

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	9 - 0 - 1
Yeas:	Barton, Holvey, Kennemer, Matthews, Thatcher, Thompson, Weidner, Witt, Doherty
Nays:	0
Exc.:	Fagan
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	5/6

WHAT THE MEASURE DOES: Permits an authorized agent of an incorporator, director, officer or receiver, trustee or fiduciary of a business entity to execute filings with the Secretary of State. Allows limited use of the terms “cooperative” and “partnership” in business names or titles. Provides exceptions to the Secretary of State’s duty to return acknowledgement for documents filed with the Secretary of State. Allows a business entity to undertake activities appropriate to winding up and liquidating the entity and its affairs. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Allowing agent of officers, director, or manager to file basic documents is efficient for corporations
- Registration requirements on foreign corporations

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Corporation Division of the Secretary of State operates Oregon’s business registry and provides assistance to people wanting to start and grow a business in the state. The Corporation Division partners with a number of other government agencies that support and regulate business.

Senate Bill 142 makes a number of technical changes to outdated statutes that create potential barriers to starting or expanding a business in Oregon. Many of the changes are designed to revise and update statutory language to reflect modern practices and usage. For example, Oregon is one of only a few states that do not allow limited liability companies to use the word “partnership” in their business name, which compels foreign companies with that word in their title wishing to do business in Oregon to either change their business name or not do business in the state.