77th OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session MEASURE: HB 2915 STAFF MEASURE SUMMARY CARRIER: Rep. Hoyle

House Committee on Business & Labor

REVENUE: No revenue impact **FISCAL:** No fiscal impact

Action: Do Pass **Vote:** 9 - 0 - 1

Yeas: Barton, Fagan, Holvey, Kennemer, Matthews, Thompson, Weidner, Witt, Doherty

Nays: 0

Exc.: Thatcher

Prepared By: Jan Nordlund, Administrator

Meeting Dates: 3/11, 3/18

WHAT THE MEASURE DOES: Eliminates requirement that religious corporation hold an annual membership meeting if the only member of the religious organization is corporation sole or individual that constitutes corporation sole, provided that religious corporation is incorporated under state law and it is of same church or religious denomination as corporation sole.

ISSUES DISCUSSED:

- Archdiocese of Portland's creation of corporation sole for each parish
- Relationship between Archdiocese and individual parishes
- Value of holding annual membership meeting

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Oregon's Nonprofit Corporation Act (ORS chapter 65) requires nonprofits to hold annual membership meetings. The Act also allows a unique form of a religious corporation known as a "corporation sole." The corporation sole is, like other nonprofits, without members, but unlike other nonprofits it is managed by a single director and need not have officers. The Archdiocese of Portland created a corporation sole for each parish approximately a decade ago in response to the Archdiocese filing for bankruptcy. The Archbishop is the only member of each corporation sole.

House Bill 2915 eliminates the requirement to hold an annual membership meeting when a corporation sole or the individual who constitutes the corporation sole serves as the only member, as long as the religious corporation is incorporated under Oregon law and is of the same church or religious denomination as the corporation sole. With a single director and no members or officers, the requirement to hold an annual membership meeting is considered unnecessary by the proponents.