the first quarter of the next year?

Use the assessment rate that applies to the period in which the payroll is paid, not earned. For payroll earned in December, but not paid until January, the assessment rate used is that which is in effect when the payroll is paid.

### 18. How are fractions of an hour treated when calculating the assessment portion to be deducted from an individual worker's wages?

Do not round fractions of hours worked when calculating an individual worker's portion of the WBF assessment. For example, if a worker works 38.5 hours in a pay period, multiply the worker portion of the assessment rate by 38.5 hours.

### 19. How are fractions of a cent treated when calculating the assessment portion to be deducted from an individual worker's wages?

Employers have limited discretion in how to round fractions of a cent when calculating an individual worker's portion of the WBF assessment.

- In the product of hours worked multiplied by the assessment rate, fractions of a cent may be rounded when calculating an individual worker's portion of WBF assessment. For example, a worker who worked 38.5 hours in a pay period,  $38.5 \times .022 = \$0.847$ . Half of  $\$0.847$  is  $\$0.424$ . Because not more than half may be collected from the worker's wages, the worker portion will be rounded down to  $\$0.42$ .

### 20. How are fractions of an hour treated when summing the total of all workers' hours worked for purposes of reporting and paying the WBF assessment?

When completing the reporting form (*Form OQ* or *Form OA Domestic*), round the sum of all workers' hours down to the nearest whole hour.

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## 21. How are fractions of a cent treated when multiplying the sum of all workers' hours worked by the assessment rate for purposes of reporting and paying the WBF assessment?

When completing the reporting form (*Form OQ* or *Form OA Domestic*), round the total amount due (the product of all workers' hours multiplied by the assessment rate) down to the nearest whole cent.

## 22. Can the employer pay the worker's half of the WBF assessment?

The law provides that it is the responsibility of the employer to collect, report, and pay to the state the full WBF assessment. However, the Department of Consumer and Business Services does not specifically enforce how the assessment is split between employer and workers as long as the employer collects no more than half of the assessment from the worker.

## 23. Is the WBF assessment deducted from the worker's wages before or after taxes?

When the worker portion of the WBF assessment is withheld from the worker's wages, it is deducted from the gross salary and does not change the amount of withholding for other payroll taxes or deductions.

## 24. Does the Department of Revenue consider it a taxable benefit if an employer pays the workers' half of the WBF assessment?

Yes. The law provides that the employer will deduct half of the WBF assessment from the workers' wages. Therefore, if the employer pays the workers' portion, the Department of Revenue considers this a taxable benefit to the worker.

The Department of Revenue uses the following example: A worker's gross taxable wage is \$1,000, and the worker portion of the WBF assessment is \$3. If the employer chooses to pay the total assessment, the worker's taxable gross wage is increased to \$1,003. If the worker pays the WBF assessment, the gross wage remains at \$1,000 and is not reduced by the amount of the assessment. For more information, contact the Department of Revenue at 503-945-8091.

## 25. Does the Department of Revenue require employers to report WBF assessment withholdings on the form W-2?

Normally, the employee portion of the WBF assessment withheld from the employee's paycheck is **not** included on the form W-2 as local taxes. However, if the employer chooses to pay the employee's portion of the WBF assessment rather than deduct it from the employee's paycheck, the employer must include this amount as additional wages on line 1 and line 15 (state wages) of the form W-2 as a taxable fringe benefit.

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## Reporting

Employers report and pay the WBF assessment (not workers' compensation insurance premiums) directly to the state.

- Employers subject to quarterly reporting of state withholding taxes, unemployment insurance taxes, or TriMet or Lane Transit District (LTD) taxes report their WBF assessment quarterly with these other payroll taxes on the *Oregon Quarterly Tax Report (Form OQ)* or its electronic equivalent.
- Employers subject only to the WBF assessment report quarterly, and complete only the WBF Assessment portion of the *Oregon Quarterly Tax Report (Form OQ)* or its electronic equivalent.
- Agricultural employers who report state withholding taxes annually using the *Oregon Agricultural Annual Withholding Tax Return (Form WA)*, and are not subject to unemployment insurance taxes or TriMet or LTD transit taxes, report their WBF assessment annually, and complete only the WBF Assessment portion of the *Oregon Quarterly Tax Report [Form OQ (Ag Annual)]*.
- Employers of domestic workers who annually report state payroll taxes annually report their WBF assessment with the other payroll taxes on the *Oregon Annual Report (Form OA Domestic)*.

Employers are encouraged to report electronically using Oregon Payroll Reporting System (OPRS). This is an electronic payroll reporting application managed by the Oregon Employment Department. OPRS is a free, secure, and user-friendly system for filing your combined payroll tax reports. Benefits include saving and printing copies of your reports, filing amendments within OPRS, and prefilled tax rates. Access OPRS at [opr.emp.oregon.gov](https://opr.emp.oregon.gov). For help, click the FAQ or Contact Us buttons on OPRS.

To pay the WBF assessment, employers have two options: pay by check or electronically. If you pay by check, you may write a single check for the total amount of all state payroll taxes due, including the WBF assessment (not workers' compensation insurance premiums).

To ensure allocation to the correct state payroll tax programs, you must accompany each check with a completed *Oregon Combined Tax Payment Coupon (Form OR-OTC)* to itemize how you want your payment allocated. The scan line on each *Form OR-OTC* contains personalized coding, so it is important to ensure that you use the correct *Form OR-OTC* for your business and the correct year. Never alter the preprinted text or scan line on *Form OR-OTC*. If you need coupons, or the information on the coupons updated, contact the Department of Revenue at 503-945-8091 or 503-378-4988.

To electronically pay state payroll taxes (including the WBF assessment) by electronic funds transfer (EFT), use the Oregon Department of Revenue's self-service site, Revenue Online. You can make ACH debit payments through this system at any time, with or without a Revenue Online account. If

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you are making ACH credit payments, you need to fill out a short application to get the information your financial institution needs to initiate the payment.

With a Revenue Online account, withholding taxpayers can generate their Form OR-OTC, Oregon Combined Payroll Tax Coupon. All taxpayers can manage their tax accounts, view letters we have sent, and securely send us messages through their Revenue Online account. Revenue Online is available at <http://www.oregon.gov/dor>.

## **26. Must employers who maintain active workers' compensation coverage, but who have no subject workers, file a report?**

It depends. Employers must report the hours worked by every paid person covered by their workers' compensation insurance. In addition to subject workers, this includes any workers, officers, and owners who are not subject to workers' compensation law, but for whom the employer chooses to provide coverage. Even if the covered parties worked no hours during the reporting period, a report must be filed to report "0" hours worked and "0" assessment due.

Some employers choose to maintain active "just in case" coverage. This is coverage maintained in case a worker is hired, although no one, including the policyholder, is covered. If an employer maintains active coverage, but has no covered parties, the employer may file a Corrections and Changes Notification form ([http://wcd.oregon.gov/WCDForms/211\\_158.pdf](http://wcd.oregon.gov/WCDForms/211_158.pdf)) to report this status. The

Department of Consumer and Business Services (DCBS) will verify the information on the form and grant the employer an exemption from filing "0" reports. However, as soon as any paid individual is covered by the workers' compensation insurance, the employer must contact the Workers' Compensation Assessments Section of DCBS to reinstate reporting liability.

## **27. How do employers report the employer's portion of the WBF assessment on the Form OR-OTC when other taxes calculated on the Form OR-OTC are based on worker payroll?**

The employer and worker portions of the WBF assessment are calculated together and reported in the Workers' Benefit Fund Assessment box on Form OR-OTC; the payment must accompany Form OR-OTC. The Total Payment reported on Form OR-OTC and the actual payment remitted must be the same.

## **28. Must employers pay if the WBF assessment owed is less than \$1?**

Even when the calculated WBF assessment owed is less than \$1, employers must report the hours worked and assessment owed on Form OQ to avoid failure-to-file penalties. Employers are encouraged to send small balances using Revenue online (ROL) at <https://revenueonline.dor.oregon.gov>.

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## 29. Can employers pay the WBF assessment at the same time they pay their monthly withholding taxes?

Yes. Employers are encouraged to pay their WBF assessment only when completing their quarterly report; however, if an employer participating in the combined payroll system chooses to send payments more often, they will be accepted.

## 30. Can employers who process payroll taxes and workers' compensation-related payments out of separate units submit more than one *Form OQ* per quarter (one for the WBF assessment and one for all other payroll taxes)?

No. The law combines the reporting and payment of all payroll taxes, including the WBF assessment. For employers who participate in the combined reporting system, only one *Form OQ* may be submitted. If two *Form OQs* were to be received independently of one another, each would appear to be incomplete. Accomplishing combined reporting is the employer's responsibility.

## Amending forms

### 31. How do employers correct reporting errors on *Form OQ* or *Form OA Domestic*?

If you discover an error was made on a previously filed report, you are required to file an Amended OQ/OA.

The Amended OQ/OA can be downloaded at <http://www.oregon.gov/EMPLOY/Businesses/Tax/Pages/Amend-a-Payroll-Report.aspx>. On this form, under the Workers' Benefit Fund (WBF) heading, complete the Original Amount column as originally reported (Whole Hours Worked, WBF Assessment Rate, and Total Assessment Due). Use the Net Change column if you need to correct hours worked, and use the Correct Amount column to correct the WBF assessment rate. This form can also be used to amend State Withholding, TriMet Transit District, Lane Transit District, and Unemployment Insurance taxes. In the box labeled Reason for Amending, briefly explain why you are amending your report.

You should use the Amended OQ/OA Report even if you filed the original report electronically.

If you filed by OTTER, remember to update the previously filed quarters. This will update your database so that future reports will show the correct information

Fax your amended report to 503-947-1700 or mail to:

Oregon Department of Revenue  
P.O. Box 14800  
Salem, OR 97309-0920

### 32. How far back can WBF assessment reports be adjusted or corrected?

WBF assessment reports can be corrected only for quarters during the current calendar year and three preceding years. Per Oregon Administrative Rule (OAR) 436-070-0020(6), the Department of Consumer and Business Services cannot initiate or accept adjustments to resolve errors, omissions,

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or discrepancies in WBF assessment reports or payments for any quarter that predates the current calendar year and three preceding years. This excludes quarters already in audit, but not yet resolved at the change of a calendar year.

WBF assessment reports cannot be amended to reduce the WBF assessment on any quarter, including quarters during the current calendar year and three preceding years, that has been audited and resolved by Order of Default. Once a quarter's assessment has been made final by Order of Default, the Department of Consumer and Business Services will not accept adjustments to reduce that assessment.

## Credit transfer or refund

### 33. How do employers request transfers of WBF assessment payments that have been incorrectly applied?

Do not use *Form OQ* to request that credits be transferred between tax programs. If you have a credit on your WBF assessment account that needs to be transferred to another state payroll tax program collected through the Combined Payroll Tax Reporting System (state withholding tax, Unemployment Insurance tax, or TriMet or Lane Transit District excise tax), you need to write or fax a request for a transfer and include the following information:

1. Account name
2. Business Identification Number (BIN)
3. The quarter and year and name of the tax program on which the credit exists

4. The quarter and year and name of the tax program to which you want the credit applied
5. Amount to be transferred
6. Contact name and position
7. Contact phone number

Also include a copy of any notice or memo that you received regarding the credit. Send your written request to:

DCBS, Central Services Division  
WC Assessments Unit  
P.O. Box 14480  
Salem, OR 97309-0405

Fax: 503-378-3134

### 34. How do employers request a refund of an overpaid WBF assessment?

If you have a credit on your WBF assessment account that you want refunded, mail or fax a request for a refund that includes the following information:

1. Account name
2. Business Identification Number (BIN)
3. The word REFUND
4. Amount to be refunded
5. Contact name and position
6. Contact phone number

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Also include a copy of any notice or memo that you received regarding the credit. Send your written request to:

DCBS, Central Services Division  
WC Assessments Unit  
P.O. Box 14480  
Salem, OR 97309-0405

Fax: 503-378-3134

## Workers' compensation insurance coverage

### 35. Does this assessment provide workers' compensation insurance coverage for my employees?

No. Paying the WBF assessment does not provide employers with workers' compensation insurance coverage. The Department of Consumer and Business Services uses the WBF assessment revenue to pay certain claims-related costs such as re-employment assistance and retroactive benefit adjustments. (Information about programs funded by the Workers' Benefit Fund is found at <http://www.oregon.gov/DCBS/Pages/wbf.aspx>.)

By law, virtually all employers must obtain workers' compensation insurance coverage before they employ any workers. Coverage can be obtained from a commercial insurance company qualified to write workers' compensation insurance in Oregon or from SAIF Corporation. Employers may also apply to the Workers' Compensation Division of the Department of Consumer and Business Services to become self-insured. Failing to provide workers' compensation insurance coverage

subjects employers to penalties and liability for all claim costs if a worker is injured on the job. Information on how to obtain coverage is found at <http://www.oregon.gov/DCBS/SBO/Pages/sbo.aspx>.

### 36. How do self-insured employers report the WBF assessment?

Self-insured employers report and pay in the same way other subject employers report and pay the assessment, using the *Form OQ* and *Form OTC*. Self-insured employers continue to report and pay their premium assessment directly to the Department of Consumer and Business Services. (See DCBS Bulletin No. 381 dated May 31, 2019, regarding Instructions for Payroll and Premium Assessment Quarterly Report. Bulletin No. 381 can be found at <http://wcd.oregon.gov/forms/Pages/bulletins.aspx>.)

## Closing Your Account

### 37. How do employers close their WBF assessment account?

Employers' liability for reporting the WBF assessment ends effective the date they cancel their workers' compensation insurance policy because they are no longer in business or no longer have subject workers. As soon as the employer's workers' compensation insurance carrier notifies the Department of Consumer and Business Services, Workers' Compensation Division of the canceled coverage, the employer's WBF assessment account is closed.

An exception is when an employer cancels or

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fails to obtain coverage, but remains in business according to payroll tax records maintained by Department of Revenue or Employment Department. DCBS presumes that the employer is liable for reporting the WBF assessment until the Workers' Compensation Division verifies that the employer has no workers who are subject to workers' compensation laws.

When employers change ownership, discontinue business, or stop employing workers at the same time that they contact their workers' compensation insurer with the corrected information, they may expedite the updating or closure of their WBF assessment account. To notify the Workers' Compensation Division directly of the change or closure, employers may use the Corrections and Changes Notification form ([http://wcd.oregon.gov/WCDForms/211\\_158.pdf](http://wcd.oregon.gov/WCDForms/211_158.pdf)).

Note: Having an active workers' compensation insurance policy triggers two types of liability: claims liability (the insurance company's liability to address claims filed by covered workers) and assessment-reporting liability (the employer's liability to report and pay the WBF assessment). Only an employer's workers' compensation insurer can change or terminate claims liability. Completing the Corrections and Changes Notification form ([http://wcd.oregon.gov/WCDForms/211\\_158.pdf](http://wcd.oregon.gov/WCDForms/211_158.pdf)) will expedite updating or closing the WBF assessment account for reporting purposes, but your insurance coverage and claims liability remain unchanged and in

effect until your insurer directly notifies the Workers' Compensation Division.

The Corrections and Changes Notification form is available at [http://wcd.oregon.gov/WCDForms/211\\_158.pdf](http://wcd.oregon.gov/WCDForms/211_158.pdf) or <http://www.oregon.gov/DCBS/Pages/wbf.aspx> or may be obtained by calling 503-378-2372. Completion and mailing instructions are on the form.

## Additional questions

If you have questions regarding employer or worker subjectivity to the WBF assessment, please contact the Workers' Compensation Division of the Department of Consumer and Business Services:

VOICE/TTY: 503-947-7815

Toll-free: 1-888-877-5670

Internet: <http://wcd.oregon.gov/employer/Pages/index.aspx>

Email: [workcomp.questions@oregon.gov](mailto:workcomp.questions@oregon.gov)

If you have questions about the collecting and reporting of WBF assessments, please contact the Central Services Division at the Department of Consumer and Business Services:

VOICE/TTY: 503-378-2372

Internet: <http://www.oregon.gov/DCBS/Pages/wbf.aspx>

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