



THE NONPROFIT  
ASSOCIATION OF  
OREGON

*Connect. Improve. Advance.*

Date: February 4, 2019

To: Oregon Senate Judiciary Committee

Re: The Nonprofit Association of Oregon (NAO) supports the passage of SB 360

NAO is a registered 501(c)(3) nonprofit organization representing not only our 1,300 Oregon nonprofit organizations and affiliate members, but the charitable sector broadly. Our members are located across the state and come from all areas that serve our communities, including education, health and human services, the arts, and environmental protection. NAO's mission is to strengthen the collective voice, leadership and capacity of Oregon nonprofits to enrich the lives of all Oregonians. More information about our programs and services can be found at [www.nonprofitoregon.org](http://www.nonprofitoregon.org).

The public, private, and the nonprofit sector work together throughout Oregon to create and maintain our vibrant civil society. We elevate our communities and we address the unmet needs of our citizens together. Nonprofits operate under Oregon's Nonprofit Corporation Code, which was enacted in 1989 and has remained largely unchanged. Since 1989, attorneys who assist and advise the board and staff of nonprofit corporations, as well as those who provide oversight for charities through Oregon's Attorney General's office, have experienced situations where the existing statutory language is unclear, unhelpful or simply dated. Changes relating to the use of electronic resources for notices and meetings in some sections require updating. In 2017, HB 2606 was introduced to address modernizing the statute and to provide nonprofits with additional clarity regarding their responsibilities. During HB 2606 discussions, several concerns were raised, which have been addressed in SB 360. These include: eliminating the option for members or directors to use the nonprofit's address as their contact address, maintaining the existing requirement that a nonprofit with members hold an annual meeting, and maintaining existing supermajority requirements for mutual benefit corporations, while eliminating those requirements for public benefit and religious corporations.

NAO believes that SB 360 clarifies and improves the law for thousands of nonprofit corporations in Oregon, many of whom operate with minimal staff or legal representation. Changes made in this bill will assist nonprofits in complying with their legal obligations, while allowing them to focus on their vital missions.

NAO supports the passage of SB 360.

James White, Executive Director