

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 4 - 0 - 1

Yeas: Bonamici, Kruse, Metsger, Hass

Nays: 0

Exc.: Morse

Prepared By: Dana Richardson, Administrator

Meeting Dates: 5/6, 5/11

WHAT THE MEASURE DOES: Permits Secretary of State (SOS) to waive requirement that dissolved corporation apply for reinstatement within five years after dissolution if corporation requests waiver and shows good cause for failure to apply for reinstatement within the time limit. Declares an emergency; effective upon passage.

ISSUES DISCUSSED:

- Examples of nonprofit corporations that have been dissolved
- Clarification in the amendment

EFFECT OF COMMITTEE AMENDMENT: Replaces substantive provisions of the measure.

BACKGROUND: Currently, Oregon corporations, including nonprofit corporations, must file annual reports. If filing requirements are not met, a corporation may be administratively dissolved by the SOS. Oregon law allows an administratively dissolved corporation five years to request reinstatement. Reinstatement nullifies the administrative dissolution retroactively, as if the dissolution never happened. Corporations that do not seek reinstatement within five years cannot be reinstated. The five-year reinstatement requirement was added in 1995. Until 1995, reinstatement was not limited. The SOS sought the five-year reinstatement period to prevent old, inactive Oregon corporations from being reinstated for the purpose of marketing those entities.