

Workers' Benefit Fund (WBF) Assessment

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Background

Employers who maintain workers' compensation insurance for themselves and/or their workers 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 remit it to the State. Premium assessments fund administrative costs of the State's workers' compensation system, non-complying employer claims, a portion of OR-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 sheet 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 by e-mail or diskette (using OTTER), over the Internet (using SETRON), 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 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 reemployment 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/FABS/wbf.shtml> or by calling 1-800-445-3948 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 persons on its payroll that are or legally should be covered by workers' compensation insurance in Oregon.

Any employer with workers subject to Oregon's Workers' Compensation Laws (ORS Chapter 656) is required to 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 "non-complying employer" does not relieve the employer's WBF assessment reporting liability.)

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 persons (including owners, officers, and non-subject workers) who are covered by the workers' compensation insurance. Electing to provide coverage to persons 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 and those who receive non-monetary compensation for services rendered.

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://www.oregonwcd.org/policy/bulletins/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?*

Only those employers who are not required by Oregon law to have workers' compensation insurance and do not elect to maintain workers' compensation insurance coverage for themselves or their paid workers are exempt from reporting and paying the WBF assessment. Among workers exempt from the coverage requirement are domestic workers hired to work in or about the employer's private home; casual labor workers when the total labor cost never exceeds \$500 in a 30-day period; partners who are also the business's only workers; 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.

You can call toll free 1-888-877-5670 and 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" (i.e. an injured worker that has qualified to participate in Oregon's Preferred Worker Program) required to report and pay the Workers' Benefit Fund (WBF) assessment for that preferred worker?*

Yes. ORS 656.622(10) and OAR 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 is required to comply with the WBF assessment reporting and payment requirements of OAR 436-070 for preferred workers as well as other subject workers.

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 where 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 that are 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 2008?*

The Department of Consumer & Business Services has set the WBF assessment rate for calendar year 2008 at 2.8 cents for each hour or partial hour worked by each paid worker who is required by Oregon law to be covered by workers' compensation insurance, as well as by any owner, officer, or paid worker whom you choose to cover although not required by Oregon law. (See Item #3 "Exception" above for policy regarding non-paid/volunteer workers.)

The 2008 rate is the same as the 2007 rate, and complies with the statutory requirement that DCBS maintain a fund balance sufficient to provide uninterrupted benefits and services to injured workers despite revenue fluctuations that occur due to uncertain economic conditions. The 2.8 cents-per-hour rate will fully fund the benefit programs for calendar year 2008.

The 2.8 cents per hour is the employer rate and worker rate combined. Employers contribute half of the hourly assessment (1.4 cents per hour), and deduct half of the assessment (1.4 cents per hour) 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 2.8 cents-per-hour assessment.

8. *How is the assessment rate determined?*

The WBF assessment rate may be adjusted annually by the Department of Consumer & Business Services to meet stringent fund-balance requirements. The next year's hourly rate is determined no later than November of each year based on cash balances and projected levels of need of the programs funded by the assessment. If you do not receive an annual rate notice by November 15 of each year, you may call (503) 378-2372 for a copy or view the notice on-line at www.oregon.gov/DCBS/premium.shtml.

Calendar Year	WBF Assessment Rate	Employer's Portion	Worker's Portion
2008	2.8 cents per hour	1.4 cents per hour	1.4 cents per hour
2007	2.8 cents per hour	1.4 cents per hour	1.4 cents per hour
2006	3.0 cents per hour	1.5 cents per hour	1.5 cents per hour
2005	3.4 cents per hour	1.7 cents per hour	1.7 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 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 8 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 hours included?*

It depends. If actual hours worked are tracked:

- Include overtime hours.

If hours worked are determined using the flat-rate calculation:

- If a tracking system is available for recording overtime hours, add the overtime hours to the calculated total.
- If no tracking system is available to track overtime hours, use the calculated total with no adjustment for overtime hours.

Any time you are calculating overtime hours, use only actual hours worked and not hours paid (e.g. two hours overtime paid at twice the hourly wage is calculated as two hours worked, not as four hours paid).

12. Are leave (vacation, sick leave, paid time off (“PTO”), or holiday) hours included?

It depends. If actual hours worked are tracked:

- Do not include leave (vacation, sick leave, PTO, and holiday) hours.

If hours worked are determined using the flat-rate calculation:

- If a tracking system is available for recording leave (vacation, sick leave, PTO, or holiday) hours, subtract leave hours from the calculated total.
- If no tracking system is available to track leave hours, use the calculated total with no adjustment for leave hours.

13. Are training hours and orientation hours included?

If the individual is required by the employer to attend, include hours attending orientation or training.

14. Is standby or on-call time included?

No.

15. 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.

16. Employer has both part-time and full-time workers. Can the flat rate be used for the full-time workers and actual hours be 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.

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

The flat rate may be used if the employer 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.

18. 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.

Calculating the Assessment

19. 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.

20. 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 example, the assessment rate changed from .030 for 2006 to .028 for 2007. For payroll earned in December 2006, but not paid until January 2007, the assessment rate used is that which is in effect when the payroll is paid (.028).

21. How are fractions of an hour treated in the assessment calculation?

Fractions of hours worked are not rounded. For example, if a worker works 37.5 hours in a pay period, the assessment calculation would be 37.5 hours x \$.028.

22. How are fractions of a cent dealt with as a deduction?

When reporting the WBF assessment, "total hours worked by all workers during the reporting period" times "the assessment rate" (which is the worker and employer rate combined) is the amount due. Fractions of hours worked by each worker may **not** be rounded when calculating each worker's assessment amount due. However, when completing the reporting form (*Form OQ* or *Form OA Domestic*), the sum of all workers' hours should be rounded down to the nearest whole, and the total amount due (the product of hours worked times the assessment rate) should be rounded down to the nearest whole cent.

In addition, when calculating the worker portion to be deducted from wages, it is inevitable that fractions of a cent will result. Therefore, the product of "hours worked" multiplied by "the assessment rate" may be rounded at the employer's discretion. For example: for a worker who worked 173.33 hours, $173.33 \times .028 = \$4.85$ (the total assessment due rounded down to the nearest whole cent). Half of this may be collected from the worker's wages: Half of \$4.85 = \$2.427 or \$2.42 (if the employer chooses to drop the fraction of a cent) or \$2.43 if rounded up. The math formula is equivalent to $(\text{hours} \times \text{rate})/2$.

If the fraction of a cent is dropped when deducting the workers' half, a rounding error may result in a slight difference between amounts contributed by the workers and the employer. Of course, the more workers there are, the larger the difference will be. Therefore, the total of all workers' "hours worked" reported may be rounded at the employer's discretion. Employers need to determine which method (dropping the fraction of a cent, or rounding up or down using a 4/5 split) will come closest to each contributing half.

23. May 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 so long as the employer collects no more than half of the assessment from the worker.

24. 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.

25. 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 shall deduct half of the WBF assessment from the workers' wages. Therefore, if the employer pays the worker's portion, the Department of Revenue considers this is 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, (503) 945-8091.

Reporting

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

- Employers who are subject to quarterly reporting of state withholding taxes, unemployment insurance taxes and/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)*.
- Employers who are subject only to the WBF assessment report quarterly, completing only the WBF Assessment portion of the *Oregon Quarterly Tax Report (Form OQ)*.
- 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, completing only the WBF Assessment portion of the *Oregon Quarterly Tax Report (Form OQ (Annual))*.
- Employers of domestic workers who report state payroll taxes annually report their WBF assessment annually with the other payroll taxes on the *Oregon Annual Report (Form OA Domestic)*.

Employers that report quarterly are encouraged to consider electronic reporting. You can file by e-mail, diskette, or over the Internet. To report by e-mail or diskette, use "OTTER" (Oregon Tax Employer Reporting) software, which is free, user friendly, and has proven to be very popular with both large and small employers. You may order OTTER by calling 503-947-1488 or by downloading the software from www.oregon.gov/EMPLOY/TAX.

To report over the Internet, use "SETRON" (Secure Employer Tax Reporting On-line). SETRON is available on the Oregon Employment Department's website at www.oregon.gov/EMPLOY/TAX.

To pay the WBF assessment, employers have two options. You may 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 OTC)* to itemize how you want your payment allocated. The scan line on each *Form OTC* contains personalized coding, so it is important to ensure that you use the correct *Form OTC* for your business and the correct year. Never alter the pre-printed text or scan line on *Form 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 pay state payroll taxes (including the WBF assessment) electronically, use the Oregon Department of Revenue's electronic funds transfer (EFT) program. This program allows you to make payments using a touch-tone telephone, secure Internet site, or through your financial institution, but you must first have an authorization agreement filed with the Department of Revenue before initiating EFT payments.

Information and authorization agreements are available by calling 503-947-2017 or on the Internet at <http://www.oregon.gov/DOR>. The combined reporting and payment of WBF assessments with the reporting and payment of income tax withholdings, unemployment taxes and certain transit taxes is intended to streamline record keeping and reporting requirements for employers.

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 individual 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 "just 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://www.oregonwcd.org/policy/bulletins/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 OTC when other taxes calculated on the Form 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 OTC*; the payment must accompany *Form OTC*. The "Total Payment" reported on *Form OTC* and the actual payment remitted must be the same.

28. Must employers pay if the WBF assessment owed is less than one dollar?

Even when the calculated WBF assessment owed is less than \$1.00, employers must report the hours worked and assessment owed on *Form OTC* to avoid "failure to file" penalties. However, employers are not required to accompany their report with a payment less than one dollar.

29. May 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 who participates in the combined payroll system chooses to remit payments more often, they will be accepted.

30. May 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 that you under-reported or over-reported hours or assessment on a previously filed report, do not adjust for that error on the current quarter's form. Make a photocopy of the incorrectly completed form. On the photocopy, write "AMENDED" at the top and mark the adjustments needed. **Do not use red ink.** Write a brief explanation of why you are amending your report.

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

32. How do employers correct errors on reports filed using OTTER?

Make the necessary corrections to the original report on the disk using the appropriate program. **Print a paper copy** of the corrected report, write "AMENDED" at the top, and write a brief explanation of why you are amending your report. **Do not use red ink, and do not send your corrected report electronically.** Mail the paper copy of your corrected report.

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

33. 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, or discrepancies in WBF assessment reports or payments for any quarter that pre-dates 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, which 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

34. 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, Fiscal and Business Services
WC Assessments Section
P.O. Box 14480
Salem, OR 97309-0405
Fax: (503) 378-3134

35. 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

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

DCBS, Fiscal and Business Services
WC Assessments Section
P.O. Box 14480
Salem, OR 97309-0405
Fax: (503) 378-3134

WC Insurance Coverage

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

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

By law, virtually all employers must obtain workers' compensation insurance coverage before they employ any workers. Coverage can be obtained from any 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 & 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/how_to.shtml.

37. 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 & Business Services. (See DCBS Bulletin No. 346 dated May 23, 2007, regarding "Instructions for Payroll and Premium Assessment Quarterly Report". Bulletin No. 346 can be reviewed on-line at http://www.cbs.state.or.us/wcd/policy/bulletins/ab_index.html).

Closing Your Account

38. How do employers close their WBF assessment account?

Employers' liability for reporting the WBF assessment ceases effective the date that 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 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 that are subject to Workers' Compensation Laws.

Sometimes an employer cancels coverage because it has gone out of business or no longer has anyone covered by the policy, but the insurance carrier does not notify the Workers' Compensation Division of this cancellation in a timely manner. In this circumstance, the Workers' Compensation Division has received no notification that prompts it to close the WBF assessment account.

When employers change ownership, discontinue business, or cease to employ 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://www.oregonwcd.org/policy/bulletins/211_158.pdf).

If an employer has already canceled its insurance policy and is out of business or has no workers, but continues to receive reporting forms or account resolution notices from the Department of Consumer and Business Services, this may be because the insurer has not notified the Workers' Compensation Division of the canceled coverage. Complete the Corrections and Changes Notification form (http://www.oregonwcd.org/policy/bulletins/211_158.pdf) and attach a copy of your insurance cancellation notice to expedite closure of your WBF assessment account.

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://www.oregonwcd.org/policy/bulletins/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 notifies the Workers' Compensation Division directly.

The Corrections and Changes Notification form is available at the following link http://www.oregonwcd.org/policy/bulletins/211_158.pdf or <http://www.oregon.gov/DCBS/FABS/wbf.shtml> 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 & Business Services:

VOICE/TTY: (503) 947-7815
Toll free: 1 (888) 877-5670
Internet: <http://www.oregon.gov/DCBS/FABS/wbf.shtml>
E-mail: workcomp.questions@state.or.us

If you have additional questions regarding the collection and reporting of WBF assessments, please contact Fiscal and Business Services at the Department of Consumer & Business Services:

VOICE/TTY# (503) 378-2372
Internet: <http://www.oregon.gov/DCBS/FABS/wbf.shtml>
E-mail: wbfassess_fabs@cbs.state.or.us