

SUBCOMMITTEE RECOMMENDATION

Item 42: Department of Consumer and Business Services Workers' Compensation Premium Assessment

To: Ways and Means Full Committee
From: The Transportation and Economic Development Subcommittee
Carrier: Senator Hansell

The Transportation and Economic Development Subcommittee recommends that the Joint Interim Committee on Ways and Means acknowledge the receipt of a report on changes to the workers' compensation assessment rates.

The premium assessment funds the Workers' Compensation Division, including the Ombudsman for Injured Workers, the Small Business Ombudsman, a portion of the Oregon OSHA program, and the Workers' Compensation Board. The assessment is calculated as a percentage of the total premiums collected by workers' compensation insurers. An increase in the rate is required to compensate for projected reductions to total premiums charged so that revenues supporting workers' compensation programs at the Department of Consumer and Business Services can be maintained. The increase in the assessment rate is 0.8% bringing the core rate to 9.8% beginning January 2022.

The Workers' Benefit Fund is unchanged at 2.2 cents per hour. The agency is able maintain an adequate fund balance at this rate due primarily to the attrition of program beneficiaries.

The Subcommittee recommends approval.