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STATE

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**Department of Consumer and Business Services**  
**Administrative Overview**  
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**Introduction**

The Department of Consumer and Business Services (DCBS) is Oregon's largest regulatory and consumer protection agency. The department administers state laws and rules to protect consumers and workers in the areas of workers' compensation, occupational safety and health, building codes, financial services, insurance, minorities, and targeted contracting opportunities for small businesses.

**History**

The earliest history of the numerous functional entities that are now part of the Department of Consumer and Business Services began in 1887 when the Secretary of State was given ex officio powers as Insurance Commissioner (O.L. 1887 p. 118). Financial institution regulation dates to 1907 when banks were made subject to the State Banking Board (O.L. 1907 c. 138). In 1909, the Secretary of State's powers as Insurance Commissioner were transferred to the newly created Department of Insurance (O.L. 1909 c. 230).

The State Industrial Accident Commission (SIAC) was created in 1913 to regulate workplace safety and health (O.L. 1913 s. 2, 8, 9, 10, 13, 14, 19, 20, 21). Securities-related regulation also began in 1913 when the Corporation Department was created to license security brokers, and regulate savings and loan associations (O.L. 1913 c. 341).

In 1964, the Department of Commerce was created. It included the Banking Division, the Corporations Division, the Insurance Division, and the Real Estate Division (O.L. 1963 c. 580). In 1965, the State Industrial Accident Commission was divided into the State Compensation Department (SCD) and the Workers' Compensation Board (O.L. 1965 c. 285). In 1969 the SCD was renamed the State Accident Insurance Fund (SAIF) (O.L. 1969 c. 247).

In 1971, the Department of Commerce's responsibility was broadened to include jurisdiction over amusement rides, boilers, electrical installations and licensing, elevators, mobile home construction, and plumbing construction codes and licensing (O.L. 1971 c. 753). Oregon Occupational Safety and Health Division (Oregon OSHA) was created in 1973 under an agreement with the Federal Department of Labor, Occupational Safety and Health Administration. That agreement enabled Oregon OSHA to enforce federal laws concerning

worker environment and safety (O.L. 1973 c. 797). In 1977, the State Compensation Department was re-named the Workers' Compensation Department (O.L. 1977 c. 109 and 804). In 1979, the State Accident Insurance Fund (SAIF) was separated from the Workers' Compensation Department and made an independent public corporation (O.L. 1979 c. 816 and 820).

In 1987, the Department of Commerce was disbanded and the Department of Insurance and Finance (DIF) was created (O.L. 1987 c. 414). Its divisions included the Division of Finance and Corporate Securities, the Insurance Division, OR-OSHA, the Workers' Compensation Division, and the Workers' Compensation Board. Building code regulation was assigned to the newly created separate Building Codes Agency.

The Advocate for Minority and Women Businesses was created in 1987 in the Governor's Office (O.L. 1987 c. 893). Two years later responsibility was added for emerging small businesses, its name was changed to the Office of Minority, Women and Emerging Small Business (OMWESB) and it was placed in DIF (O.L. 1989 c. 1043 and 1057). The Oregon Medical Insurance Pool was created as a non-profit entity in 1987 as a component of the Oregon Health Plan. (O.L. 1987 c. 838). Two years later it was made a state board and its name was changed to the Oregon Medical Insurance Pool Board (OMIP ) (O.L. 1989 c. 838).

The Appraiser Certification and Licensing Board (ACLB) was created in 1991 in the Office of the Secretary of State to license and regulate real estate appraisers independently of other real estate-related regulatory agencies (O.L. 1991 c. 5).

In 1993, the Department of Insurance and Finance was disbanded and the Department of Consumer and Business Services was established to serve as an integrated umbrella agency over most state functions affecting businesses (O.L. 1993 c. 744). Several agencies and boards were rolled into DCBS, including the Department of Insurance and Finance (DIF) with the Division of Finance and Corporate Securities, the Insurance Division, OR-OSHA, the Workers' Compensation Division, and the Workers' Compensation Board. Other entities placed into DCBS were the Building Codes Agency, the Appraiser Certification and Licensing Board, the Oregon Medical Insurance Pool Board, and the Office of Minority, Women, and Emerging Small Business. The objective of this consolidation of agencies was to improve efficiency and effectiveness by creating clearer lines of accountability. In 1995, the Department of Energy became the Office of Energy within DCBS. (O.L. 1995 c. 551). In 1999, the Office of Energy was removed from DCBS and made a separate agency. (O.L. 1999 c. 934).

## **Current Organization**

### ***Office of the Director***

The Office of the Director provides leadership, policy direction, planning, and general oversight of all program areas. The Office also provides liaison with the governor, the Legislative Assembly, and other state agencies on issues of consumer protection, worker safety, and business regulation. The Director's Office includes Communications, Internal Audits, Human Resources Services, Ombudsman for Injured Workers, and Ombudsman for Small Business.

The Ombudsman for Injured Workers serves as an advocate for injured workers by providing information and education to workers, employers, and vocational providers about the workers'

compensation system. It acts as an independent forum to mediate disputes and investigate and resolve complaints between injured workers, employers, and insurers.

The Ombudsman for Small Business provides information and assistance to small businesses about workers' compensation insurance coverage and claims processing. It helps resolve disputes between employers and insurers to ensure that small businesses receive fair treatment from insurers.

### ***Building Codes Division (BCD)***

The Building Codes Division (BCD) provides code development, administration, inspection, plan review, licensing, and permit services to the construction industry. It administers specialty codes and regulates construction industry related activities. It examines, certifies, registers, and licenses professions or trades and issues operating permits for four industries - structural, mechanical, electrical, and elevator work. Where local government jurisdictions have been delegated authority to operate their own building codes programs, the division provides technical assistance and oversight to ensure that local programs meet state standards. The current organization consists of Administration, Enforcement and Licensing Services, Fiscal and Business Services, Policy and Technical Services, and State Inspection Services.

### ***Finance and Corporate Securities Division (DFCS)***

DFCS regulates Oregon's state-chartered financial institutions - banks and credit unions. It also regulates non-depository financial institutions including mortgage bankers and brokers, consumer finance companies including short-term personal loan lenders, collection agencies, pawnbrokers, debt consolidation agencies, credit service organizations, money transmitters, and associations of sellers of travel. The division also regulates and licenses individuals and firms selling securities.

DFCS regulates and registers public offerings of securities and licenses securities broker-dealers, investment advisors, and salespersons. The division also regulates check and money order sellers, debt collection agencies, debt consolidating agencies, and pawnbrokers. The division answers questions regarding laws, rules and licensing requirements and provides consumers and businesses with public records about financial institutions, registered securities offerings, and the employment and discipline of investment advisors and salespersons and securities dealers. Current sections include Administration, Finance, and Securities.

### ***Fiscal and Business Services Division (FABS)***

FABS provides central support to the department such as contracting, financial management, accounting, payroll, collections, budgeting, purchasing, facilities management, telecommunications, records management, and mail delivery. Current sections include Administration, Budget, Collections, Contract Management, Premium Assessments, Program Support Services, and Worker's Benefit Fund Assessments.

### ***Information Management Division (IMD)***

IMD gathers, stores, analyzes, processes, and reports DCBS data and information related to department programs. IMD provides information analysis, information technology services, and information management leadership to effectively support the department's programs and stakeholders. Current sections include Administration, Information Technology Services, and Research and Analysis.

### ***Insurance Division***

The Insurance Division protects Oregonians by ensuring the financial soundness of insurance companies, availability and affordability of insurance, and fair treatment of policyholders. The Insurance Division licenses insurance companies and agents doing business in Oregon, examines insurers for solvency and compliance with insurance law, disciplines violators of Oregon's Insurance Code, and approves insurance products to be offered to the public. The division also reviews rates charged for insurance products, prepares publications and information to help consumers make informed decisions about insurance, and investigates consumer complaints against insurance companies and agents. The current sections are Administration, Financial Regulation, and Market Regulation.

### ***Office of Minority, Women, and Emerging Small Business (OMWESB)***

OMWESB administers the state's disadvantaged, minority and women, and emerging small business enterprise certification programs. OMWESB works to ensure that minorities, women, and emerging small businesses have equal access to contracting opportunities in both the public and private sectors. The office certifies small businesses that meet eligibility requirements, allowing them to participate in targeted contracting opportunities in the state. It also maintains on-line directories of certified firms for use by public jurisdictions, prime contractors, and private industries.

### ***Oregon Medical Insurance Pool Board (OMIP)***

OMIP is a component of the Oregon Health Plan that provides health plans to Oregonians who cannot obtain private health insurance. It also provides health benefit portability for Oregonians who exhaust their employer provided COBRA benefits and to individuals who move out of their carrier's service area.

### ***Oregon Occupational Safety and Health Division (OR-OSHA)***

OR-OSHA inspects workplaces for occupational safety and health hazards, investigates complaints about safety and health issues on the job, and investigates all fatal and disabling accidents and catastrophes to determine if the Oregon Safe Employment Act has been violated. OR-OSHA provides technical, education, consultative and resource services to employers and workers. It also helps employers implement state-of-the-art occupational safety and health injury and illness prevention plans. Field Offices are responsible for routine OSHA inspections, accident/fatality response inspections, and employer consultations around the state. The Occupational Health Laboratory analyzes samples collected by field compliance officers and consultants to determine chemical composition and concentrations of hazardous substances. Current sections include Administration, Consultative Services, Enforcement, Field Offices, Standards and Technical Resources, and Voluntary Services.

### ***Worker's Compensation Board (WCB)***

WCB is an independent adjudicatory agency within the Department of Consumer and Business Services. The five-member, full-time board's mission is to provide timely and impartial resolution of disputes arising under the Oregon workers' compensation law and the Oregon Safe Employment Act. Administrative law judges conduct contested-case hearings and provide mediation. The board also functions as the review body for appeals of workers' compensation orders issued by the Workers' Compensation Division. In addition, the board approves alternative settlements such as claim disposition agreements and hears appeals under the Oregon Crime Victim Assistance program.

### ***Workers' Compensation Division (WCD)***

WCD administers and enforces Oregon workers' compensation law to ensure that employers provide coverage for their workers, that workers with occupational injuries or diseases receive their entitled benefits, and that all parties are provided with resources and procedures for fair resolution of disputes. The division monitors, supervises, and regulates various service providers and the claims management of insurers and self-insured employers. This regulatory responsibility is balanced with fair and consistent policies that encourage a healthy business climate for companies regulated by the division. Current sections are Administration, Policy Services, Compliance, Reemployment and Dispute Resolution, and Operations.

### **Primary Statutes and Administrative Rule Chapters**

#### **Oregon Administrative Rules:**

- 436 – Workers' Compensation Division**
- 437 – Oregon Occupational Safety and Health Division**
- 438 – Workers' Compensation Board**
- 440 – Director's Office**
- 441 – Division of Finance and Corporate Securities**
- 443 – Oregon Medical Insurance Pool**
- 445 – Women and Emerging Small Business**
- 836 – Insurance Division**
- 918 – Building Codes Division**

#### **Oregon Revised Statutes:**

##### ***Department of Consumer and Business Services***

- 97 – Rights and Duties Relating to Cemeteries, Human Bodies and Anatomical Gifts**

- 705 – Department of Consumer and Business Services**

##### ***Building Codes Division:***

- 445 – Indigents Injured in Vehicle Accidents**
- 446 – Manufactured Dwellings and Structures; Parks; Tourist Facilities; Ownership Records; Dealers and Dealerships**
- 447 – Plumbing; Architectural Barriers**
- 460 – Elevators; Amusement Rides and Devices**
- 479 – Protection of Buildings From Fire; Electrical Safety Law**
- 480 – Explosives; Flammable Materials; Pressure Vessels**
- 670 – Occupations and Professions Generally**
- 693 – Plumbers**

##### ***Finance and Corporate Securities***

- 59 – Securities Regulation; Mortgage Bankers and Brokers**
- 645 – Commodity Transactions**
- 650 – Franchise Transactions**
- 706 – Administration and Enforcement of Banking Laws Generally**
- 722 – Savings Associations**
- 723 – Credit Unions**
- 725 – Consumer Finance; Title and Payday Loans**
- 726 – Pawnbrokers**

*Insurance Division*

- 731 – Administration and General Provisions**
- 732 – Organization and Corporate Procedures of Domestic Insurers;  
Regulation of Insurers Generally**
- 733 – Accounting and Investments**
- 734 – Rehabilitation, Liquidation and Conservation of Insurers**
- 735 – Alternative Insurance**
- 737 – Rates and Rating Organizations**
- 743 – Health and Life Insurance**
- 744 – Insurance Producers; Life Settlement Providers, Brokers and  
Contracts; Adjusters; Consultants; Third Party Administrators;  
Reinsurance Intermediaries; Rental Company Limited Licenses**

*Oregon Medical Insurance Pool*

- 735 – Alternative Insurance**

*Office of Minority, Women, and Emerging Small Business*

- 200 – Disadvantaged, Minority, Women and Emerging Small Business  
Enterprises**

*Oregon Occupational Safety and Health Division*

- 654 – Occupational Safety and Health**
- 656 – Workers' Compensation**

*Workers' Compensation Board*

- 656 – Workers' Compensation**

*Workers' Compensation Division*

- 656 – Workers' Compensation Division**

**Chronology**

- 1887 Secretary of State received ex officio powers as Insurance Commissioner.
- 1907 State Banking Board created.
- 1909 Insurance Commissioner's duties transferred from Secretary of State to newly created Department of Insurance.
- 1913 State Industrial Accident Commission (SIAC) created to regulate workplace safety and health.  
Corporation Department created to regulate investment companies and stock brokers.
- 1964 Department of Commerce created with broad regulatory powers. Original entities included Banking Division, Corporations Division, Insurance Division, and Real Estate Division.
- 1965 Functions of SIAC split into two agencies - Worker's Compensation Board and State Compensation Department.
- 1973 Oregon Occupational Safety and Health Division (OR-OSHA) created.

- 1977 State Compensation Department renamed Workers' Compensation Department, Worker's Compensation Board made independent within the department.
- 1987 Department of Insurance and Finance (DIF) created. Divisions included Division of Finance and Corporate Securities, Insurance Division, OR-OSHA, Workers' Compensation Division, and Workers' Compensation Board.
- 1991 Appraiser Certification and Licensing Board created in Secretary of State's office.
- 1979 State Accident Insurance Fund (SAIF) made an independent public corporation.
- 1993 Department of Consumer and Business Services (DCBS) created. All entities within DIF merged into DCBS.  
Appraiser Certification and Licensing Board moved from Secretary of State to DCBS.
- 1995 Department of Energy became Office of Energy within DCBS.
- 1999 Office of Energy removed from DCBS and made separate agency.

### **Bibliography**

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