

Senate Bill 77

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Provides that corporation sole may not be formed or incorporated in this state on or after effective date of Act.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to formations of corporations sole; amending ORS 65.057 and 65.067; and declaring an
3 emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 65.067 is amended to read:

6 65.067. (1) **Except as provided in subsection (5) of this section**, an individual may, in con-
7 formity with the constitution, canons, rules, regulations and disciplines of a church or religious de-
8 nomination, form a corporation **sole** under this section [*to be a corporation sole*]. [*The*] **A** corporation
9 sole is a form of religious corporation and differs from other religious corporations organized under
10 this chapter only in that the corporation sole does not have a board of directors, does not need to
11 have officers and is managed by a single director who is the individual who constitutes the corpo-
12 ration and is the corporation sole's incorporator or the successor of the incorporator.

13 (2) The name of the corporation sole is the same as the office within the church or religious
14 denomination that the incorporator holds, followed by the words "and successors, a corporation
15 sole."

16 (3) **Except to the extent that a provision of this chapter is not applicable to a corporation**
17 **sole's form of organization**, all of the provisions of [*ORS 65.044 to 65.067*] **this chapter** apply to
18 a corporation sole. If the corporation sole has no officers, the director may perform any act that an
19 officer may perform with the same effect and in the same manner as though one or more officers
20 of the corporation sole performed the act.

21 (4) If a corporation sole or the individual that constitutes the corporation sole is the only
22 member of a religious corporation, the religious corporation [*is not required to*] **need not** hold an
23 annual membership meeting under ORS 65.201 if the religious corporation is:

24 (a) Incorporated under the provisions of this chapter; and

25 (b) Of the same church or religious denomination as the corporation sole.

26 (5) **A corporation sole may not be formed or incorporated in this state on or after the**
27 **effective date of this 2015 Act. A corporation sole that exists before the effective date of this**
28 **2015 Act may continue to operate as a corporation sole, subject to the provisions of this**
29 **chapter.**

30 **SECTION 2.** ORS 65.057 is amended to read:

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 65.057. (1) After incorporation:

2 (a) If initial directors are named in the articles of incorporation, the initial directors shall hold
3 an organizational meeting at the call of a majority of the directors, with notice as provided in ORS
4 65.344, to complete the organization of the corporation by appointing officers, adopting bylaws and
5 carrying on any other business brought before the meeting.

6 (b) If initial directors are not named in the articles, the incorporator or incorporators shall hold
7 an organizational meeting at the call of a majority of the incorporators with equivalent notice to
8 that specified in ORS 65.344:

9 (A) To complete the organization of the corporation and to elect directors[, *unless the organ-*
10 *ization is a corporation sole*]; or

11 (B) To elect a board of directors which shall complete the organization of the corporation.

12 (2) Action required or permitted by this chapter to be taken by incorporators or directors at an
13 organizational meeting may be taken without a meeting if the action taken is evidenced by one or
14 more written consents describing the action taken and signed by each incorporator or director, in
15 accordance with the procedures of ORS 65.341.

16 (3) An organizational meeting may be held in or out of this state.

17 **SECTION 3. This 2015 Act being necessary for the immediate preservation of the public**
18 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
19 **on its passage.**

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