

471-031-0017

## Corporate Officer Election

- (1) For the purposes of ORS 657.044, the term "substantial ownership" means each corporate officer owns at least ten percent of the corporation and the total ownership of the corporation among those officers being excluded is at least seventy-five percent. This definition is effective for all corporations who apply for the election after February 1, 2017.
- (2) The Employment Department will notify the corporation, in writing, whether the election meets the statutory requirements and the effective date of the election as determined by ORS 657.044(2)(b). The notice approving or denying the election will be mailed to the corporation's last known address as shown in the Department's records.
- (3) If the statutory requirements are met, the election not to provide coverage will continue until revoked or canceled.
- (4) Once the election is approved, the corporation must notify the Employment Department in writing of any changes to ownership within thirty (30) days of the change occurring.
- (5) The election not to provide coverage will be revoked if there is a change in ownership which causes the corporate officers to no longer meet the requirements of ORS 657.044(1)(a) or (b). The election will be revoked effective the date of the change regardless of when the Employment Department was notified of the change. If the election is revoked, the Department will mail a notice of revocation to the corporation's last known address as shown in the Department's records.
- (6) The corporation may cancel the election at any time by notifying the Employment Department in writing, and the cancellation will be effective in the quarter filed unless a later date is specified in the cancellation notice. If the corporation chooses to cancel the election, then the corporation will not be granted another exclusion for a minimum of two completed calendar years from the effective date of the cancellation.
- (7) The notice of denial referred to in section 2 and notice of revocation referred to in section 5 shall become final twenty (20) calendar days after the notice is mailed unless within such time the corporation files a request for a hearing. The request for hearing must be filed in accordance with the provisions of OAR 471-040-0005(3). A request for hearing on the denial of a corporation's election must be in writing and submitted by the employer or the employer's agent. The date of filing any request for hearing under this rule shall be determined in accordance with the provisions of OAR 471-010-0040.

Stat. Auth: ORS 657.610

Stats. Implemented: ORS 657.044

Hist.: ED 1-1998, f. 2-20-98, cert. ef. 2-27-98; ED 6-2002, f. 9-20-02, cert. ef. 9-22-02; ED 4-2004, f. 7-30-04, cert. ef. 8-1-04