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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 the state's largest regulatory and consumer protection agency. The department administers state laws and rules governing workers' compensation, occupational safety and health, real estate appraisal, building codes, securities offerings, and the operation of financial institutions and insurance companies. The department also operates ombudsmen to help injured workers and 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 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 Organizational Structure

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 Public Information and Communications Services, a Policy Advisor, Personnel Services, Internal Auditor, Ombudsman for Injured Workers, and Small Business Ombudsman.

The Office of Personnel Services provides personnel management services including recruitment, job classification, and compensation determinations. The Internal Auditor evaluates the financial, accounting, and operational controls of divisions and programs and reports findings to agency management.

The Ombudsman for Injured Workers (OIW) 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 Small Business Ombudsman (SBO) 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.

Business Administration Division (BAD)

BAD 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, Collections, Program Support Services, Fiscal Services and Central Accounting, Premium Assessments, Workers Benefit Fund Assessments, Contract Management, and Payroll.

Information Management Division (IMD)

IMD gathers, stores, analyzes, processes, and reports DCBS data and information related to department programs. The division also provides policy and procedural guidelines for the creation, use, retention, and disposition of corporate data. Present sections include Administration, Information Technology Services, Information Center, and Research and Analysis.

Building Codes Division (BCD)

The mission of BCD is to facilitate the construction of safe, accessible and energy efficient structures while promoting a positive business climate. The division administers ORS 446, 447, 455, 460, 470, 479, 480, and 693. The division currently provides support for and receives advice from six boards and committees.

The division is currently charged with adopting and enforcing a uniform statewide building code relating to construction, reconstruction, alteration, and repair of structures and to the installation of mechanical, plumbing, and electrical devices and equipment. It administers seven specialty codes and regulates six other construction industry related activities. It examines, certifies, registers, and licenses eleven professions or trades and issues operating permits for four industries - structural, mechanical, electrical, and elevator work. In addition to its West Salem headquarters, the Building Codes Division maintains field offices in Coquille, Pendleton, and The Dalles. 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, Business Support Services, Policy and Technical Services, Regulatory Services, Statewide Services, Field Operations, and the Tri-County Service Center.

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. The division administers ORS 58-60, 71, 72, 74, 98, 114, 128, 129, 165, 646, 697, 705-716, 722, 723, 725, 726, and 744.

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.

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 DCBS director is the state Insurance Commissioner. The division administers ORS 284 and 631-750.

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, Agent Licensing, Company Regulation, Rates and Forms, and Consumer Protection.

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. Current sections include Administrator's Office, Consultative Services, Standards and Technical Resources, Voluntary Services, and Health and Safety Enforcement. Six 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.

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 administers ORS 654 and 656.

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, Compliance, Benefits and Policy, Dispute Resolution, Hearings, and Operations.

Standalone Boards and Programs

Appraiser Certification and Licensure Board (ACLB)

ACLB licenses and regulates real estate appraisers and appraiser assistants. It operates independently of other real estate-related regulatory agencies. The ACLB administers ORS 674.305. In addition to supervising, licensing, and certifying appraisers and appraiser assistants the board disciplines appraisers and assistant appraisers by issuing reprimands, levying civil penalties, and/or suspending or revoking a license or certification. The ACLB also reviews and approves or denies approval of education providers and courses that give instruction in pre-qualification and continuing education.

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. The governing statute is ORS 200. 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. The governing statute is ORS 735.610-650.

Worker's Compensation Board (WCB)

WCB is an independent adjudicatory agency within the Department of Consumer and Business Services. It administers ORS 654 and 656. 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 Department. In addition, the board approves alternative settlements such as claim disposition agreements and hears appeals under the Oregon Crime Victim Assistance program. Sections include Board, Administrative Services, and Board Review.

Selected 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

DCBS Legislatively Approved Budget, 1999-2001 biennium.

DCBS Website: <http://www.cbs.state.or.us/>

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Department of Consumer and Business Services, Administrative Overview, 1995.

Oregon Laws 1887 – 1999.

Workers' Compensation Department, Administrative Overview, 1986.

Primary Agency Statutes and Administrative Rule Chapters

Appraiser Certification and Licensing Board

ORS 674

OAR 161

Building Codes Division

24 CFR 3200

ORS 446, 447, 455, 460, 479, 480, 660, and 693

OAR 918

Finance and Corporate Securities Division

ORS 58, 59, 60, 71, 72, 74, 114, 128, 129, 165, 646, and 697

OAR 441

Insurance Division

ORS 284, 705-717, 722, 723, 725, 726, and 731-750

OAR 836

Office of Minority, Women, and Emerging Small Businesses

49 CFR 26

ORS 200

OAR 445

Oregon Medical Insurance Pool
ORS 735 and 653
OAR 443

OR-OSHA
29 CFR 1902
ORS 433, 447, 654, and 656
OAR 437

Workers' Compensation Board
ORS 654 and 656
OAR 438

Workers' Compensation Division
ORS 654 and 656
OAR 436