~~Worker Leasing~~Professional Employer Organizations and Temporary Service Providers

Oregon Administrative Rules
Chapter 436, Division 180

Effective July 1, 2027

TABLE OF CONTENTS

Rule		Page
436-180-0003	Purpose, Applicability, Forms, and Bulletins	2
436-180-0005	Definitions	2
436-180-0008	Requests for Hearings or Administrative Review	5
436-180-0100	Responsibility for Providing Coverage under a PEO Relationship	6
436-180-0110	Notice of Client Coverage; Changes to Coverage Information; Termination; Reinstatements	7
436-180-0115	Responsibility of Insurer	13
436-180-0120	Temporary Workers	13
436-180-0140	Qualifications, Applications, Voluntary Suspensions, and Renewals for License as a PEO	15
436-180-0150	Recordkeeping and Reporting Requirements	22
436-180-0155	Reporting Requirements of a Self-Insured PEO	24
436-180-0160	Suspension or Revocation of License	24
436-180-0170	Monitoring and Auditing	27
436-180-0200	Assessment of Civil Penalties	27

DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
WORKERS' COMPENSATION DIVISION
PROFESSIONAL EMPLOYER ORGANIZATIONS AND TEMPORARY SERVICE ~~COMPANIES~~PROVIDERS~~WORKER LEASING~~

OREGON ADMINISTRATIVE RULES
CHAPTER 436, DIVISION 180

Summary of changes to OAR 436-180:

In addition to the specific changes referenced below, multiple rules in OAR 436-180 are being amended to adopt new terminology introduced by HB 2800 (2025), such as "professional employer organization," which replaces the older term "worker leasing company" throughout. Multiple plain-language and housekeeping changes have also been made.

- OAR 436-180 is amended to be titled "Professional Employer Organizations and Temporary Service Providers"
- OAR 436-180-0003 is amended for consistency with other divisions of OAR chapter 436.
- OAR 436-180-0005 is amended to adopt and revise definitions of terms used in HB 2800 and delete definitions of terms no longer used in ORS 656.850.
- OAR 436-180-0100 is amended to align with new provisions on PEO coverage responsibilities introduced by HB 2800.
- OAR 436-180-0110 is amended to adopt rules for carrier-insured PEOs to provide notice of their coverage responsibilities to their insurers, including timeframes. Previously the rule did not distinguish between carrier-insured and self-insured PEOs.
- OAR 436-180-0115 is adopted to:
    - Provide clarity on when and how an insurer assumes liability for compensation due to a PEO's client's workers under existing law;
    - Require insurers that provide coverage to PEOs to do so on a multiple coordinated policy (MCP) basis beginning January 1, 2028; and
    - Require insurers to report proof of coverage for PEOs and their clients via electronic data interchange (EDI).
- OAR 436-180-0120 is amended to align with new provisions on temporary service providers introduced by HB 2800.
- OAR 436-180-0140 is amended to:
    - Change the process applicants for a PEO license must use to verify tax compliance for consistency with Oregon Department of Revenue and Internal Revenue Service rules;
    - Require first-time applicants, but not applicants for renewal, to provide organization charts showing all persons with whom they share majority common ownership;
    - Require PEOs to notify the division if they intend to cancel or nonrenew their licenses;
    - Allow PEOs with no clients to voluntarily suspend their licenses.
- OAR 436-180-0150 is amended to provide for the form and interval of the client lists PEOs must submit to the division under ORS 656.850 as amended by HB 2800.
- OAR 436-180-0155 is amended to adopt terminology introduced by HB 2800.
- OAR 436-180-0160 is amended to adopt terminology introduced by HB 2800.
- OAR 436-180-0170 is amended to adopt terminology introduced by HB 2800.
- OAR 436-180-0200 is amended to adopt terminology introduced by HB 2800.

436-180-0003 ~~Administration of Rules~~Purpose, Applicability, Forms, and Bulletins

(1) Purpose.

These rules carry out the provisions of ORS 656.403(4)~~;~~, 656.849, 656.850~~;~~, and 656.855 related to ~~worker leasing companies~~professional employer organizations (PEOs).

(2) ~~Director's discretion~~Applicability.

(a) These rules apply to temporary service providers, PEOs, clients of PEOs, and insurers of PEOs.

(b) The director may waive procedural rules as justice requires, unless otherwise obligated by statute.

(3) Forms and bulletins.

The forms and bulletins referenced in these rules are available on the division's website at https://wcd.oregon.gov/forms/Pages/index.aspx.

Statutory authority: ORS 656.726(4) and 656.855
Statutes implemented: ORS 656.403(4)~~,~~ 656.849; 656.850 and 656.855
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0005 Definitions

Unless a term is defined elsewhere in these rules, the definitions of ORS 656.005 and 656.850 are incorporated by reference and made a part of these rules. For the purpose of these rules, unless the context requires otherwise:

(1) "Administrative services" means services including, but not limited to:

(a) Processing payroll at the client's direction;

(b) Advising the client on human resources matters;

(c) Facilitating the purchase of insurance for the client, including workers' compensation insurance; and

(d) Reporting payroll taxes for the client under the client's BIN or FEIN.

(~~1~~2) "Board" means the Workers' Compensation Board and includes its Hearings Division.

(3) **"Business Identification Number"** or **"BIN"** means the reporting number used by the Oregon Department of Revenue to identify a business entity for state tax reporting purposes

(~~2~~43) "Client" means:

(a) ~~a~~ A person to whom workers are provided ~~under contract and for a fee~~ on a temporary ~~or leased~~ basis~~.~~;

(b) A person that enters into an agreement with a licensed PEO under which certain employer responsibilities for the person's workers are allocated; or

(c) A person that enters into such an agreement with a person not licensed as a PEO, if the two persons do not share common majority ownership.

~~"Client" does not include a person that shares common majority ownership with the person providing workers under contract and for a fee.~~

(~~3~~54) **"Common majority ownership"** means the same person or group of persons:

(a) Own a majority of issued voting stock in an entity;

(b) Comprise a majority of the owners, partners, or members of an entity, if no voting stock is issued; or

(c) Comprise a majority of the board of directors or comparable governing body of an entity if subsections (a) and (b) of this section are not applicable.

~~**owns more than 50 percent of each entity.**~~**(d)** If ~~an entity~~the same person or group of persons owns a majority interest in ~~another~~ an entity, which in turn owns a majority interest in another entity, all entities so related are considered to share common majority ~~interest~~ownership.

(~~4~~65) **"Controlling person"** means:

(a) A person who holds an ownership interest greater than or equal to the lesser of:

(A) The average ownership interest of all owners; or

(B) 10 percent;

(b) A person who is an officer or director of a corporation,~~;~~ a member or manager of a limited liability company,~~;~~ or a partner of a partnership; or

(c) An individual who has the power to direct or cause the direction of the management, policies, or operation of a ~~worker leasing company~~PEO.

(~~5~~76) **"Coverage"** means assurance that subject workers and their beneficiaries will receive compensation for compensable injuries as provided for under ORS chapter 656 through a workers' compensation insurance policy or by a self-insured employer.

(87) **"Covered employee"** means a client worker for whom a PEO has assumed employer responsibilities under a PEO relationship.

(~~6~~98) **"Days"** means calendar days unless otherwise specified.

(109) **"Direct hire employee"** means a client worker for whom a PEO has not assumed employer responsibilities under a PEO relationship.

(110~~7~~) **"Director"** means the director of the Department of Consumer and Business Services or the director's designee.

(121) **"Employer responsibilities"** means responsibilities including, but not limited to:

(a) Satisfying the requirements of ORS 656.017 and ORS 656.407, and

(b) Reporting payroll taxes under a person's own FEIN.

(132~~8~~) **"Federal Employer Identification Number"** or "**FEIN**" means the reporting number used by the Internal Revenue Service to identify a business entity for federal tax reporting purposes. "FEIN" does not include a Social Security Number or other reporting number used to identify an individual.

~~(9) **"Leased worker"** means any worker provided by a worker leasing company to a client on other than a temporary basis, as described in OAR 436-180-0120.~~

(~~10~~143) **"License"** means an Oregon ~~worker leasing~~ PEO license issued by the ~~department~~ director under ORS 656.855.

(~~11~~154) **"Person"** means an individual, partnership, corporation, joint venture, limited liability company, association, government agency, sole proprietorship, or other ~~business entity allowed to do business in Oregon~~ employer.

(165) **"Professional employer organization"** or **"PEO"** means a person that enters into a PEO relationship with a client. "PEO" does not include a person that solely provides workers to a client on a temporary basis or a person that provides administrative services without assuming employer responsibilities for client workers.

(176) **"PEO relationship"** means an agreement between a PEO and a client under which certain employer responsibilities for some or all of the client's workers are allocated. For the purposes of this definition, "agreement" means a contract to provide services for a fee.

(187~~2~~) **"Proof of coverage"** has the same meaning as in OAR 436-162-0005.

(198) To **"provide services as a PEO"** means to enter into or maintain a PEO relationship with a client.

~~(13) **"Worker leasing company"** means a person that provides workers to a client, by contract and for a fee, but does not include a person that provides workers to a client on a temporary basis, as described under OAR 436-180-0120. For the purposes of these rules, a professional employer organization (PEO) is a worker leasing company.~~

~~(14) **"Worker leasing contract"** means the written agreement between a worker leasing company and a client that establishes the rights, duties, and obligations of each with respect~~

~~to leased workers. For the purposes of these rules, the effective date of a worker leasing contract is the first date an Oregon subject worker begins work for a client under the contract.~~

(2018) "Temporary service provider" means a person that enters into contracts with clients under which:

(a) The person provides one or more workers to the client on a temporary basis;

(b) The person directly contracts with the provided workers to pay a remuneration for the services of the workers;

(c) The person retains all employer responsibilities for the worker, except to the extent necessary to allow the person's client to direct and control the services provided by the worker for the client; and

(d) The person customarily attempts to reassign the provided workers to other clients when the workers finish each assignment, except for a worker provided as a probationary new hire with a reasonable expectation of transitioning to permanent employment with the client.

(2119) "Written" means ~~information communicated~~expressed in writing, ~~and~~ including by~~es~~ electronic ~~records~~means.

Statutory authority: ORS 656.726(4)
Statutes implemented: ORS 656.~~726(4)~~849, 656.850, and 656.855
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0008 Requests for Hearings or Administrative Review

(1) Request for hearing on proposed sanctions or civil penalties.

Any person that disagrees with a proposed order or assessment of a civil penalty under ORS 656.735~~,~~ or 656.745 may request a hearing by the board. To request a hearing, the person must:

(a) Mail or deliver a written request to the Workers' Compensation Division within 60 days of the mailing date of the proposed order or assessment; and

(b) Specify, in the request, the reasons why the person disagrees with the proposed order or assessment.

(2) Request for hearing on an action or order of the director.

Any person that disagrees with an action or order of the director under these rules other than as described in section (1) of this rule may request a hearing under OAR 436-001-0019, subject to the following:

(a) The request for hearing must be made in writing and must be filed:

(A) Within 60 days of the mailing date of an order denying an application for initial or renewal license;

(B) Within 90 days of an emergency suspension order suspending a license under OAR 436-180-0160(3); or

(C) Within 30 days of the mailing date of any other order or notice of action; and

(b) OAR 436-001 applies to the hearing.

Statutory authority: ORS 656.704 and 656.726(4)
Statutes implemented: ORS 656.704 and 656.745
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Statutory minor correction (repeal of ORS 656.750)– ORS 183.335(7), filed and effective 6/18/24

436-180-0100 Responsibility for Providing Coverage under a ~~Lease Arrangement~~PEO Relationship

(1) General.

Every person licensed as a ~~worker leasing company providing workers to a~~ PEO, or that provides services as a PEO~~client,~~ must satisfy the requirements of ORS 656.017 and 656.407.

(2) When the ~~worker leasing company~~PEO must provide coverage.

~~Except when the client provides coverage as described in section (3) of this rule, w~~When a ~~worker leasing company provides workers to~~ PEO enters into a PEO relationship with a client, the ~~worker leasing company~~PEO must provide coverage for the ~~leased workers and any subject workers employed by the~~ client's covered and direct hire employees, except when the client provides coverage as described in section (3) of this rule.

(3) When the client provides coverage.

When a client ~~during the term of the worker leasing contract, the director~~ has proof of coverage ~~for a client-purchased policy~~ on file with the director during the term of a PEO relationship, or when the client of a PEO is a self-insured employer:

(a) The client's coverage will be considered to extend~~s~~ to the ~~leased workers and any subject workers employed by the client~~client's covered and direct hire employees; and

(b) The client must continue to provide coverage to its covered and direct hire employees unless the PEO has notified its insurer that it provides coverage to the client under OAR 436-180-0110(1), or notified the director that it provides coverage to the client under OAR 436-180-0110(2). A client that fails to provide coverage when required to do so under this subsection will be considered a noncomplying employer. ~~if it allows its coverage to terminate and continues to lease or employ any subject workers, unless the client obtains new coverage or the worker leasing company has notified the director that it provides coverage for the client under OAR 436-180-0110(1).~~

(4) ~~Leasing~~ Contracting with~~from~~ more than one ~~worker leasing company~~PEO.

A client may not ~~lease workers~~enter into a PEO relationship with ~~from~~ more than one ~~worker leasing company~~PEO at a time unless the client provides coverage as described under section (3) of this rule.

(5) Providing coverage to another ~~worker leasing company~~PEO.

A ~~worker leasing company~~PEO may not provide coverage for another ~~worker leasing company~~PEO doing business in Oregon or any other state. This section does not apply when:

(a) Two or more ~~worker leasing companies~~PEOs that share common majority ownership are included as named insureds on a single policy; and

(b) Each ~~worker leasing company~~PEO separately meets the requirements of ORS 737.270(4).

(6) ~~Leasing from u~~Contracting with an unlicensed ~~worker leasing company~~PEO.

No person may ~~obtain workers by contract and for a fee on a non-temporary basis~~enter into a PEO relationship with ~~from~~ an unlicensed ~~worker leasing company~~PEO.

Statutory authority: ORS 656.726(4)
Statutes implemented: ORS 656.850
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0110 Notice of Client Coverage; Changes to Coverage Information; Termination; Reinstatements

(1) Carrier-insured PEOs.

A carrier-insured PEO must provide notice of its coverage responsibilities to its insurer as follows:

(a) Notice of client coverage.

When a PEO becomes responsible for providing coverage to a client under OAR 436-180-0100(2), the PEO must notify its insurer within 15 days. The notice must include the information the insurer requires to satisfy OAR 436-180-0115(3) with respect to that client.

(b) Changes or corrections to client coverage information.

A PEO must notify its insurer of changes or corrections to client information provided under subsection (a) of this section within 30 days of the effective date of a change or knowledge that a correction is needed.

(c~~b~~) Termination of client coverage by operation of law.

When a PEO's responsibility to provide coverage to a client is terminated by operation of law because the client obtained other coverage, the PEO must notify its insurer within 30 days of the PEO's knowledge that the client obtained other coverage, subject to the following:

(A) The PEO may use Form 3271, " PEO Termination Notice," to satisfy the requirements of this subsection;

(B) The notice must state the effective date of the termination; and:

(C) The notice must be sent within 30 days of the PEO's knowledge that the client obtained other coverage.

(d~~e~~) Termination of client coverage by PEO.

A PEO may terminate its responsibility to provide coverage to a client by filing written notice of the termination with the client, the director, and its insurer, subject to the following:

(A) The PEO may use Form 3271, " PEO Termination Notice," to satisfy the requirements of this subsection;

(B) The notice must include:

(i) The reason for the termination;

(ii) The requested date of the termination;

(iii) A statement in bold text advising the client that its coverage will end on the requested date of the termination or 30 days after the insurer's receipt of the notice, whichever is later;

(C) The notice must be sent to the client's last-known address by U.S. mail, and copied to the insurer and the director;

(D) The notice must be sent within 30 days of the requested date of termination; and

(E) Notwithstanding the date of termination requested in the notice, termination will not be effective until at least the 30th day after the notice is received by the insurer.

(e~~d~~) Reinstatement of client coverage.

When a PEO reinstates coverage to a client following a termination under subsection (b) or (c) of this section, the PEO must notify the insurer within 15 days of the date the reinstatement becomes necessary.

(~~1~~2) Self-insured PEOs.~~Notice of client coverage.~~

A self-insured PEO must provide notice of its coverage responsibilities to the director as follows:

(a) Notice of client coverage.

When~~nn a worker leasing company~~ a PEO becomes responsible for providing~~provides~~ coverage to a client under OAR 436-180-0100(2), the ~~worker leasing company~~ PEO must

file written notice with the director ~~and its insurer,~~ using Form 2465, "~~Worker Leasing~~Client Coverage Notice~~,~~." ~~subject to the following:~~

~~**(a)** The Form 2465~~ Notice must be filed within 30 days ~~after~~ of the effective date of the ~~worker leasing contract~~PEO relationship; and must include:

~~**(b)** The Form 2465 must be correct, complete, signed by an authorized representative of the worker leasing company, and must include:~~

(A) The effective date of Oregon client coverage;

(B) The information required by section (3) of this rule, and

(~~A~~C) The client's:

~~**(i)** Legal name and assumed business names, if any;~~

~~**(ii)** FEIN;~~

(i~~i~~i) Type of ownership;

~~**(iv) North American Industry Classification System Code;**~~

~~**(v) Governing class code or National Council on Compensation Insurance (NCCI) code;**~~

~~**(vi)** Phone number, email address, and mailing address; and~~

(ii~~vii~~i) Street address of Oregon location; ~~and~~

(~~iv~~iii) North American Industry Classification System (NAICS) c~~C~~ode; and

(iv~~v~~) National Council on Compensation Insurance (NCCI) classification code.~~Governing class code or National Council on Compensation Insurance (NCCI) code.~~;

~~**(B) The worker leasing company's:**~~

~~**(i) Legal name and assumed business names, if any;**~~

~~**(ii) FEIN;**~~

~~**(iii) Oregon worker leasing license number;**~~

~~**(iv) Effective date of Oregon client coverage; and**~~

~~**(v) Contact name and phone number.**~~

(~~2~~b) Changes or corrections to client coverage information.

A ~~worker leasing company~~PEO must notify the director and its insurer of changes or corrections to client information provided under subsection (~~1~~a) of this ~~rule~~ section, except for changes to the client's NAICS code or National Council on Compensation Insurance (NCCI) classification code. Notice must be given using Form 3270, "~~Worker~~

~~Leasing~~Client Coverage Update Notice~~,~~," within 30 days ~~after~~ of the effective date of a change~~,~~ or knowledge that a correction is needed.

(c) Termination of client coverage by operation of law.

When a PEO's responsibility to provide coverage to a client is terminated by operation of law because the client obtained other coverage, the PEO must file written notice with the director, subject to the following:

(A) The PEO may use Form 3271, " PEO Termination Notice," to satisfy the requirements of this subsection;

(B) The notice must state the effective date of the termination; and:

(C) The notice must be sent within 30 days of the PEO's knowledge that the client obtained other coverage.

(~~3~~d) Termination of client coverage by PEO.

A ~~worker leasing company~~PEO may terminate its ~~obligation~~ responsibility to provide coverage to a client by ~~providing~~ filing written notice of the termination with the client and the director, subject to the following:

(A~~a~~) The ~~worker leasing company~~PEO may use Form 3271, "~~Worker Leasing~~PEO Termination Notice," to satisfy the requirements of this subsection;

(~~b~~B) The notice must state:

(A~~i~~) ~~The requested effective date of the termination;~~ The reason for the termination;

(B~~ii~~) The requested date of the termination; and~~reason for the termination;~~

(iii) A statement in bold text advising the client that its coverage will end on the requested date of the termination or 30 days after the director's receipt of the notice, whichever is later. ~~**(C)** The client's:~~

~~**(i)** Legal name and assumed business names, if any;~~

~~**(ii)** FEIN;~~

~~**(iii)** Phone number, email address, and mailing address; and~~

~~**(D)** The name, phone number, and signature of an authorized representative of the worker leasing company;~~

(C~~c~~) The notice must be sent to the client's last-known address by U.S. mail, and copied to the ~~worker leasing company's insurer and the~~ director;

(Dd) The notice must be sent within 30 days after of the final date of the lease arrangementrequested date of termination, or knowledge that the client obtained other coverage; and

(Ee) Notwithstanding the date of termination requested in the notice, termination will not be effective until at least the 30th day after the notice is received by the director. Regardless of the requested effective date stated under paragraph (3)(b)(A), termination of the worker leasing company's obligation to provide coverage to the client will not be effective until at least:

(A) The 30th day after the notice is received by the director; or

(B) The effective date of other coverage for the client that has been filed with the director.

(4e) Reinstatement of client coverage.

When a worker leasing companyPEO reinstates coverage to a client following a termination under subsection (c) or (d3) of this rulesection, the worker leasing companyPEO must notify the director using Form 5361, "Self-Insured Worker LeasingPEO Reinstatement Notice.," subject to the following:

(a) The Form 5361 must be filed within 30 days after of the date the reinstatement becomes necessary; andand must include the date of reinstatement.

(b) The Form 5361 must be correct, complete, signed by an authorized representative of the worker leasing company, and must include:

(A) The client's:

(i) Legal name and assumed business names, if any;

(ii) FEIN;

(iii) Phone number, and

(iv) Email address, if known;

(B) The worker leasing company's:

(i) Legal name and assumed business names, if any;

(ii) FEIN;

(iii) Oregon worker leasing license number; and

(iv) Contact name and phone number.(3) Requirements for forms.

All forms filed under this rule must be correct, complete, and signed by an authorized representative of the PEO, and must include:

(aA) The client's:

(Ai) Legal name and assumed business names, if any;

(Bii) FEIN;

(Ciii) Phone number, email address, and mailing address; and

(bB) The PEO's:

(Ai) Legal name and assumed business names, if any;

(Bii) FEIN;

(Ciii) Oregon license number, and

(Div) Phone number and email address.

(4) Bulletin.

Additional guidance on a PEO's reporting obligations under this rule is provided by Bulletin 273.

Statutory authority: ORS 656.726(4), ORS 656.850(8)
Statutes implemented: ORS 656.850
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0115 Responsibility of Insurer

(1) Assumption of liability for PEO

When an insurer provides coverage to a PEO, and the PEO is responsible for providing coverage to a client, the insurer assumes the PEO's liability for compensation due to the client's covered and direct hire employees under ORS chapter 656. The insurer's assumption of liability is effective on the later of:

(a) The date the insurer began providing coverage to the PEO; or

(b) The date the PEO became responsible for providing coverage to the client under OAR 436-180-0100(2).

(2) Means of providing coverage

An insurer that provides coverage to a PEO under a policy with an effective date on or after January 1, 2028 must issue:

(a) A policy in the name of the PEO; and

(b) A policy in the name of each client to whom the PEO must provide coverage under OAR 436-180-0100(2), subject to the following:

(A) The policy must be in the name of the PEO followed by the acronym LCF and the name of the client; and

(B) The policy must include an endorsement identifying the policy as a multiple coordinated policy and identifying the PEO by name and policy number.

(c) When an insurer provides coverage to a client under this section, the PEO is:

(A) Responsible for paying premium, regardless of reimbursement from the client.

(B) Considered the employer for the purposes of ORS 656.423 and ORS 656.427.

(3) Reporting coverage

The insurer of a PEO must file proof of coverage for the PEO and each client to whom the PEO provides coverage. Proof of coverage must be filed as provided by OAR 436-162 within 30 days after coverage of the PEO or client becomes effective.

Statutory authority: ORS 656.726(4), ORS 656.850(8)
Statutes implemented: ORS 656.419(1), ORS 656.850
Hist: Adopted 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0120 Temporary Worker~~s Distinguished from Leased Worker~~

~~(1) Temporary service providers.~~

~~A person that provides a worker to a client by contract and for a fee will be considered a temporary service provider if the worker is provided on a temporary basis, subject to the following:~~

(~~a~~1) A person provides a worker on a temporary basis when ~~"Temporary basis" means t~~the worker ~~was~~ is provided to ~~to supplement~~ a client~~'s regular workforce~~ for a special situation, as a student worker, or as a probationary hire as described under ORS 656.~~850~~849(7~~1~~)(b). ~~The worker will be considered to be provided on a temporary basis if there is contemporaneous written documentation of the placement;~~

(~~b~~2) ~~"Contemporaneous written documentation"~~ ~~means documents that are created at the time the temporary service provider and client make the arrangements for placement of the worker.~~ A person that provides a worker on a temporary basis must document the reason for the placement at the time arrangements for the placement are made. Documents must include:~~The documents must indicate the expected duration of the placement, and:~~

(~~A~~a) If the worker ~~was~~ is provided ~~to supplement a client's regular workforce~~ for a special situation, ~~the documentation must describe~~a description of the special situation. A special situation includes, but is not limited to:

(~~i~~A) An employee absence or leave, from which the employee is expected to return;

(~~ii~~B) A shortage in skilled professional staff, whether licensed or not.~~, for a known duration of time. Supporting documentation may include license information, and must establish whether the worker is provided to supplement or to satisfy a~~ Documents must identify the professional skills required by the client~~'s need for the skill~~;

(C~~iii~~) A seasonal or sporadic increase in workload ~~that requires assistance in addition to the client's regular workforce~~. ~~Documentation~~ Documents must establish the nature of the increase in workload; or

(D~~iv~~) A special assignment or project outside of the routine activities of the client's business, where the worker will be terminated or assigned to another temporary project upon completion. ~~Documentation~~ Documents must describe the project and how it is outside of the routine activities of the client's business;

(~~B~~b) If the worker is provided and paid through a work experience program, the name of the school or institution and the work experience program; or

(c~~C~~) If the worker is provided as a probationary new hire and the worker has a reasonable expectation of transitioning to permanent employment with the client, evidence that the client established a probationary period in its overall employment selection program before obtaining workers from the person. Evidence may include copies of the client's written program, or a written agreement between the temporary service provider and the client establishing the probationary period before workers were provided.~~; and~~

(c3) Either the person providing the worker or the client must provide the contemporaneous written documentation The documents required by this rule must be provided to the director upon request. If a person fails to provide the contemporaneous written documentation, the director will investigate to determine if the worker was provided on a temporary basis. If the director determines that the worker was provided on other than a temporary basis, the person will be considered a worker leasing company.

(2) Persons providing leased and temporary workers.

If a person providing workers on both a leased and temporary basis does not maintain the records required under OAR 436-180-0150(2), all workers will be considered to be leased workers.

Statutory authority: ORS 656.726(4)
Statutes implemented: ORS 656.850
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0140 Qualifications, Applications, Voluntary Suspensions, and Renewals for License as a Worker Leasing CompanyPEO

(1) Prohibition against leasing workers providing services as a PEO without a license.

No person may perform servicesprovide services as a PEO as a worker leasing company in Oregon without a valid license. A license to perform services as a worker leasing company issued prior to July 1, 2027 will be considered a valid license.

(2) Qualification for license.

To qualify for an initial license or renewal, a person must:

(a) Be registered and authorized to do business in Oregon under ORS chapter 58, 60, 62, 63, 65, 67, 70, or 648, as applicable, or be a municipal or public corporation as defined in ORS 297.405;

(b) Maintain coverage under ORS 656.017;

(c) Submit a complete application under this rule and be approved for licensure;

(d) Obtain certificates of tax compliance from the Oregon Employment Department, Oregon Department of Revenue, and Internal Revenue Service, or provide a written explanation of why it is unable to do so; and

(cd) Upon approval, pay the required licensing fee of $2,050.

(3) Application for full leasing PEO license.

Except as described in section (4) of this rule, each applicant for an initial license must submit Form 2466, "Worker LeasingPEO License Application." The form and accompanying documentation must include:

(a) Complete information for the applicant, including:

(A) Legal name and assumed business names, if any;

(B) Mailing address;

(C) Phone number;

(D) FEIN;

(E) Physical address of the principal place of business;

(F) Names and contact information, including a phone number and valid email address, for at least two representatives who are authorized to respond to inquiries about licensing, ~~leasing~~PEO activities, and coverage;

(G) A disclosure of all states where the applicant operates as a ~~worker leasing company~~PEO, including identification numbers ~~and expiration dates~~ of any licenses, registrations, recognitions, or certifications and disclosure of any that are not in good standing;

~~**(H)** Signed releases for verification of compliance with tax laws from Oregon Employment Department, Oregon Department of Revenue, and the Internal Revenue Service;~~

(~~I~~H) Written procedures that demonstrate how the applicant will ensure its clients provide adequate training, supervision, and instruction to meet the requirements of ORS chapter 654;

(~~J~~I) A description of any present or prior experience of providing workers by contract and for a fee in any state;

(~~K~~J) A record of any proceedings related to bankruptcies, liens, default, or insolvency, including full details of the:

(i) Nature and dates of the actions;

(ii) Outcomes, and conditions imposed, including but not limited to: administrative orders, lawsuits, judgments, and discharges or permitted resignations;

(iii) Name and location of the court or jurisdiction, case numbers, and dates of any past, current, or pending proceedings; and

(iv) Identification numbers of any licenses, registrations, recognitions, or certifications affected by the actions;

(K~~L~~) A record of any civil or criminal actions involving or demonstrating dishonesty or misrepresentation, including but not limited to fraud, theft, burglary, embezzlement, deception, perjury, forgery, counterfeiting, bribery, extortion, money laundering; or securities, investments, or insurance violations on the part of the applicant or any controlling person. Records of such actions must include full details of:

(i) The nature and dates of the actions;

(ii) Outcomes, sentences, and conditions imposed, including but not limited to administrative orders, charges, guilty pleas, pleas of no contest, criminal convictions, lawsuits, judgments, and discharges or permitted resignations;

(iii) Name and location of the court or jurisdiction, case numbers, and dates of any past, current, or pending proceedings; and

(iv) Identification numbers of any licenses, registrations, recognitions, or certifications affected by the actions;

(L~~M~~) A record of any administrative, civil, or criminal actions against the applicant by a regulatory agency of any state regarding ~~worker leasing~~PEO activities. Records must include full details of:

(i) The nature and dates of the actions;

(ii) Outcomes, sentences, and conditions imposed, including but not limited to administrative orders, charges, guilty pleas, pleas of no contest, criminal convictions, lawsuits, judgments, and discharges or permitted resignations;

(iii) Name and location of the court or jurisdiction, case numbers, and dates of any past, current, or pending proceedings; and

(iv) Identification numbers of any licenses, registrations, recognitions, or certifications affected by the actions;

(b) Complete information for each controlling person, including:

(A) Full name~~, position, and date of birth~~;

(B) Date of birth;

(C) Position,

(D) Date the person started in that position;

(~~B~~E) Any other names used;

(~~C~~F) Residential and business address;

(~~D~~G) Phone number;

(~~E~~H) Email address;

(~~F~~I) The information required under paragraphs (3)(a)(J) through (M) of this rule;

(c) An organization chart showing:

(A) all persons with whom the applicant shares common majority ownership; and

(B) All persons that own more than 10 percent of the applicant. For the purpose of this subparagraph, if a person owns an interest in another person, which in turn owns

more than 10 percent of the applicant, the first person is considered to own an interest in the applicant in proportion to its interest in the second person.

(d~~c~~) ~~A notarized affidavit~~ Signed statements from an authorized representative of the applicant and ~~a statement from~~ each controlling person verifying the information provided is complete and truthful, and that there is no omission of material fact; ~~and~~

(e) Signed statements from each controlling person pledging to comply with the provisions of ORS chapter 656 and OAR 436-180; and

(f~~d~~) Any additional information requested by the director.

(4) Application for limited PEO ~~leasing~~ license.

Notwithstanding section (3) of this rule, a person may apply for a limited ~~leasing~~ PEO license by submitting Form 5362, "~~Worker Leasing~~PEO License Application - Limited."

(a) To qualify for a limited license, the person must:

(A) Be licensed or certified in a state that the director has determined has requirements substantially similar to the requirements of these rules. A list of states meeting this requirement is published in Bulletin 271;

(B) Have no more than:

(i) Two Oregon clients; and

(ii) Five ~~leased workers~~covered employees, in total;

(C) Be domiciled in a state other than Oregon;

(D) Not maintain an Oregon location; and

(E) Not directly solicit clients located or domiciled in Oregon;

(b) The application and accompanying documentation must include:

(A) The information required under paragraphs (3)(a)(A) through (I) of this rule;

(B) A ~~notarized~~ signature of~~f~~ an authorized representative of the applicant; and

(C) Any additional information requested by the director;

(c) Upon approval of the application under section (5) of this rule, the applicant must pay the required licensing fee of $2,050; and

(d) After the license is issued, the licensee must submit a full application under section (3) of this rule within 30 days after the date it no longer qualifies for a limited license under subsection (4)(a).

(5) Review of application.

~~The director will review complete applications.~~ Following receipt of all information required under section (3) or (4) of this rule:

(a) The director may request additional information to further clarify the information and documentation submitted with the application;

(b) The director may conduct a background investigation of the applicant, an owner, or any controlling person. The director may use ~~Information~~ information learned through a background investigation, or other information submitted during the application process, ~~may be the~~as the basis for ~~for the director~~a decision to refuse to issue or renew a license, or to disqualify the applicant or a controlling person from making further application; and

(c) The director will notify the applicant of the decision to approve or deny the application in writing:

(A) If the application is denied, the notice will include the reason for the denial and how to appeal the decision; or

(B) If the application is approved, the director will issue a license upon receipt of the $2,050 licensing fee under subsection (2)(~~d~~e) of this rule.

(6) License renewal.

A license will automatically expire two years after the date it was issued unless renewed by the licensee or extended by the director.

(a) To renew a license, the ~~worker leasing company~~PEO must:

(~~a~~A) If the license was applied for under section (3) of this rule, submit a complete Form 5364, "~~Worker Leasing~~PEO License Application – Renewal," to the director at least 90 days before the expiration of the current ~~worker leasing~~PEO license. The form and accompanying documentation must include:

(~~A~~i) The information required under ~~paragraphs~~ (3)(a)(A) through (~~I~~H) of this rule;

(~~B~~ii) Disclosure of any information required under ~~paragraphs~~ (3)(a)(~~J~~K) through (~~M~~L) of this rule that has not been previously disclosed to the director;

(~~C~~iii) Complete information for each controlling person, including:

(~~I~~i) Full name, position, and date of birth;

(~~II~~ii) Any other names used;

(~~III~~iii) Residential and business address;

(~~IV~~iv) Phone number;

(~~V~~v) Email address; and

(~~VI~~vi) Disclosure of any information required under paragraphs (3)(a)(K) through (M) of this rule that has not been previously disclosed to the director;

(~~D~~iv) ~~A notarized affidavit~~Signed statement from an authorized representative of

the applicant and a statement from each controlling person verifying the information provided is complete and truthful, and that there is no omission of material fact; or

(bBC) If the license was applied for under section (4) of this rule, submit a complete Form 5362, "Worker LeasingPEO License Application – Limited," as described under subsection (4)(b) of this rule; and

(CDc) Submit any supplemental material necessary to establish a complete application, including any information requested by the director, at least 45 days before expiration of the current license; and

(DEd) Upon application approval, pay the required licensing fee of $2,050.

(b) If the PEO intends to cancel its license, or allow it to expire, it must provide written notice to the director at least 30 days before the expiration of its license. The notice must certify that as of the date the license expires, the PEO will not be in a PEO relationship with any client. The PEO may use Form 6168, "Cancellation or Nonrenewal of PEO License" for this purpose.

(c) The effective period of a license may be extended at the director's discretion, subject to the following:

(A) A request for extension must be made in writing and must identify the reason why the PEO is unable to timely apply for a renewal and how it intends to resolve the matter. The PEO may use Fform 6169, "Request for Extension of PEO License" for this purpose.

(B) A license may be extended for not more than 60 days.

(7) Voluntary suspensions.

A licensed PEO that does not currently provide services as a PEO may voluntarily suspend its license by providing notice to the director, subject to the following:

(a) The PEO may not provide services as a PEO during the period in which its license is suspended;

(b) The PEO may resume its license by providing notice to the director. Notice must be provided prior to the date on which the PEO intends to resume providing services as a PEO;

(ca) A suspended license will automatically expire two years after the date it was issued unless renewed or extended as provided in section (6) of this rule; and

(d) Notwithstanding OAR 436-180-0100(1), a PEO is not required to satisfy the requirements of ORS 656.017 and 656.407 during a period in which its license is suspended and it does not provide services as a PEO.

(~~7~~8) Changes and corrections to application information.

The ~~worker leasing company~~PEO must notify the director in writing of any changes or corrections to information provided in an~~y~~ application approved under this rule within 30 days of the effective date of the change or knowledge of incorrect information.

(~~8~~9) Electronic submission of application materials.

Notwithstanding any other section of this rule, with the director's prior authorization, an applicant may submit application materials electronically using the appropriate application form or an electronic equivalent that contains all of the information required by this rule.

(~~9~~10) Denial of application.

(a) The director may deny an application for initial license or renewal for reasons including, but not limited to, the applicant or a controlling person having:~~:~~

(~~a~~A) ~~Misrepresentation~~ Misrepresented~~of~~ information submitted in the application;

(~~b~~B) ~~Failure~~ Failed to meet any of the requirements of ORS 656.850, 656.855, or these rules;

(~~c~~C) Previously ~~Denial~~ been denied an application for~~of a previous application for~~, or prior suspension or revocation of, a ~~worker leasing~~ license by the director;

(~~d~~D) Previously had ~~Denial, suspension, or revocation of~~ a license, registration, or certification, denied, suspended, or revoked, or been subject to other disciplinary action by any governmental agency or entity;

(~~e~~E) E~~Having e~~xercised authority, control, or decision-making responsibility concerning any ~~worker leasing company~~PEO during a time that company had its authorization to provide ~~worker leasing~~PEO services denied, suspended, revoked, or restricted;

(~~f~~F) ~~Having~~ B~~b~~een the subject of an order, adverse to the applicant or controlling person, by any governmental agency or entity in connection with any ~~worker leasing~~PEO activity;

(~~g~~G) ~~Having~~ B~~b~~een found by any governmental agency or entity to have made a false or misleading statement, material misrepresentation, or material omission, or to have failed to disclose material facts;

(~~h~~H) ~~Violations~~ Violated~~of~~ ~~worker leasing~~PEO statutes or regulations in any state;

(~~i~~I) ~~Failure~~ Failed to establish minimum experience, training, or education that demonstrates competency in providing ~~worker leasing~~PEO services;

(~~j~~J) ~~Nonpayment~~ Failed to pay~~of~~ taxes, liens, fees, assessments, civil penalties, or any other moneys due the State of Oregon or another jurisdiction;

(kK) Having Ffiled for bankruptcy, been declared bankrupt, or been the subject of other proceedings related to insolvency, default, or delinquency;

(lL) Having bBeen convicted of, or pleaded guilty or no contest to, any felony or misdemeanor involving dishonesty or misrepresentation, including but not limited to fraud, theft, burglary, embezzlement, deception, perjury, forgery, counterfeiting, bribery, extortion, money laundering; or violations involving securities, investments, or insurance violations on the part of the applicant or any controlling person;

(M) Failed to provide all documentation required by these rules within a period of six months after applying for a license; or

(mN) Having failedFailed to provide documents requested by the director.

(b) The director may deny an application under this section based on a person's conduct as a worker leasing company prior to July 1, 2027.

(110) Disqualification.

The director may disqualify an applicant or controlling person from applying for a license in the future for any of the reasons listed under section (9) of this rule. If an applicant or controlling person is disqualified:

(a) The applicant or controlling person may not reapply for a license for at least two years from the disqualification date; and

(b) The disqualification may apply to any new worker leasingPEO company created through the sale, transfer, or conveyance of ownership or of the worker leasing companyPEO's assets to another person, owner, or controlling person.

(121) Appeal of denial or disqualification.

An applicant or controlling person may appeal a denial or disqualification under this rule as provided in OAR 436-180-0008 and OAR 436-001.

(13) Bulletin.

Further guidance on qualifications, applications, and voluntary suspensions of PEO licenses is provided by Bulletin 271.

Statutory authority: ORS 656.726(4) and 656.855
Statutes implemented: ORS 656.855
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0150 Recordkeeping and Reporting Requirements

(1) Required records.

A worker leasing companyPEO must maintain the following records and make them following records available for review by the director, upon request:

(a) Copies of ~~and documentation of filing for~~ signed forms and notices required under OAR 436-180-0110 and documentation that these forms and notices were timely filed. All forms and documentation must be maintained for three years after the date coverage provided to a client was terminated;

(b) Copies of signed ~~worker leasing~~PEO contracts. Copies of contracts must be maintained for three years after the termination date of the contract;

(c) Payroll records for the most recent seven years, including records that identify the name, hire date, termination date, and work location for:

(A) ~~Leased workers subject~~Covered employees of all clients, whether or not the PEO must provide coverage to the client under OAR 436-180-0100(2); ~~to coverage by the worker leasing company;~~

~~**(B)** Leased workers not subject to coverage by the worker leasing company;~~

(~~C~~B) Administrative personnel~~,~~ and other subject workers directly employed by the ~~worker leasing company~~PEO; and

(~~D~~C) Workers provided to clients on a temporary basis, if any.

(2) Client lists.

A PEO must submit a client list to the director each year, subject to the following:

(a) A client list must be submitted no later than 12 months after the effective date of the PEO's license, and then every 12 months after that until the license expires or is revoked;

(b) The director may require a PEO to submit client lists more frequently for reasons including, but not limited to, the PEO's prior performance in meeting the requirements of OAR 436-180-0110;

(c) Client lists must be submitted using Form 6170, "PEO Client List," as described in Bulletin ###, and must include the following information for each client,

(A) Legal name and assumed business names, if any;

(B) FEIN;

(C) Number of Oregon subject workers

(D) Date PEO relationship began in Oregon,

(E) Dates of Oregon coverage, if any,

(F) Approximate payroll, if the PEO is self-insured;

(G) Method of payroll tax reporting under ORS 657.426; and

(H) Any other information required by the director.

(~~2~~3) Records of ~~leased~~ covered employees and temporary workers.

If a ~~worker leasing company~~PEO ~~both provides leased workers~~provides services as a PEO and also provides workers on a temporary basis, the ~~worker leasing company~~PEO must maintain written records that specify which workers are ~~leased~~ subject to the PEO relationship and which workers are provided on a temporary basis.

Statutory authority: ORS 656.726(4), 656.850(8), and 656.855
Statutes implemented: ORS 656.850 and 656.855
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0155 Reporting Requirements of a Self-Insured ~~Worker Leasing Company~~PEO

(1) Reporting of client statistical data.

A self-insured ~~worker leasing company~~PEO must maintain and report to the National Council on Compensation Insurance (NCCI) separate statistical data for each client ~~the~~ to whom the self-insured ~~worker leasing company~~PEO provides coverage ~~for~~ under OAR 436-180-0100(2). Reporting must be according to the uniform statistical plan prescribed by the director under ORS 737.225(4) and OAR 836-042-0045.

(2) Records relating to client statistical data.

A self-insured PEO must make ~~Records~~ records relating to its clients' ~~the client~~ statistical data ~~for self-insured worker leasing companies must be made~~ available to NCCI, upon request.

Statutory authority: ORS 656.726(4) and 656.855
Statutes implemented: ORS 656.403(4) and 656.855
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0160 Suspension or Revocation of License

(1) General.

The director may suspend or revoke a ~~worker leasing~~ license for reasons including, but not limited to:

(a) Failure to comply with the provisions of ORS chapters 654, 656, 659, 659A, 731 or 737; or these rules;

(b) Denial, suspension, or revocation of a license, registration, or certification, or other disciplinary action by any governmental agency or entity involving PEO or worker leasing activities;

(c) Nonpayment of taxes, fees, assessments, civil penalties, or any other moneys due the State of Oregon or another jurisdiction;

(d) Filing for bankruptcy, being declared bankrupt, or being the subject of other proceedings related to default on or delinquency of payment of financial obligations;

(e) Insolvency, if the ~~worker leasing company's~~PEO's liabilities exceed its assets or the ~~worker leasing company~~PEO cannot meet its financial obligations;

(f) A conviction, guilty plea, or plea of no contest, within the last 10 years, for any felony or misdemeanor involving dishonesty or misrepresentation, including but not limited to fraud, theft, burglary, embezzlement, deception, perjury, forgery, counterfeiting, bribery, extortion, money laundering; or violations involving securities, investments, or insurance violations on the part of the applicant or any controlling person; or

(g) The ~~worker leasing company~~PEO or controlling person is permanently or temporarily enjoined by a court from engaging in or continuing any conduct or practice involving any aspect of the ~~worker leasing~~PEO's business.

(2) Show-cause hearing.

Except as described under section (3) of this rule, the director will not suspend or revoke a ~~worker leasing~~ license until the ~~worker leasing company~~PEO has been given notice and the opportunity to be heard through a show-cause hearing with the director.

(a) During the show-cause hearing, the ~~worker leasing company~~PEO will be provided an opportunity to:

(A) Present evidence regarding any proposed orders by the director to suspend or revoke the ~~worker leasing company~~PEO's license; and

(B) Give reason why the ~~worker leasing company~~PEO should be permitted to continue performing services as a ~~worker leasing company~~PEO.

(b) A show-cause hearing may be held at any time the director finds that a ~~worker leasing company~~PEO has failed to comply with the requirements of ORS chapter 656, these rules, or the orders of the director.

(3) Emergency order of suspension or revocation.

Notwithstanding section (2) of this rule, the director may immediately:

(a) Suspend a license by issuing an "emergency suspension order" if:

(A) The ~~worker leasing company~~PEO fails to maintain coverage; or

(B) The director finds there is a serious danger to public health or safety; or

(b) Revoke a license upon discovery of a misrepresentation in the information submitted in the ~~worker leasing~~PEO application.

(4) Suspension of license.

If the director suspends a ~~worker leasing~~ license:

(a) The ~~worker leasing company~~licensee and any controlling person may not ~~lease workers to clients~~provide services as a PEO for a specified period of time, up to two years;

(b) The suspension may apply to any new ~~worker leasing company~~PEO created through the sale, transfer, or conveyance of ownership or of the ~~worker leasing company~~PEO's assets to another person; and

(c) When the suspension expires, the ~~worker leasing company~~licensee or controlling person may petition the director to resume its ~~worker leasing company~~PEO activities, or apply to renew its ~~worker leasing~~ license under OAR 436-180-0140.

(5) Revocation of license.

If the director revokes a ~~worker leasing~~ license:

(a) The ~~worker leasing company~~licensee~~,~~ and any controlling person may not ~~lease workers to clients~~provide services as a PEO for at least five years;

(b) The revocation may apply to any new ~~worker leasing company~~PEO created through the sale, transfer, or conveyance of ownership or of the ~~worker leasing company~~PEO's assets to another person; and

(c) After a revocation has been in effect for five years or longer, the ~~worker leasing company~~licensee or controlling person may reapply for license under OAR 436-180-0140.

(6) Appeal of suspension or revocation.

A proposed and final order of suspension or revocation issued under this rule may be appealed under OAR 436-180-0008 and OAR 436-001.

(7) Application to worker leasing licenses

For the purposes of this rule, "license" includes a worker leasing license issued, suspended, or revoked prior to July 1, 2027.

Statutory authority: ORS 656.726(4) and 656.855
Statutes implemented: ORS 656.850 and 656.855
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0170 Monitoring and Auditing

(1) Generally.

The director will monitor and conduct periodic audits of employers as necessary to ensure compliance with ~~the worker leasing company licensing and performance requirements~~ these rules.

(2) Disclosure of ~~worker leasing~~PEO records.

A ~~worker leasing company~~PEO must make all records required by these rules available to the director upon request. The records must be made available at no cost to the director.

(3) Inspection of books, records, and payroll.

Under ORS 656.726 and 656.758, the director may inspect the books, records, and payrolls of employers pertinent to the administration of these rules. Employers must make all pertinent books, records, and payrolls available for inspection by the director upon request and without cost.

(4) "Employer" defined.

For the purposes of this rule, "employer" includes a ~~worker leasing company~~PEO, temporary service provider, and client.

Statutory authority: ORS 656.726(4) and 656.855
Statutes implemented: ORS 656.855
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27

436-180-0200 Assessment of Civil Penalties

(1) Failure to comply with statutes, rules, and orders of the director.

The director may assess a civil penalty against a ~~worker leasing company~~PEO that fails to comply with the requirements of ORS 656.850, ~~or~~ 656.855, or 656.403(4); OAR 436-180;~~,~~ or the orders of the director.

(2) Failure to comply with OAR 436-180-0170.

The director may assess a civil penalty against any employer that fails to respond to requests for information or fails to meet the requirements of 436-180-0170. Assessment of a penalty does not relieve the employer of the obligation to provide a response.

(3) ~~Leasing workers~~Providing services as a PEO without a license.

The director may assess a civil penalty against any person who is found to be ~~operating a worker leasing company~~providing services as a PEO without a valid license. For the purposes of this section, any month or part of a month a person ~~provides leased~~

~~workers~~maintains a PEO relationship with ~~to~~ a client without a valid license is a separate violation.

(4) ~~Obtaining workers from an unlicensed~~Entering into a PEO relationship with an unlicensed PEO ~~worker leasing company~~.

The director may assess a civil penalty against an employer that ~~leases or continues to lease workers~~enters into or maintains a PEO relationship with ~~from~~ an unlicensed ~~worker leasing company~~PEO after written notice of such violation has been served.

(5) Penalties under ORS 656.990.

Any person or controlling person that knowingly makes any false statement or representation may ~~also~~ be subject to penalties under ORS 656.990.

Statutory authority: ORS 656.726(4) and 656.855
Statutes implemented: ORS 656.745, 656.850, 656.855, and 656.990
Hist: Adopted 6/7/18 as WCD Admin. Order 18-057, effective 7/1/18
Amended 10/15/26 as Admin. Order 26-066, eff. 7/1/27