

Enrolled
Senate Bill 849

Sponsored by Senator PROZANSKI

CHAPTER

AN ACT

Relating to exclusion from the definition of employment; creating new provisions; amending ORS 657.044; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 657.044 is amended to read:

657.044. (1) As used in this chapter, “employment” does not include service performed for:

(a) A corporation by corporate officers who:

(A) Are directors of the corporation[, *who*];

(B) Have a substantial ownership interest in the corporation; and [*who*]

(C) Are members of the same family [*if the corporation elects not to provide coverage for those individuals. The election shall be in writing and shall be effective on the first day of the current calendar quarter or of the calendar quarter preceding the calendar quarter in which the request was submitted*].

(b) A corporation by an individual who is the sole corporate officer and director of the corporation and who has a substantial ownership interest in the corporation.

[*b*] **(c)** A limited liability company by a member, including members who are managers, as defined in ORS 63.001.

[*c*] **(d)** A limited liability partnership by a partner as described in ORS chapter 67.

(2)(a) The exclusion under subsection (1)(a) or (b) of this section is effective only if the corporation elects not to provide coverage for the individuals described respectively in subsection (1)(a) or (b) of this section.

(b) The election must be in writing and is effective on the first day of the current calendar quarter or, upon request, on the first day of the calendar quarter preceding the calendar quarter in which the request is submitted.

[*2*] **(3)** The provisions of this section do not apply to service performed for:

(a) A nonprofit employing unit;

(b) This state;

(c) A political subdivision of this state; or

(d) An Indian tribe.

[*3*] **(4)** As used in this section, “members of the same family” means persons who are members of a family as parents, stepparents, grandparents, spouses, sons-in-law, daughters-in-law, brothers, sisters, children, stepchildren, adopted children or grandchildren.

SECTION 2. (1) Notwithstanding ORS 657.044 (2)(b), an election under ORS 657.044 (2) may not become effective before the January 1 that immediately follows the first date after the effective date of this 2013 Act on which a Fund Adequacy Percentage Ratio schedule

lower than V, V B or V C, pursuant to ORS 657.462, 657.463 or 657.439, respectively, is in effect.

(2) The Director of the Employment Department shall notify Legislative Counsel when a Fund Adequacy Percentage Ratio schedule lower than V, V B or V C, pursuant to ORS 657.462, 657.463 or 657.439, respectively, is in effect for the first time following the effective date of this 2013 Act.

SECTION 3. This 2013 Act takes effect on the 91st day after the date on which the 2013 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.

Passed by Senate April 24, 2013

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Robert Taylor, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House May 22, 2013

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Tina Kotek, Speaker of House

Received by Governor:

.....M.,....., 2013

Approved:

.....M.,....., 2013

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John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M.,....., 2013

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Kate Brown, Secretary of State