



# DCBS-Workers' Compensation Division

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Department of Consumer and Business Services





# DCBS-Workers' Compensation Division (WCD)

DCBS-Workers' Compensation Division regulation of professional employer organizations (PEOs)

- Licensure
- Workers' compensation insurance coverage



# Definition

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Under ORS 656.850(1)(a):

- “Worker leasing company” means a person who provides workers, by contract and for a fee, to work for a client but does not include a person who provides workers to a client on a temporary basis.
- The term “worker leasing company” includes professional employer organizations, also known as PEOs.
- It excludes temporary service providers and other entities that provide workers for special, time-limited situations, such as to cover employee absences, seasonal workloads and special assignments and projects.



# Statutes and Rules Applied

## ORS 656.850

- Defines “worker leasing company” and “temporary service provider”
- Requires worker leasing companies to:
  - Be licensed by the director of DCBS
  - Provide workers’ compensation coverage for each client’s leased and regular workers, unless the client chooses to obtain its own coverage
  - Provide notice to the director when coverage is provided to a client, as well as when that coverage is terminated
  - Ensure that clients provide adequate training and supervision to leased workers to satisfy ORS chapter 654 (Occupational Safety & Health)
- ORS 656.850 is implemented in rule by OAR 436-180



# Statutes and Rules Applied

## ORS 737.270

- Requires the premium an insurer charges a worker leasing company for coverage of a client to be based on that client's own experience rating.
- Requires insurers to report statistical data for each client of a worker leasing company separately, so that an employer's loss history during the term of a worker leasing arrangement can be used in its experience rating after the arrangement ends.



# Administrative Relationship

The Workers' Compensation Division works closely with worker leasing companies to ensure that they meet the requirements of Oregon workers' compensation law. This includes:

- Licensing new worker leasing companies.
- Processing the notices worker leasing companies use to report changes in client coverage. This dovetails with the division's broader mission of ensuring that every Oregon subject employer has workers' compensation coverage.
- Providing technical and policy guidance about Oregon's coverage requirements.



# Questions

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# WCD Contact Information

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