

**PROPOSED AMENDMENTS TO
HOUSE BILL 2567**

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

3 In line 3, delete “and 60.307” and insert “, 60.307, 65.001, 65.201, 65.204,
4 65.221, 65.227, 65.637, 271.330 and 307.518”.

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

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

17 On page 5, after line 37, insert:

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

19 “65.001. As used in this chapter[, *unless otherwise specifically provided*]:

20 “(1) ‘Anniversary’ means [*that*] **the** day each year **that is** exactly one or
21 more years after the date [*of filing by*] **on which** the Office of the Secretary
22 of State [*of*] **files** the articles of incorporation [*in the case of*] **for** a domestic

1 corporation or the date [*of filing by*] **on which** the office [*of the Secretary*
2 *of State of*] **files** an application for authority to transact business [*in the case*
3 *of*] **for** a foreign corporation. An event that would otherwise cause an anni-
4 versary to fall on February 29 [*shall be deemed to have occurred*] **causes the**
5 **anniversary to fall** on February 28.

6 “(2) ‘Approved by the members’ or ‘approval by the members’ means ap-
7 proved or ratified by the members entitled to vote on the issue through ei-
8 ther:

9 “(a) The affirmative vote of a majority of the votes of [*such*] **the** members
10 represented and voting at a duly held meeting at which a quorum is present
11 or the affirmative vote of [*such*] **a** greater proportion including the votes of
12 any required proportion of the members of any class as the articles, bylaws
13 or this chapter may provide for specified types of member action; or

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

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

18 “(4) ‘Board’ or ‘board of directors’ means the individual or individuals
19 vested with overall management of the affairs of the domestic or foreign
20 corporation, irrespective of the name by which the individual or individuals
21 are designated, except that [*no*] **an** individual or **a** group of individuals
22 [*are*] **is not** the board of directors because of powers delegated to [*that*] **the**
23 individual or group [*pursuant to*] **under** ORS 65.301.

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

29 “(6) ‘Class’ means a group of memberships that have the same rights with
30 respect to voting, dissolution, redemption and transfer. For the purpose of

1 this section, rights are the same if the rights are determined by a formula
2 applied uniformly.

3 “(7) ‘Contact address’ means a mailing address at which a person affil-
4 iated with the organization will receive and transmit to the organization
5 notices intended for the foreign or domestic corporation either when sending
6 [*such*] **the** notices to the registered agent is not practical or when a dupli-
7 cate notice is desirable. The contact address may be the principal place of
8 business, if any, or the business or residence address of any person associated
9 with the corporation or foreign corporation who has consented to serve, but
10 [*shall*] **may** not be the address of the registered agent.

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

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

17 “(10) ‘Deliver’ [*includes mail.*] **means any method of delivery used in**
18 **conventional commercial practice, including delivery by hand, mail,**
19 **commercial delivery and electronic transmission.**

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

23 “(12) ‘Distribution’ means [*the payment of*] **paying** a dividend or any part
24 of the income or profit of a corporation to the corporation’s members, di-
25 rectors or officers, other than [*payment of*] **paying** value for property re-
26 ceived or services performed or [*payment of*] **paying** benefits [*in furtherance*
27 *of*] **to further** the corporation’s purposes.

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

30 “(14) ‘Domestic limited liability company’ means [*an entity that is*] an

1 unincorporated association [*having*] **that has** one or more members and that
2 is organized under ORS chapter 63.

3 “(15) ‘Domestic professional corporation’ means a corporation **that is** or-
4 ganized under ORS chapter 58 for the purpose of rendering professional ser-
5 vices and for the purposes provided under ORS chapter 58.

6 “(16) ‘Effective date of notice’ has the meaning given that term in ORS
7 65.034.

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

11 “(18) ‘Entity’ [*includes*] **means** a corporation, foreign corporation, busi-
12 ness corporation and foreign business corporation, profit and nonprofit un-
13 incorporated association, corporation sole, business trust, partnership, two
14 or more persons [*having*] **that have** a joint or common economic interest,
15 any state, the United States, a federally recognized Native American or
16 American Indian tribal government and any foreign government.

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

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

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

24 “(22) ‘Foreign limited liability company’ means [*an entity that is*] an un-
25 incorporated association **that is** organized under laws other than the laws
26 of this state and that is organized under a statute under which an associ-
27 ation may be formed that affords to each of the entity’s members limited li-
28 ability with respect to liabilities of the entity.

29 “(23) ‘Foreign professional corporation’ means a professional corporation
30 **that is** organized under laws other than the laws of this state.

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

3 “[25] ‘Includes’ denotes a partial definition.]

4 “[26] (25) ‘Individual’ means a natural person, [and includes] **including**
5 the guardian of an incompetent individual.

6 “[27] ‘Means’ denotes an exhaustive definition.]

7 “[28(a)] (26)(a) ‘Member’ means a person [or persons] **that is** entitled,
8 [pursuant to] **under** a domestic or foreign corporation’s articles or bylaws,
9 without regard to what the person is called in the articles or bylaws, to vote
10 on more than one occasion [for the election of] **to elect** a director or direc-
11 tors.

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

14 “(A) As a delegate;

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

16 “(C) As a director; or

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

19 “(c) Notwithstanding the provisions of paragraph (a) of this subsection,
20 a person is not a member if the person’s membership rights have been elim-
21 inated as provided in ORS 65.164 or 65.167.

22 “[29] (27) ‘Membership’ [refers to] **means** the rights and obligations a
23 member has under this chapter.

24 “[30] (28) ‘Mutual benefit corporation’ means a domestic corporation
25 that is formed as a mutual benefit corporation [pursuant to] **under** ORS
26 65.044 to 65.067[,] **and** is designated a mutual benefit corporation by a statute
27 or does not come within the definition of public benefit or religious corpo-
28 ration.

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

1 [corporations] **corporation.**

2 “[32] (30) ‘Notice’ has the meaning given that term in ORS 65.034.

3 “[33] (31) ‘Office,’ when used to refer to the administrative unit directed
4 by the Secretary of State, means the Office of the Secretary of State.

5 “[34] (32) ‘Person’ [includes any] **means** individual or entity.

6 “[35] (33) ‘Principal office’ means the place, in or out of this state,
7 **where the principal executive offices of a domestic or foreign corpo-**
8 **ration are located and that is designated as the principal office** [so
9 *designated*] in the most recent annual report filed pursuant to ORS 65.787
10 or, if no annual report is on file, [as designated] in the articles of incorpo-
11 ration or the application for authority to transact business in this state[,
12 *that is the place where the principal executive offices of a domestic or foreign*
13 *corporation are located or, if none, the contact address*].

14 “[36] (34) ‘Proceeding’ [includes] **means a** civil, criminal, administrative
15 [and] **or** investigatory action.

16 “[37] (35) ‘Public benefit corporation’ means a domestic corporation that:

17 “(a) Is formed as a public benefit corporation [pursuant to] **under** ORS
18 65.044 to 65.067, is designated as a public benefit corporation by a statute,
19 is recognized as tax exempt under section 501 (c) (3) of the Internal Revenue
20 Code of 1986 or is otherwise organized for a public or charitable purpose;

21 “(b) Is restricted so that on dissolution the corporation must distribute
22 the corporation’s assets to an organization organized for a public or chari-
23 table purpose, a religious corporation, the United States, a state or a person
24 that is recognized as exempt under section 501 (c) (3) of the Internal Revenue
25 Code of 1986; and

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

27 “[38] (36) ‘Record date’ means the date established under ORS 65.131 to
28 65.177 or 65.201 to 65.254 on which a corporation determines the identity of
29 the corporation’s members and [their] **the members’** membership rights for
30 the purposes of this chapter. [*The determinations shall be made as of the time*

1 *of close of transactions on the record date unless another time for doing so is*
2 *specified at the time the record date is fixed.]*

3 “[(39)] **(37)** ‘Religious corporation’ means a domestic corporation that is
4 formed as a religious corporation [*pursuant to*] **under** ORS 65.044 to 65.067,
5 is designated a religious corporation by a statute or is organized primarily
6 or exclusively for religious purposes.

7 “**(38)** ‘Remote communication’ means any method by which a per-
8 son that is not physically present at the location at which a meeting
9 occurs may nevertheless hear or otherwise communicate at substan-
10 tially the same time with other persons at the meeting and have ac-
11 cess to materials necessary to participate or vote in the meeting to the
12 extent of the person’s authorization to participate or vote.

13 “[(40)] **(39)** ‘Secretary,’ when used in the context of a corporate official,
14 means the corporate officer to whom the board of directors has delegated
15 responsibility under ORS 65.371 for preparing the minutes of the directors’
16 and members’ meetings and for authenticating the records of the corporation.

17 “[(41)] **(40)** ‘State,’ when referring to a part of the United States,
18 [*includes*] **means** a state, commonwealth, territory [*and*] **or** insular pos-
19 session of the United States and the agencies and governmental subdivisions
20 of the state, commonwealth, territory or insular possession.

21 “[(42)] **(41)** ‘Uncompensated officer’ means an individual who serves in an
22 office without compensation for personal service. For purposes of this sub-
23 section, payment solely for actual expenses in performing duties of the offi-
24 cer or a stipend that is paid only to compensate the average expenses the
25 individual incurs over the course of a year is not compensation.

26 “[(43)] **(42)** ‘United States’ [*includes*] **means a** district, authority, bureau,
27 commission, department [*and*] **or** any other agency of the United States.

28 “[(44)] **(43)** ‘Vote’ [*includes*] **means** authorization by written ballot and
29 written consent, where permitted.

30 “[(45)] **(44)** ‘Voting power’ means the total number of votes entitled to be

1 cast on *[the]* **an** issue at the time the determination of voting power is made,
2 excluding a vote that is contingent upon *[the happening of]* a condition or
3 event **occurring** that has not occurred at the time. *[When a class is entitled*
4 *to vote as a class for directors, the determination of voting power of the class*
5 *shall be based on the percentage of the number of directors the class is entitled*
6 *to elect out of the total number of authorized directors.]*

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

8 “65.201. (1) A corporation with members shall hold a membership meeting
9 annually at a time stated in or fixed in accordance with the bylaws.

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

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

22 “(4) At the annual meeting:

23 “(a) The president, and any other officer the board of directors or the
24 president may designate, shall report on the activities and financial condi-
25 tion of the corporation; and

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

28 “(5) At regular meetings the members shall consider and act upon such
29 matters as may be raised consistent with the notice requirements of ORS
30 65.214.

1 “(6) The failure to hold an annual or regular meeting at a time stated in
2 or fixed in accordance with a corporation’s bylaws does not affect the va-
3 lidity of any corporate action.

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

5 “65.204. (1) A corporation with members shall hold a special meeting of
6 members:

7 “(a) On call of [*its*] **the corporation’s** board of directors or **of** the person
8 or persons [*authorized to do so by*] **that** the articles of incorporation or by-
9 laws **authorize to call the meeting;** or

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

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

18 “(3) If a notice for a special meeting demanded under subsection (1)(b) of
19 this section is not given pursuant to ORS 65.214 within 30 days after the date
20 the written demand or demands are delivered to the corporation’s secretary
21 then, regardless of the requirements of subsection (4) of this section, a person
22 [*signing*] **that signs** the demand or demands may set the time and place of
23 the meeting and give notice pursuant to ORS 65.214.

24 “(4) **A** special [*meetings*] **meeting** of members may be held in or out of
25 this state at the place stated in or fixed in accordance with the bylaws[. *If*
26 *no place is stated or fixed in accordance with the bylaws,*] **or at a place the**
27 **board of directors specifies, provided that the board’s specification is**
28 **not inconsistent with the bylaws. If the board of directors does not**
29 **determine that the special meeting will occur solely by means of re-**
30 **mote communication and a place for the special meeting is not stated**

1 **in or otherwise fixed in accordance with the bylaws, the** special
2 [*meetings shall*] **meeting must** be held at the corporation's principal office.

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

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

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

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

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

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

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

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

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

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

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

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

14 “65.227. (1) Unless the articles or bylaws provide otherwise, each member
15 is entitled to one vote on each matter [*voted on by*] **on which** the members
16 **vote**, including each matter on which a member [*is entitled to*] **may** vote
17 under this chapter or the articles or bylaws. Except as expressly prohibited
18 in this chapter, the articles or bylaws may provide for different allocations
19 of votes among member classes or exclude the members or some or all mem-
20 ber classes from voting on any issue on which they would otherwise be en-
21 titled to vote under this chapter. [*Persons not retaining*] **A person that**
22 **does not retain** a right to vote on more than one occasion [*for the election*
23 *of*] **to elect** a director or directors [*shall not be deemed members*] **is not a**
24 **member.**

25 “(2) Unless the articles or bylaws provide otherwise, if a membership
26 stands of record in the names of two or more persons, [*their acts*] with re-
27 spect to voting [*shall*] **the persons’ acts** have the following effect:

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

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

1 **“(3) If a class is entitled to vote as a class for directors, a determi-**
2 **nation of the voting power of the class must be based on the percent-**
3 **age of the number of directors the class may elect out of the total**
4 **number of authorized directors.**

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

6 “65.637. (1) A dissolved corporation continues the corporation’s corporate
7 existence but may not carry on any activities except those appropriate to
8 wind up and liquidate the corporation’s affairs, including:

9 “(a) Preserving and protecting the corporation’s assets and minimizing the
10 corporation’s liabilities;

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

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

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

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

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

27 “(g) If the corporation is a mutual benefit corporation and the corporation
28 has not provided in the corporation’s articles or bylaws for distributing as-
29 sets on dissolution, transferring, subject to any contractual or legal re-
30 quirements, the corporation’s assets to the corporation’s members or, if the

1 corporation has no members, to those persons whom the corporation purports
2 to benefit or serve;

3 “(h) Adopting a plan of merger; and

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

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

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

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

10 “(c) Change quorum or voting requirements for the corporation’s board
11 or members, change provisions for selection, resignation or removal of the
12 corporation’s directors or officers, or both, or change provisions for amend-
13 ing the corporation’s bylaws;

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

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

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

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

20 “271.330. (1) Any political subdivision is granted express power to relin-
21 quish the title to any of its property not needed for public use to any gov-
22 ernmental body, providing such property shall be used for not less than 20
23 years for a public purpose by the governmental body in the State of Oregon.
24 These transfers for public purposes may include transfers without consider-
25 ation of property held by counties as a result of tax foreclosures.

26 “(2)(a) Any political subdivision is granted express power to relinquish
27 the title to any of its property to a qualifying nonprofit corporation or a
28 municipal corporation for the purpose of providing any of the following:

29 “(A) Low income housing;

30 “(B) Social services; or

1 “(C) Child care services.

2 “(b) As used in this subsection:

3 “(A) ‘Qualifying nonprofit corporation’ means a corporation that is a
4 public benefit corporation under ORS 65.001 [(37)] **(35)** and that has obtained
5 a ruling from the federal Internal Revenue Service providing that the cor-
6 poration is exempt from federal income taxes under section 501(c)(3) of the
7 Internal Revenue Code.

8 “(B) ‘Social services’ and ‘child care services’ include but are not limited
9 to education, training, counseling, health and mental health services and the
10 provision of facilities and administrative services to support social services
11 and child care services.

12 “(3) Any political subdivision is granted express power to convey real
13 property to a nonprofit or municipal corporation to be used by the nonprofit
14 or municipal corporation for the creation of open space, parks or natural
15 areas for perpetual public use. The instrument conveying the real property
16 shall include a restriction on the use of the property that limits the uses of
17 the property to those uses described in this subsection. The instrument con-
18 veying the property shall also contain a provision for the reversion of the
19 property to the political subdivision if the property is not used in conform-
20 ance with the restriction. Real property conveyed under this subsection may
21 include real property held by a political subdivision as a result of tax fore-
22 closures.

23 “(4) Transfers under this section may include transfers without consider-
24 ation of property held by counties as a result of tax foreclosures.

25 “(5) Before any county court or board of county commissioners may
26 transfer, under subsection (1) of this section, any tax foreclosed lands in
27 which the state or a political subdivision has represented delinquent and
28 uncollected taxes, liens or assessments, it shall advertise in a newspaper of
29 general circulation in the county for two successive weeks its intention to
30 so transfer the property. The notice shall state when the county court will

1 hear objections to the transfer and must specifically describe the property
2 intended to be transferred. After the hearing set in the notice is held and
3 objections are heard, it may, in its sound discretion, proceed with the
4 transfer. Except in the case of a transfer for low income housing, real
5 property shall be conveyed by deed, subject to a reversionary interest re-
6 tained by the granting political subdivision in the event that the property
7 is used for a purpose that is inconsistent with the grant. The granting poli-
8 tical subdivision may waive the subdivision's right to a reversionary interest
9 at the time the property is conveyed. After the transfer the interests of the
10 state or any political subdivision in the land on account of uncollected taxes,
11 liens or assessments are extinguished, and the county is relieved of the ne-
12 cessity to account for uncollected taxes, liens or assessments.

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

14 “307.518. (1) Property or a portion of property that meets all of the fol-
15 lowing criteria shall be exempt from taxation as provided under ORS 307.515
16 to 307.523:

17 “(a) If unoccupied, the property:

18 “(A) Is offered for rental solely as a residence for low income persons; or

19 “(B) Is held for the purpose of developing low income rental housing.

20 “(b) If occupied, the property is occupied solely as a residence for low
21 income persons.

22 “(c) An exemption for the property has been approved as provided under
23 ORS 307.523, pursuant to an application filed before January 1, 2020.

24 “(d) The property is owned or being purchased by a nonprofit corporation
25 organized in a manner that meets the criteria for a public benefit corpo-
26 ration, as [*described under*] **defined in** ORS 65.001 [(37)] **(35)**, or for a reli-
27 gious corporation, as [*described under*] **defined in** ORS 65.001 [(39)] **(37)**.

28 “(e) The property is owned or being purchased by a nonprofit corporation
29 that expends no more than 10 percent of its annual income from residential
30 rentals for purposes other than the acquisition, maintenance or repair of

1 residential rental property for low income persons or for the provision of
2 on-site child care services for the residents of the rental property.

3 “(2) For the purposes of this section, a nonprofit corporation that has
4 only a leasehold interest in property is considered to be a purchaser of that
5 property if:

6 “(a) The nonprofit corporation is obligated under the terms of the lease
7 to pay the ad valorem taxes on the real and personal property used in the
8 rental activity on that property; or

9 “(b) The rent payable has been established to reflect the savings resulting
10 from the exemption from taxation.

11 “(3) A partnership shall be considered a nonprofit corporation for pur-
12 poses of this section if:

13 “(a) A nonprofit corporation is a general partner of the partnership; and

14 “(b) The nonprofit corporation is responsible for the day-to-day operation
15 of the property that is the subject of the exemption under ORS 307.515 to
16 307.523.

17 **“SECTION 15. Section 16 of this 2013 Act is added to and made a**
18 **part of ORS chapter 65.**

19 **“SECTION 16. (1)(a) Members that are not physically present for a**
20 **membership meeting may participate in, be deemed present in person**
21 **at and vote at the membership meeting if the board of directors au-**
22 **thorizes participation by remote communication. Participation by re-**
23 **mote communication is subject to guidelines and procedures that the**
24 **board adopts.**

25 **“(b) Before a board of directors may authorize members to partic-**
26 **ipate in a membership meeting by remote communication, the corpo-**
27 **ration shall implement measures to:**

28 **“(A) Verify that a person that is participating in the membership**
29 **meeting by remote communication is a member; and**

30 **“(B) Ensure that a member may participate by remote communi-**

1 cation in an effective manner.

2 “(c) The corporation shall maintain a record of the vote or other
3 action of a member that participates in a membership meeting by re-
4 mote communication.

5 “(2) A notice of a membership meeting at which the board author-
6 izes participation by remote communication shall state that the board
7 authorizes participation by remote communication and shall describe
8 how a member may notify the corporation that the member intends
9 to participate in the membership meeting by remote
10 communication.”.

11
