

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Revenue

Vote: 5 - 2 - 0

Yeas: Burley, Cameron, Edwards C., Esquivel, Schaufler

Nays: Holvey, Rosenbaum

Exc.: 0

Prepared By: Theresa Van Winkle, Administrator

Meeting Dates: 2/6, 2/11

WHAT THE MEASURE DOES: Clarifies that the definition of “employment” does not include services provided in conjunction with skiing activities or events by a person who receives nothing more than ski passes for provided services. Establishes that the definition applies only to the extent permitted by federal code pertaining to the limit of remuneration for services of \$50 per calendar quarter. Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- Compliance with federal unemployment insurance regulations
- Rationale behind workers’ compensation and minimum wage exemptions
- Effect of *MBSEF v. Employment Department* on other groups of volunteers
- Level of support from Management-Labor Advisory Committee

EFFECT OF COMMITTEE AMENDMENT: Clarifies that the definition of “employment” does not include services provided in conjunction with skiing activities or events by a person who receives nothing more than ski passes for provided services. Establishes that the definition applies only to the extent permitted by federal code pertaining to the limit of remuneration for services of \$50 per calendar quarter. Restores language that inadvertently narrowed the exemption for ski patrol volunteers.

BACKGROUND: House Bill 3632A is a legislative response to the Oregon Court of Appeals decision for *Mount Bachelor Sports Education Foundation (MBSEF) v. Employment Department*. A MBSEF volunteer included in an unemployment benefits claim, a ski pass received for providing volunteer services. The Employment Department issued a tax assessment for the same amount the foundation would have been assessed if the volunteer was an employee. MBSEF contested the tax assessment on the grounds that the volunteer was not an employee, which was upheld by the Employment Department’s administrative law judge. The Court of Appeals upheld the ruling, stating that MBSEF had paid “wages” to the volunteer in the form of a season pass, making the foundation subject to unemployment tax.