

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Consumer Protection and Government Effectiveness

Fiscal: May have fiscal impact, but no statement yet issued

Revenue: May have revenue impact, but no statement yet issued

Action Date:

Action:

Meeting Dates:

Prepared By: Victoria Cox, Committee Administrator

WHAT THE MEASURE DOES:

Permits corporation with shares that are registered under Oregon or federal securities law to reject vote, consent, waiver or proxy authorization if shareholder has not complied with public disclosure requirements of Oregon or federal securities law. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

Disclosures required for securities transactions are set forth in ORS chapter 59 and 15 U.S.C. 78m(d). Transactions subject to federal regulation are generally exempt from the provisions of Oregon law. House Bill 4058 amends ORS 60.237 to allow corporations to reject specified actions if a shareholder has not complied with the relevant state or federal disclosure requirements. These actions include shareholder votes, consent, waivers and proxy authorizations.