

HOUSE AMENDMENTS TO HOUSE BILL 2567

By COMMITTEE ON BUSINESS AND LABOR

March 18

1 On page 1 of the printed bill, line 2, after the semicolon insert “creating new provisions; and”.

2 In line 3, delete “and 60.307” and insert “, 60.307, 65.001, 65.201, 65.204, 65.221, 65.227, 65.637,
3 271.330 and 307.518”.

4 On page 3, line 30, after the period delete the rest of the line and lines 31 through 33 and insert
5 “If the board of directors does not determine that the annual meeting will occur solely by means
6 of remote communication and a place for the annual meeting is not stated in or otherwise fixed in
7 accordance with the bylaws, the annual meeting must be held at the corporation’s principal
8 office.”.

9 On page 4, line 19, after the period delete the rest of the line and lines 20 through 22 and insert
10 “If the board of directors does not determine that the special meeting will occur solely by means
11 of remote communication and a place for the special meeting is not stated in or otherwise fixed in
12 accordance with the bylaws, the special meeting must be held at the corporation’s principal
13 office.”.

14 On page 5, after line 37, insert:

15 “**SECTION 7.** ORS 65.001 is amended to read:

16 “65.001. As used in this chapter[, *unless otherwise specifically provided*]:

17 “(1) ‘Anniversary’ means [*that*] **the** day each year **that is** exactly one or more years after the
18 date [*of filing by*] **on which** the Office of the Secretary of State [*of*] **files** the articles of incorpo-
19 ration [*in the case of*] **for** a domestic corporation or the date [*of filing by*] **on which** the office [*of*
20 *the Secretary of State of*] **files** an application for authority to transact business [*in the case of*] **for**
21 a foreign corporation. An event that would otherwise cause an anniversary to fall on February 29
22 [*shall be deemed to have occurred*] **causes the anniversary to fall** on February 28.

23 “(2) ‘Approved by the members’ or ‘approval by the members’ means approved or ratified by the
24 members entitled to vote on the issue through either:

25 “(a) The affirmative vote of a majority of the votes of [*such*] **the** members represented and vot-
26 ing at a duly held meeting at which a quorum is present or the affirmative vote of [*such*] **a** greater
27 proportion including the votes of any required proportion of the members of any class as the arti-
28 cles, bylaws or this chapter may provide for specified types of member action; or

29 “(b) A written ballot or written consent in conformity with this chapter.

30 “(3) ‘Articles of incorporation’ or ‘articles’ [*include*] **means the articles described in ORS**
31 **65.047**, amended and restated articles of incorporation [*and*] **or** articles of merger, and corrections
32 [*thereto*] **to the articles**.

33 “(4) ‘Board’ or ‘board of directors’ means the individual or individuals vested with overall man-
34 agement of the affairs of the domestic or foreign corporation, irrespective of the name by which the
35 individual or individuals are designated, except that [*no*] **an** individual or **a** group of individuals

1 [are] **is not** the board of directors because of powers delegated to [that] **the** individual or group
2 [pursuant to] **under** ORS 65.301.

3 “(5) ‘Bylaws’ means the code or codes of rules, other than the articles adopted [pursuant to]
4 **under** this chapter or the laws governing a foreign corporation, for [the regulation or management
5 of] **regulating or managing** the affairs of the domestic or foreign corporation, irrespective of the
6 name or names by which [such] **the** rules are designated.

7 “(6) ‘Class’ means a group of memberships that have the same rights with respect to voting,
8 dissolution, redemption and transfer. For the purpose of this section, rights are the same if the
9 rights are determined by a formula applied uniformly.

10 “(7) ‘Contact address’ means a mailing address at which a person affiliated with the organization
11 will receive and transmit to the organization notices intended for the foreign or domestic corpo-
12 ration either when sending [such] **the** notices to the registered agent is not practical or when a
13 duplicate notice is desirable. The contact address may be the principal place of business, if any, or
14 the business or residence address of any person associated with the corporation or foreign corpo-
15 ration who has consented to serve, but [shall] **may** not be the address of the registered agent.

16 “(8) ‘Corporation’ or ‘domestic corporation’ means a nonprofit corporation that is not a foreign
17 corporation, and that is incorporated under or subject to the provisions of this chapter.

18 “(9) ‘Delegates’ means those persons elected or appointed to vote in a representative assembly
19 for [the election of] **electing** a director or directors or on other matters.

20 “(10) ‘Deliver’ [includes mail.] **means any method of delivery used in conventional com-**
21 **mercial practice, including delivery by hand, mail, commercial delivery and electronic trans-**
22 **mission.**

23 “(11) ‘Directors’ means individuals [designated in] **whom** the articles or bylaws **designate** or
24 [elected by] **whom** the incorporators **elect** to act as members of the board, and [their] successors **to**
25 **the individuals.**

26 “(12) ‘Distribution’ means [the payment of] **paying** a dividend or any part of the income or profit
27 of a corporation to the corporation’s members, directors or officers, other than [payment of] **paying**
28 value for property received or services performed or [payment of] **paying** benefits [in furtherance
29 of] **to further** the corporation’s purposes.

30 “(13) ‘Domestic business corporation’ means a for profit corporation **that is** incorporated under
31 ORS chapter 60.

32 “(14) ‘Domestic limited liability company’ means [an entity that is] an unincorporated association
33 [having] **that has** one or more members and that is organized under ORS chapter 63.

34 “(15) ‘Domestic professional corporation’ means a corporation **that is** organized under ORS
35 chapter 58 for the purpose of rendering professional services and for the purposes provided under
36 ORS chapter 58.

37 “(16) ‘Effective date of notice’ has the meaning given that term in ORS 65.034.

38 “(17) ‘Employee’ includes an officer or director [who is employed by] **whom** the corporation
39 **employs** with compensation for services beyond those encompassed by board membership.

40 “(18) ‘Entity’ [includes] **means** a corporation, foreign corporation, business corporation and for-
41 eign business corporation, profit and nonprofit unincorporated association, corporation sole, business
42 trust, partnership, two or more persons [having] **that have** a joint or common economic interest,
43 any state, the United States, a federally recognized Native American or American Indian tribal
44 government and any foreign government.

45 “(19) ‘File,’ ‘filed’ or ‘filing’ means reviewed, accepted and entered in the Office of the Secretary

1 of State.

2 “(20) ‘Foreign business corporation’ means a for profit corporation **that is** incorporated under
3 laws other than the laws of this state.

4 “(21) ‘Foreign corporation’ means a corporation **that is** organized under laws other than the
5 laws of this state **and** that would be a nonprofit corporation if formed under the laws of this state.

6 “(22) ‘Foreign limited liability company’ means [*an entity that is*] an unincorporated association
7 **that is** organized under laws other than the laws of this state and that is organized under a statute
8 under which an association may be formed that affords to each of the entity’s members limited li-
9 ability with respect to liabilities of the entity.

10 “(23) ‘Foreign professional corporation’ means a professional corporation **that is** organized un-
11 der laws other than the laws of this state.

12 “(24) ‘Governmental subdivision’ includes an authority, county, district and municipality.

13 “[25] ‘Includes’ denotes a partial definition.]

14 “[26] (25) ‘Individual’ means a natural person, [*and includes*] **including** the guardian of an in-
15 competent individual.

16 “[27] ‘Means’ denotes an exhaustive definition.]

17 “[28(a)] (26)(a) ‘Member’ means a person [*or persons*] **that is** entitled, [*pursuant to*] **under** a
18 domestic or foreign corporation’s articles or bylaws, without regard to what the person is called in
19 the articles or bylaws, to vote on more than one occasion [*for the election of*] **to elect** a director or
20 directors.

21 “(b) A person is not a member by virtue of any of the following rights the person has:

22 “(A) As a delegate;

23 “(B) To designate or appoint a director or directors;

24 “(C) As a director; or

25 “(D) As a holder of an evidence of indebtedness [*issued or to be issued by*] the corporation **has**
26 **issued or will issue.**

27 “(c) Notwithstanding the provisions of paragraph (a) of this subsection, a person is not a member
28 if the person’s membership rights have been eliminated as provided in ORS 65.164 or 65.167.

29 “[29] (27) ‘Membership’ [*refers to*] **means** the rights and obligations a member has under this
30 chapter.

31 “[30] (28) ‘Mutual benefit corporation’ means a domestic corporation that is formed as a mutual
32 benefit corporation [*pursuant to*] **under** ORS 65.044 to 65.067[,] **and** is designated a mutual benefit
33 corporation by a statute or does not come within the definition of public benefit or religious cor-
34 poration.

35 “[31] (29) ‘Nonprofit corporation’ means **a** mutual benefit [*corporations*] **corporation, a** public
36 benefit [*corporations and*] **corporation or a** religious [*corporations*] **corporation.**

37 “[32] (30) ‘Notice’ has the meaning given that term in ORS 65.034.

38 “[33] (31) ‘Office,’ when used to refer to the administrative unit directed by the Secretary of
39 State, means the Office of the Secretary of State.

40 “[34] (32) ‘Person’ [*includes any*] **means** individual or entity.

41 “[35] (33) ‘Principal office’ means the place, in or out of this state, **where the principal**
42 **executive offices of a domestic or foreign corporation are located and that is designated as**
43 **the principal office** [*so designated*] in the most recent annual report filed pursuant to ORS 65.787
44 or, if no annual report is on file, [*as designated*] in the articles of incorporation or the application
45 for authority to transact business in this state[, *that is the place where the principal executive offices*

1 of a domestic or foreign corporation are located or, if none, the contact address].

2 “[(36)] (34) ‘Proceeding’ [includes] **means a** civil, criminal, administrative [and] **or** investigatory
3 action.

4 “[(37)] (35) ‘Public benefit corporation’ means a domestic corporation that:

5 “(a) Is formed as a public benefit corporation [pursuant to] **under** ORS 65.044 to 65.067, is des-
6 ignated as a public benefit corporation by a statute, is recognized as tax exempt under section 501
7 (c) (3) of the Internal Revenue Code of 1986 or is otherwise organized for a public or charitable
8 purpose;

9 “(b) Is restricted so that on dissolution the corporation must distribute the corporation’s assets
10 to an organization organized for a public or charitable purpose, a religious corporation, the United
11 States, a state or a person that is recognized as exempt under section 501 (c) (3) of the Internal
12 Revenue Code of 1986; and

13 “(c) Does not come within the definition of ‘religious corporation.’

14 “[(38)] (36) ‘Record date’ means the date established under ORS 65.131 to 65.177 or 65.201 to
15 65.254 on which a corporation determines the identity of the corporation’s members and [their] **the**
16 **members’** membership rights for the purposes of this chapter. [The determinations shall be made
17 as of the time of close of transactions on the record date unless another time for doing so is specified
18 at the time the record date is fixed.]

19 “[(39)] (37) ‘Religious corporation’ means a domestic corporation that is formed as a religious
20 corporation [pursuant to] **under** ORS 65.044 to 65.067, is designated a religious corporation by a
21 statute or is organized primarily or exclusively for religious purposes.

22 “(38) **‘Remote communication’ means any method by which a person that is not phys-**
23 **ically present at the location at which a meeting occurs may nevertheless hear or otherwise**
24 **communicate at substantially the same time with other persons at the meeting and have**
25 **access to materials necessary to participate or vote in the meeting to the extent of the**
26 **person’s authorization to participate or vote.**

27 “[(40)] (39) ‘Secretary,’ when used in the context of a corporate official, means the corporate
28 officer to whom the board of directors has delegated responsibility under ORS 65.371 for preparing
29 the minutes of the directors’ and members’ meetings and for authenticating the records of the cor-
30 poration.

31 “[(41)] (40) ‘State,’ when referring to a part of the United States, [includes] **means a** state,
32 commonwealth, territory [and] **or** insular possession of the United States and the agencies and
33 governmental subdivisions of the state, commonwealth, territory or insular possession.

34 “[(42)] (41) ‘Uncompensated officer’ means an individual who serves in an office without com-
35 pensation for personal service. For purposes of this subsection, payment solely for actual expenses
36 in performing duties of the officer or a stipend that is paid only to compensate the average expenses
37 the individual incurs over the course of a year is not compensation.

38 “[(43)] (42) ‘United States’ [includes] **means a** district, authority, bureau, commission, depart-
39 ment [and] **or** any other agency of the United States.

40 “[(44)] (43) ‘Vote’ [includes] **means** authorization by written ballot and written consent, where
41 permitted.

42 “[(45)] (44) ‘Voting power’ means the total number of votes entitled to be cast on [the] **an** issue
43 at the time the determination of voting power is made, excluding a vote that is contingent upon [the
44 happening of] a condition or event **occurring** that has not occurred at the time. [When a class is
45 entitled to vote as a class for directors, the determination of voting power of the class shall be based

1 on the percentage of the number of directors the class is entitled to elect out of the total number of
2 authorized directors.]

3 **“SECTION 8.** ORS 65.201 is amended to read:

4 “65.201. (1) A corporation with members shall hold a membership meeting annually at a time
5 stated in or fixed in accordance with the bylaws.

6 “(2) A corporation with members may hold regular membership meetings at the times stated in
7 or fixed in accordance with the bylaws.

8 “(3) **An** annual and regular membership [*meetings*] **meeting** may be held in or out of this state
9 at the place stated in or fixed in accordance with the bylaws[. *If no place is stated in or fixed in*
10 *accordance with the bylaws, annual and regular meetings shall*] **or at a place the board of directors**
11 **specifies, provided that the board’s specification is not inconsistent with the bylaws. If the**
12 **board of directors does not determine that the annual and regular meeting will occur solely**
13 **by means of remote communication and a place for the annual and regular meeting is not**
14 **stated in or otherwise fixed in accordance with the bylaws, the annual and regular meeting**
15 **must** be held at the corporation’s principal office.

16 “(4) At the annual meeting:

17 “(a) The president, and any other officer the board of directors or the president may designate,
18 shall report on the activities and financial condition of the corporation; and

19 “(b) The members shall consider and act upon such other matters as may be raised consistent
20 with the notice requirements of ORS 65.214.

21 “(5) At regular meetings the members shall consider and act upon such matters as may be raised
22 consistent with the notice requirements of ORS 65.214.

23 “(6) The failure to hold an annual or regular meeting at a time stated in or fixed in accordance
24 with a corporation’s bylaws does not affect the validity of any corporate action.

25 **“SECTION 9.** ORS 65.204 is amended to read:

26 “65.204. (1) A corporation with members shall hold a special meeting of members:

27 “(a) On call of [*its*] **the corporation’s** board of directors or **of** the person or persons [*authorized*
28 *to do so by*] **that** the articles of incorporation or bylaws **authorize to call the meeting;** or

29 “(b) Except as provided in the articles or bylaws, if the holders of at least five percent of the
30 voting power of any corporation sign, date and deliver to the corporation’s secretary one or more
31 written demands for the meeting [*describing*] **that describe** the purpose or purposes for which [*it*]
32 **the meeting** is to be held.

33 “(2) If not otherwise fixed under ORS 65.207 or 65.221, the record date for members entitled to
34 demand a special meeting is the date the first member signs the demand.

35 “(3) If a notice for a special meeting demanded under subsection (1)(b) of this section is not
36 given pursuant to ORS 65.214 within 30 days after the date the written demand or demands are de-
37 livered to the corporation’s secretary then, regardless of the requirements of subsection (4) of this
38 section, a person [*signing*] **that signs** the demand or demands may set the time and place of the
39 meeting and give notice pursuant to ORS 65.214.

40 “(4) **A** special [*meetings*] **meeting** of members may be held in or out of this state at the place
41 stated in or fixed in accordance with the bylaws[. *If no place is stated or fixed in accordance with*
42 *the bylaws,*] **or at a place the board of directors specifies, provided that the board’s specifi-**
43 **cation is not inconsistent with the bylaws. If the board of directors does not determine that**
44 **the special meeting will occur solely by means of remote communication and a place for the**
45 **special meeting is not stated in or otherwise fixed in accordance with the bylaws, the special**

1 [meetings shall] **meeting must** be held at the corporation's principal office.

2 “(5) Only matters within the purpose or purposes described in the meeting notice required by
3 ORS 65.214 may be conducted at a special meeting of members.

4 “**SECTION 10.** ORS 65.221 is amended to read:

5 “65.221. (1) The bylaws may fix or provide the manner of fixing the record date in order to de-
6 termine the members entitled to notice of a members' meeting, to demand a special meeting, to vote
7 or to take any other lawful action. **A determination of members must be made as of the time**
8 **of close of transactions on the record date unless another time for doing so is specified at**
9 **the time the record date is fixed.** If the bylaws do not fix or provide for fixing [*such*] a record
10 date, the board of directors may fix a future date as the record date. If [*no such*] a record date is
11 **not** fixed, then:

12 “(a) To determine the members entitled to notice of a members' meeting, the record date [*shall*
13 *be*] **is** the day before the day on which first notice is mailed or otherwise transmitted to members
14 in accordance with ORS 65.034, or if notice is waived, the day preceding the day on which the
15 meeting is held.

16 “(b) To determine the members entitled to demand a special meeting, the record date [*shall be*]
17 **is** as set forth in ORS 65.204 (2).

18 “(c) To determine the members entitled to take action without a meeting, the record date [*shall*
19 *be*] **is** as set forth in ORS 65.211 (2).

20 “(d) To determine the members entitled to vote at a members' meeting, the record date [*shall*
21 *be*] **is** the date of the meeting.

22 “(e) To determine the members entitled to exercise any rights in respect to any other lawful
23 action, the record date [*shall be*] **is** the day on which the board adopts the resolution [*relating*
24 *thereto*] **that relates to the other action**, or the 60th day [*prior to*] **before** the date of [*such*] **the**
25 other action, whichever is later.

26 “(2) A record date fixed under this section may not be more than 70 days before the meeting
27 or action [*requiring the*] **that requires a** determination of members.

28 “(3) A determination of members entitled to notice of or to vote at a membership meeting is
29 effective for any adjournment of the meeting unless the board fixes a new record date, which [*it*]
30 **the board** must do if the meeting is adjourned to a date more than 120 days after the date fixed for
31 the original meeting.

32 “(4) If a court orders a meeting adjourned to a date more than 120 days after the date fixed for
33 the original meeting, [*it*] **the court** may provide that the original record date continues in effect or
34 [*it*] **the court** may fix a new record date.

35 “**SECTION 11.** ORS 65.227 is amended to read:

36 “65.227. (1) Unless the articles or bylaws provide otherwise, each member is entitled to one vote
37 on each matter [*voted on by*] **on which** the members **vote**, including each matter on which a member
38 [*is entitled to*] **may** vote under this chapter or the articles or bylaws. Except as expressly prohibited
39 in this chapter, the articles or bylaws may provide for different allocations of votes among member
40 classes or exclude the members or some or all member classes from voting on any issue on which
41 they would otherwise be entitled to vote under this chapter. [*Persons not retaining*] **A person that**
42 **does not retain** a right to vote on more than one occasion [*for the election of*] **to elect** a director
43 or directors [*shall not be deemed members*] **is not a member.**

44 “(2) Unless the articles or bylaws provide otherwise, if a membership stands of record in the
45 names of two or more persons, [*their acts*] with respect to voting [*shall*] **the persons' acts** have the

1 following effect:

2 “(a) If only one **person** votes, [*such*] **the person’s** act binds all; and

3 “(b) If more than one **person** votes, the vote [*shall be*] **is** divided on a pro rata basis.

4 “**(3) If a class is entitled to vote as a class for directors, a determination of the voting**
5 **power of the class must be based on the percentage of the number of directors the class may**
6 **elect out of the total number of authorized directors.**

7 “**SECTION 12.** ORS 65.637 is amended to read:

8 “65.637. (1) A dissolved corporation continues the corporation’s corporate existence but may not
9 carry on any activities except those appropriate to wind up and liquidate the corporation’s affairs,
10 including:

11 “(a) Preserving and protecting the corporation’s assets and minimizing the corporation’s liabil-
12 ities;

13 “(b) Discharging or providing for discharging the corporation’s liabilities and obligations;

14 “(c) Disposing of the corporation’s properties that will not be distributed in kind;

15 “(d) Returning, transferring or conveying assets in accordance with a condition under which the
16 corporation holds the assets subject to a requirement to return, transfer or convey the assets, if the
17 condition occurs by reason of the dissolution;

18 “(e) Transferring, subject to any contractual or legal requirements, the corporation’s assets as
19 provided in or authorized by the corporation’s articles of incorporation or bylaws;

20 “(f) If the corporation is a public benefit or religious corporation, and the corporation has not
21 provided in the corporation’s articles or bylaws for distributing assets on dissolution, transferring,
22 subject to any contractual or legal requirement, the corporation’s assets to one or more persons
23 described in ORS 65.001 [(37)(b)] **(35)(b)**;

24 “(g) If the corporation is a mutual benefit corporation and the corporation has not provided in
25 the corporation’s articles or bylaws for distributing assets on dissolution, transferring, subject to
26 any contractual or legal requirements, the corporation’s assets to the corporation’s members or, if
27 the corporation has no members, to those persons whom the corporation purports to benefit or
28 serve;

29 “(h) Adopting a plan of merger; and

30 “(i) Doing other acts necessary to liquidate the corporation’s assets and wind up the
31 corporation’s affairs.

32 “(2) Dissolution of a corporation does not:

33 “(a) Transfer title to the corporation’s property;

34 “(b) Subject the corporation’s directors or officers to standards of conduct different from those
35 prescribed in ORS 65.301 to 65.414;

36 “(c) Change quorum or voting requirements for the corporation’s board or members, change
37 provisions for selection, resignation or removal of the corporation’s directors or officers, or both,
38 or change provisions for amending the corporation’s bylaws;

39 “(d) Prevent commencement of a proceeding by or against the corporation in the corporation’s
40 corporate name;

41 “(e) Abate or suspend a proceeding pending by or against the corporation on the effective date
42 of dissolution; or

43 “(f) Terminate the authority of the registered agent of the corporation.

44 “**SECTION 13.** ORS 271.330 is amended to read:

45 “271.330. (1) Any political subdivision is granted express power to relinquish the title to any of

1 its property not needed for public use to any governmental body, providing such property shall be
2 used for not less than 20 years for a public purpose by the governmental body in the State of
3 Oregon. These transfers for public purposes may include transfers without consideration of property
4 held by counties as a result of tax foreclosures.

5 “(2)(a) Any political subdivision is granted express power to relinquish the title to any of its
6 property to a qualifying nonprofit corporation or a municipal corporation for the purpose of pro-
7 viding any of the following:

8 “(A) Low income housing;

9 “(B) Social services; or

10 “(C) Child care services.

11 “(b) As used in this subsection:

12 “(A) ‘Qualifying nonprofit corporation’ means a corporation that is a public benefit corporation
13 under ORS 65.001 [(37)] (35) and that has obtained a ruling from the federal Internal Revenue Ser-
14 vice providing that the corporation is exempt from federal income taxes under section 501(c)(3) of
15 the Internal Revenue Code.

16 “(B) ‘Social services’ and ‘child care services’ include but are not limited to education, training,
17 counseling, health and mental health services and the provision of facilities and administrative ser-
18 vices to support social services and child care services.

19 “(3) Any political subdivision is granted express power to convey real property to a nonprofit
20 or municipal corporation to be used by the nonprofit or municipal corporation for the creation of
21 open space, parks or natural areas for perpetual public use. The instrument conveying the real
22 property shall include a restriction on the use of the property that limits the uses of the property
23 to those uses described in this subsection. The instrument conveying the property shall also contain
24 a provision for the reversion of the property to the political subdivision if the property is not used
25 in conformance with the restriction. Real property conveyed under this subsection may include real
26 property held by a political subdivision as a result of tax foreclosures.

27 “(4) Transfers under this section may include transfers without consideration of property held
28 by counties as a result of tax foreclosures.

29 “(5) Before any county court or board of county commissioners may transfer, under subsection
30 (1) of this section, any tax foreclosed lands in which the state or a political subdivision has repres-
31 ented delinquent and uncollected taxes, liens or assessments, it shall advertise in a newspaper of
32 general circulation in the county for two successive weeks its intention to so transfer the property.
33 The notice shall state when the county court will hear objections to the transfer and must specif-
34 ically describe the property intended to be transferred. After the hearing set in the notice is held
35 and objections are heard, it may, in its sound discretion, proceed with the transfer. Except in the
36 case of a transfer for low income housing, real property shall be conveyed by deed, subject to a
37 reversionary interest retained by the granting political subdivision in the event that the property
38 is used for a purpose that is inconsistent with the grant. The granting political subdivision may
39 waive the subdivision’s right to a reversionary interest at the time the property is conveyed. After
40 the transfer the interests of the state or any political subdivision in the land on account of uncol-
41 lected taxes, liens or assessments are extinguished, and the county is relieved of the necessity to
42 account for uncollected taxes, liens or assessments.

43 “**SECTION 14.** ORS 307.518 is amended to read:

44 “307.518. (1) Property or a portion of property that meets all of the following criteria shall be
45 exempt from taxation as provided under ORS 307.515 to 307.523:

1 “(a) If unoccupied, the property:
2 “(A) Is offered for rental solely as a residence for low income persons; or
3 “(B) Is held for the purpose of developing low income rental housing.
4 “(b) If occupied, the property is occupied solely as a residence for low income persons.
5 “(c) An exemption for the property has been approved as provided under ORS 307.523, pursuant
6 to an application filed before January 1, 2020.
7 “(d) The property is owned or being purchased by a nonprofit corporation organized in a manner
8 that meets the criteria for a public benefit corporation, as [described under] **defined in** ORS 65.001
9 [(37)] **(35)**, or for a religious corporation, as [described under] **defined in** ORS 65.001 [(39)] **(37)**.
10 “(e) The property is owned or being purchased by a nonprofit corporation that expends no more
11 than 10 percent of its annual income from residential rentals for purposes other than the acquisition,
12 maintenance or repair of residential rental property for low income persons or for the provision of
13 on-site child care services for the residents of the rental property.
14 “(2) For the purposes of this section, a nonprofit corporation that has only a leasehold interest
15 in property is considered to be a purchaser of that property if:
16 “(a) The nonprofit corporation is obligated under the terms of the lease to pay the ad valorem
17 taxes on the real and personal property used in the rental activity on that property; or
18 “(b) The rent payable has been established to reflect the savings resulting from the exemption
19 from taxation.
20 “(3) A partnership shall be considered a nonprofit corporation for purposes of this section if:
21 “(a) A nonprofit corporation is a general partner of the partnership; and
22 “(b) The nonprofit corporation is responsible for the day-to-day operation of the property that
23 is the subject of the exemption under ORS 307.515 to 307.523.
24 **“SECTION 15. Section 16 of this 2013 Act is added to and made a part of ORS chapter 65.**
25 **“SECTION 16. (1)(a) Members that are not physically present for a membership meeting**
26 **may participate in, be deemed present in person at and vote at the membership meeting if**
27 **the board of directors authorizes participation by remote communication. Participation by**
28 **remote communication is subject to guidelines and procedures that the board adopts.**
29 **“(b) Before a board of directors may authorize members to participate in a membership**
30 **meeting by remote communication, the corporation shall implement measures to:**
31 **“(A) Verify that a person that is participating in the membership meeting by remote**
32 **communication is a member; and**
33 **“(B) Ensure that a member may participate by remote communication in an effective**
34 **manner.**
35 **“(c) The corporation shall maintain a record of the vote or other action of a member that**
36 **participates in a membership meeting by remote communication.**
37 **“(2) A notice of a membership meeting at which the board authorizes participation by**
38 **remote communication shall state that the board authorizes participation by remote com-**
39 **munication and shall describe how a member may notify the corporation that the member**
40 **intends to participate in the membership meeting by remote communication.”.**
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