

OREGON DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
WORKERS' COMPENSATION DIVISION
EMPLOYER COMPLIANCE PROGRAM
350 WINTER ST. NE.
SALEM, OREGON 97310
(503) 945-7888

18989

In the Matter of the Noncompliance of)
)
PIEDMONT PROPERTIES INC) PROPOSED AND FINAL ORDER
an Oregon Corporation) DECLARING NONCOMPLIANCE AND
) ASSESSING A CIVIL PENALTY
)
Employer. (MCD Employer No. 7608468)) Order No. 2231B-AB

To: Piedmont Properties Inc., Registered Agent, PIEDMONT PROPERTIES INC

BASIS FOR ORDER

Every employer of one or more subject workers in Oregon is a subject employer (ORS 656.023).

Every subject employer must provide workers' compensation coverage for its subject workers, as required by ORS 656.017 (ORS 656.052(1)).

Every subject employer must maintain assurance with the Department of Consumer and Business Services that it has provided coverage for its subject workers (ORS 656.017(1)). In order to do this, it must qualify as a self-insured employer or cause a guaranty contract from its insurer to be filed with the Department (ORS 656.407(1)).

If the Department has reason to believe an employer has failed to provide workers' compensation coverage for its subject workers, the Department of Consumer and Business Services shall serve the employer with an order declaring the employer to be noncomplying and assessing a civil penalty (ORS 656.052(2)).

A civil penalty of twice the unpaid premium, but not less than \$1,000 shall be assessed against any subject employer who does not provide workers' compensation coverage for its subject workers and maintain assurance of the coverage with the Department by qualifying as a self-insured employer or by causing a guaranty contract from its insurer to be filed with the Department (ORS 656.735(1), OAR 436-80-040(1)).

Corporate officers and directors are jointly and severally liable for payment of this civil penalty (ORS 656.735(4)).

If there is a compensable claim arising from an injury to a subject employee of a noncomplying employer, the noncomplying employer is liable for payment of all costs related to the claim and for an additional civil penalty (ORS 656.054(3), ORS 656.735(3)). Corporate officers and directors are jointly and severally liable for payment of the claim costs and the additional civil penalty (ORS 656.735(4)).

FINDINGS

1. PIEDMONT PROPERTIES INC was the employer of one or more subject workers in Oregon during the period from June 16, 1995 to January 11, 1996.
2. PIEDMONT PROPERTIES INC was not qualified as a self-insured employer with the Department during the period from June 16, 1995 to January 11, 1996.


CERTIFIED TRUE COPY

FINDINGS (cont.)

3. **PIEDMONT PROPERTIES INC** did not cause a guaranty contract to be filed with the Department covering any part of the period from June 16, 1995 to January 11, 1996.

CONCLUSION

PIEDMONT PROPERTIES INC violated ORS 656.052(1) during the period from June 16, 1995 to January 11, 1996, by engaging as a subject employer without qualifying as a carrier-insured or self-insured employer as required by ORS 656.017.

ORDER

The Department of Consumer and Business Services through the Compliance Section of its Workers' Compensation Division proposes to order that **PIEDMONT PROPERTIES INC** and its officers and directors, including but not limited to Leonard Gotshalk and Linda Gotshalk, be declared a noncomplying employer during the period from June 16, 1995 to January 11, 1996, and to further order that **PIEDMONT PROPERTIES INC** pay a civil penalty in the amount of \$8,320.00 for violation of ORS 656.052(1).

NOTICE

If you disagree with this Order, you may request a hearing. Your request for hearing must be in writing, delivered to the Employer Compliance Program at the address on the top of this document. Your request for hearing must state the reasons why you disagree with the Order and must be mailed or delivered to the Employer Compliance Program within 20 days after this Order is served on the corporation named as "employer" in the heading of this Order. If a request for hearing is not sent to the Employer Compliance Program within the time limit above, this Order will become final by operation of ORS 656.740(3) and will not be subject to review by any agency or court.

If 105% of the workers' compensation premium that would have been due for the period stated above is less than the amount of the civil penalty ordered above, we may agree to reduce the amount of the civil penalty due if, within 20 days of the date this Order is served, you have sent us ALL of the following:

1. A signed, written agreement that you are not contesting this Order; and
2. Satisfactory evidence that you now have workers' compensation coverage in effect OR satisfactory evidence that you are no longer a subject employer; and
3. Sufficient payroll information for us to calculate the amount of premium you would have paid had you had coverage in effect during the period stated above; and
4. An arrangement satisfactory to us for your payment of the reduced civil penalty.

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If you do not understand this Order, you should contact your attorney at once or call the
Employer Compliance Program at 545-7883.

Dated January 24, 1996.

DEPARTMENT OF CONSUMER & BUSINESS SERVICES
WORKERS' COMPENSATION DIVISION

By *Ann L. Randall*
Ann L. Randall, Compliance Section

60122 WCDOUTHC/SUP
39210/0500

CC: LONE PINE RANCH FIRE
Leonard Gotshaik, President
Linda Gotshaik, Secretary

STATE OF OREGON: COUNTY OF CLATSOP ss.

Filed for record at request of Oregon Dept. of Consumer Services the 19th day
of June A.D. 19 97 at 1:57 o'clock P. M. and duly recorded in Vol. 497
of County Lien Docket on Page 18988

FEE \$20.00

By *Bernetha G. Leach*
Bernetha G. Leach, County Clerk