

House Bill 3182

Sponsored by Representative HOLVEY

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Creates Task Force on Business Entity Information with members appointed by Secretary of State, Director of Department of Revenue, Director of Department of Consumer and Business Services, Attorney General and executive director of Oregon State Bar. Requires task force to study issues related to information State of Oregon should require from beneficial owners of business entities. Permits task force to investigate, receive and consider information from any source necessary to carry out purpose of task force. Requires task force to report to Secretary of State and to Legislative Assembly.

Increases fee for documents delivered for filing to Secretary of State as part of secretary's business registry functions to \$100. Exempts certain filings from increase. Requires transfer of \$50 of amount collected for filings to Judicial Department Operating Account.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to business entities; creating new provisions; amending ORS 56.041 and 56.140; prescribing
3 an effective date; and providing for revenue raising that requires approval by a three-fifths ma-
4 jority.

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

6 **SECTION 1. (1) There is created the Task Force on Business Entity Information, con-**
7 **sisting of not more than 15 members appointed as follows:**

8 (a) **The Secretary of State shall appoint at least one representative from the Federal**
9 **Bureau of Investigation, at least one representative from the Internal Revenue Service, at**
10 **least one representative from the United States Department of Homeland Security, at least**
11 **one representative from among business entities required to register with the office of the**
12 **Secretary of State, and one representative from the office of the Secretary of State.**

13 (b) **The Director of the Department of Revenue shall appoint one representative from the**
14 **Department of Revenue.**

15 (c) **The Director of the Department of Consumer and Business Services shall appoint one**
16 **representative from the Department of Consumer and Business Services.**

17 (d) **The Attorney General shall appoint one representative from the Department of Jus-**
18 **tice.**

19 (e) **The executive director of the Oregon State Bar shall appoint at least one represen-**
20 **tative from the legal community.**

21 (2) **Each appointing authority described in subsection (1) of this section, to the extent**
22 **necessary to carry out the functions of the task force, shall ensure that a representative**
23 **appointed to the task force has an active or current security clearance from the federal**
24 **agencies represented on the task force, or is capable of obtaining an interim security clear-**
25 **ance.**

26 (3) **Notwithstanding subsection (1) of this section and upon the approval of a majority of**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 the members of the task force initially appointed under subsection (1) of this section, the
 2 chairperson of the task force may appoint additional members, including ex officio members,
 3 as necessary to carry out the functions of the task force.

4 (4) The task force shall investigate and make recommendations concerning the form and
 5 content of beneficial ownership information the State of Oregon should require from business
 6 entities that register in this state.

7 (5) The task force may investigate, receive and consider information and data from any
 8 source and may take other actions consistent with applicable law that are necessary to carry
 9 out the purpose of the task force.

10 (6) A majority of the members of the task force constitutes a quorum for the transaction
 11 of business.

12 (7) Official action by the task force requires the approval of a majority of the members
 13 of the task force.

14 (8) The representative appointed by the executive director of the Oregon State Bar shall
 15 serve as chairperson of the task force.

16 (9) If there is a vacancy for any cause, the chairperson shall make an appointment to
 17 become immediately effective.

18 (10) The task force shall meet at times and places specified by the call of the chairperson
 19 or of a majority of the members of the task force.

20 (11) The task force may adopt rules necessary for the operation of the task force.

21 (12) The task force shall submit a report, and may include recommendations for legis-
 22 lation, to the Secretary of State and to an interim committee related to business entities,
 23 as appropriate, no later than October 1, 2008.

24 (13) The Secretary of State shall provide staff support to the task force.

25 (14) Members of the task force are not entitled to compensation, but may be reimbursed
 26 for actual and necessary travel and other expenses incurred by them in the performance of
 27 their official duties in the manner and amounts provided for in ORS 292.495. Claims for ex-
 28 penses shall be paid out of funds appropriated to the office of the Secretary of State for that
 29 purpose.

30 (15) All agencies of state government, as defined in ORS 174.111, are directed to assist
 31 the task force in the performance of its duties and, to the extent permitted by laws relating
 32 to confidentiality, to furnish such information and advice as the members of the task force
 33 consider necessary to perform their duties.

34 **SECTION 2.** ORS 56.140 is amended to read:

35 56.140. (1) **Except as provided in subsection (2) of this section,** the Secretary of State shall
 36 collect a nonrefundable fee of [~~\$50~~] **\$100** for each document delivered for filing to the Secretary of
 37 State as part of the secretary's business registry functions described in ORS 56.022.

38 (2) **As part of the secretary's business registry functions under ORS 56.022, the secretary**
 39 **shall collect a nonrefundable fee of \$50 for each document delivered for filing to the secretary**
 40 **under ORS chapters 65, 647 and 648.**

41 [(2)] (3) The Secretary of State by rule may establish fees, in addition to those provided for in
 42 [subsection (1)] **subsections (1) and (2)** of this section, for:

43 (a) Copying any public record maintained by the secretary and relating to the secretary's busi-
 44 ness registry functions, and for certifying the copy; and

45 (b) Certifying to other facts of record, including certificates of existence, relating to the secre-

1 tary's business registry functions.

2 [(3)] (4) The Secretary of State shall collect a nonrefundable fee of \$20 each time process is
 3 served on the Secretary of State and the process relates to the secretary's business registry func-
 4 tions.

5 [(4)] (5) The Secretary of State may waive collection of any fee, charge or interest, or portion
 6 of a fee, charge or interest, that is collectible by the Secretary of State as part of the secretary's
 7 business registry functions.

8 [(5)] (6) The Secretary of State by rule shall establish and collect reasonable fees for the fol-
 9 lowing services relating to the secretary's business registry functions:

- 10 (a) Computer generated lists on electronic data processing media.
- 11 (b) Terminal access to the files of the office.
- 12 (c) Microfilm records of the files of the office.
- 13 (d) Microfilm processing and development services.
- 14 (e) Copies of the programs and files on paper or electronic data processing media.

15 **SECTION 3.** ORS 56.041 is amended to read:

16 56.041. (1) The Operating Account is established in the General Fund of the State Treasury.

17 (2) The net amount accruing to the Secretary of State from all fees, charges, interest, fines,
 18 penalties and miscellaneous revenues from all sources relating to business registry functions, and
 19 moneys received by the Secretary of State under ORS chapters 79 and 194 and ORS 80.100 to 80.130,
 20 87.246, 87.767 and 87.806 to 87.831 shall, after deduction of refunds, be paid over to the State
 21 Treasurer and deposited at least monthly in the Operating Account.

22 (3) Moneys deposited to the credit of the Operating Account are continuously appropriated for
 23 the expenses of carrying out the functions and duties of the Secretary of State relating to business
 24 registry, and the functions and duties of the Secretary of State under ORS chapters 79 and 194 and
 25 ORS 80.100 to 80.130, 87.246, 87.767 and 87.806 to 87.831.

26 (4) At the end of each month:

27 (a) The Secretary of State shall determine for that month the number of business registry filings
 28 for which the Secretary of State collected the [fee] fees described in ORS 56.140; [and]

29 (b) An amount equal to \$30 for each business registry filing described in paragraph (a) of this
 30 subsection shall be transferred to the General Fund and shall become available for general govern-
 31 mental expenses[.]; and

32 (c) **An amount equal to \$50 for each filing made under ORS 56.140 (1) shall be transferred**
 33 **to the Judicial Department Operating Account and made available for expenditures in ac-**
 34 **cordance with ORS 1.009.**

35 (5) As of July 1 of each year, any unexpended and unobligated balance in the Operating Account
 36 that is in excess of the amount that is necessary to administer the functions and duties of the Sec-
 37 retary of State as described in subsection (3) of this section for two months, as certified by the
 38 Secretary of State, shall be transferred to the General Fund and shall become available for general
 39 governmental expenses.

40 **SECTION 4. Section 1 of this 2007 Act is repealed on the date of the convening of the next**
 41 **regular biennial legislative session.**

42 **SECTION 5. (1) The amendments to ORS 56.041 and 56.140 by sections 2 and 3 of this 2007**
 43 **Act become operative on January 1, 2008.**

44 (2) **The Secretary of State may take any action before the operative date specified in this**
 45 **section that is necessary to enable the secretary to exercise, on and after the operative date**

1 specified in this section, all the duties, functions and powers conferred upon the secretary
2 by the amendments to ORS 56.041 and 56.140 by sections 2 and 3 of this 2007 Act.

3 SECTION 6. This 2007 Act takes effect on the 91st day after the date on which the reg-
4 ular session of the Seventy-fourth Legislative Assembly adjourns sine die.

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