SB 185 B   STAFF MEASURE SUMMARY   **Carrier:** Rep. Power

House Committee On Judiciary

Action Date:	05/24/21
Action:	Do pass with amendments to the A-Eng bill. (Printed B-Eng.)
Vote:	10-0-0-0
Yeas:	10 - Bynum, Dexter, Helm, Kropf, Lewis, Morgan, Noble, Power, Wallan, Wilde
Fiscal:	No fiscal impact
Revenue:	No revenue impact
Prepared By:	Channa Newell, Counsel
Meeting Dates:	4/28, 5/5, 5/24

WHAT THE MEASURE DOES:

Provides update to nonprofit corporation processes. Clarifies that members and board of nonprofit may take action via electronic means, including email, if not disallowed in articles of incorporation or bylaws. Specifies process for electronic actions. Allows a majority of directors in office at the time of proposed dissolution to approve dissolution.

ISSUES DISCUSSED:
- Goal for both board and members to take action via electronic means
- Effect of amendment
- Prior efforts on revision to Nonprofit Corporations Act

EFFECT OF AMENDMENT:

Allows Board of Directors of nonprofit corporation to use electronic mail or other electronic means to take action, unless articles of incorporation or bylaws provide otherwise. Specifies process for taking action by electronic mail.

BACKGROUND:

The Nonprofit Corporations Act, Chapter 65 of the Oregon Revised Statutes, was adopted in 1989 and governs the formation and procedures of nonprofit corporations created and operating in Oregon. in 2019, Senate Bill 360 provided an extensive update to the Nonprofit Corporations Act.

Senate Bill 185 B provides additional updates to the Nonprofit Corporations Act. The measure clarifies that members may take actions via electronic means, so long as it is not disallowed by the articles of incorporation or bylaws, and is done in accordance with the procedures outlined in the measure. The measure allows a majority of the directors holding office to approve a dissolution of the corporation, even if less than the number required under the articles of incorporation or bylaws.