

**BEFORE THE DIRECTOR OF THE  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
OF THE STATE OF OREGON**

**PUBLIC RULEMAKING HEARING**

In the Matter of the Amendment of OAR: 436-070, Workers' Benefit Fund Assessment	) ) )	TRANSCRIPT OF TESTIMONY
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The proposed amendment to the rules was announced in the Secretary of State's Oregon Bulletin dated Sept. 1, 2019. On Sept. 19, 2019, a public rulemaking hearing was held as announced at 4 p.m. in Room F of the Labor and Industries Building, 350 Winter Street NE, Salem, Oregon. Fred Bruyns, from the Workers' Compensation Division, acted as hearing officer. The record will be held open for written comment through Sept. 26, 2019.

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The hearing officer entered exhibits and read some testimony into the record. No witnesses appeared to testify .....	NA

**TRANSCRIPT OF PROCEEDINGS**

**Hearing officer:**

Good afternoon and welcome. This is a public rulemaking hearing. My name is Fred Bruyns, and I'll be the presiding officer for the hearing.

The time is now 4 p.m. on Thursday, September 19, 2019. We are in Room F of the Labor & Industries Building, 350 Winter St. NE, in Salem, Oregon. We are making an audio recording of today's hearing.

If you wish to present oral testimony today, please sign in on the "Testimony Sign-In Sheet" on the table by the entrance. If you are on the telephone and plan to testify, I will sign in for you.

The Department of Consumer and Business Services proposes to amend chapter 436 of the Oregon Administrative Rules, specifically division 070, Workers' Benefit Fund Assessment.

The Department of Consumer and Business Services filed the notice of proposed rulemaking with the Secretary of State on Aug. 26, 2019, and mailed the notice to its postal and electronic mailing lists. The department announced the proposed Workers' Benefit Fund assessment rate in a news release dated Sept. 9, 2019, and subsequently stamped in supporting testimony; that is:

**Exhibit 1:** Workers' Benefit Fund Assessment Recommendation for CY 2020.

Copies of the notice of proposed rulemaking hearing and the testimony are available on the table by the entrance.

The department also notified Oregon legislators as required by ORS chapter 183 and posted public notice of rulemaking to its website.

The Oregon Secretary of State published the hearing notice in its Oregon Bulletin dated Sept. 1, 2019.

This hearing gives the public the opportunity to provide comment about the proposed rules. In addition, the department will accept written comment through and including Sept. 26, 2019, and will make no decisions until all of the testimony is considered.

Cameron Smith, the director of the Department of Consumer and Business Services, is unable to be here today, so I will read his testimony into the record. Copies are available on the table by the entrance, stamped in as Exhibit 2. So, from Cameron's testimony, dated Sept. 19, 2019:

The Workers' Benefit Fund (or WBF) assessment provides benefit increases to permanently disabled workers and to families of workers who died from a workplace injury or disease. These cost-of-living adjustments are made to reflect improvements to benefits and changes in average wages.

The WBF also supports Oregon's highly successful programs to help injured workers return to work sooner and earn their pre-injury wages. These programs offer financial assistance to employers that hire injured workers, such as wage subsidies, premium exemptions, and reimbursements for worksite modifications and equipment. These programs help keep Oregon's workers' compensation costs low.

The fund's revenue comes from a cents-per-hour-worked assessment. Employers and workers each pay half of the assessment. The assessment is paid directly to Oregon's Employment and Revenue departments through quarterly payroll tax reports, and the revenue is transferred to DCBS.

For 2020, our analysts recommend lowering the assessment from 2.4 cents per hour worked in 2019 to 2.2 cents per hour worked in 2020. The WBF is healthy, made so by a growing economy, which positively affects the assessment because it's based on hours worked. This allows the rate to be reduced in 2020.

The department will accept public comment on this issue until 11:55 p.m. on Thursday, Sept. 26, 2019.

This concludes the extract from Cameron Smith's testimony.

We are ready to receive public testimony. Is there anyone here who would like to testify today? Is there anyone on the telephone who would like to testify?

Hearing no one, it's our policy to remain open for testimony for one-half hour at a minimum. So I'll recess the hearing in a moment, but anyone is welcome to stay, and if anyone arrives within the next half hour, or before 4:30, we will take their testimony and make it a part of the record.

As a reminder, you may provide written testimony. The closing date for written testimony is Sept. 26, 2019.

This hearing is recessed at 4:05 p.m.

The hearing is resumed at 4:30. Is there anyone here who would like to testify? Is there anyone on the telephone who would like to testify?

Hearing no one, this hearing is adjourned at 4:31.

Thank you for coming.

*Transcribed from a digital audio recording by Fred Bruyns, Sept. 20, 2019.*