

House Bill 2191

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Business and Labor)

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**.

Requires person to obtain or renew license from Secretary of State in order to serve as commercial registered agent in this state. Specifies application requirements and requires Secretary of State to issue license unless Secretary of State makes certain findings. Requires nonrefundable processing fee of \$500 for each location at which person will receive service of process on behalf of another person. Provides that license expires at end of each calendar year.

Specifies duties of, and prohibits certain conduct by, licensee. Enables Secretary of State to examine licensee's books, papers and records to enforce provisions of Act and to revoke licensee's license or order licensee to remove principal owner, member, director or manager under certain circumstances.

Specifies that principal office of business entity incorporated or organized in this state or authorized to transact business in this state must have physical street address that may not be commercial mail receiving agency, mail forwarding business or virtual office.

Authorizes Secretary of State to investigate alleged or potential violations of business entity statutes. Permits Secretary of State to impose penalties or seek dissolution of business entity that violates statutes or fails to cooperate with investigation.

Permits Department of Revenue to recommend dissolution of business entity that fails to comply with tax laws of state.

Subjects directors, officers, employees, members and managers of business entity to claim for damages from person that suffers ascertainable loss of money or property resulting from knowing dissemination of materially false statement concerning certain aspects of business entity's finances and operations.

Permits Attorney General to bring action to enjoin business entity from continuing violation of business entity statutes or to seek judicial dissolution or other relief necessary to protect shareholders or remedy consequences of violation.

Requires corporations, incorporators of corporations, limited liability companies and organizers of limited liability companies to file document that declares whether corporation or limited liability company has previously filed or will file tax return or that lists certain identifying information for each of corporation's or limited liability company's beneficial owners.

Specifies circumstances under which and entities to which Secretary of State may disclose information from document.

Becomes operative January 1, 2018.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to business entities; creating new provisions; amending ORS 56.035, 60.001, 60.004, 60.047, 60.074, 60.111, 60.131, 60.647, 60.661, 60.737, 62.155, 63.001, 63.004, 63.047, 63.074, 63.111, 63.647, 63.661, 63.737, 65.001, 65.111, 70.020, 70.025, 128.575, 128.595, 314.840 and 554.082; and prescribing an effective date.

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

SECTION 1. Sections 2 to 9 of this 2017 Act are added to and made a part of ORS chapter 56.

SECTION 2. As used in sections 2 to 9 of this 2017 Act:

(1) "Affiliate" means a person that controls, is controlled by, is under common control with another person, or is engaged in a joint venture with another person, to advertise or market the person's services.

(2) "Business entity" means a corporation, cooperative, limited liability company,

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 nonprofit corporation, limited partnership or other entity that the laws of this state require
2 to have a registered agent.

3 (3) "Commercial registered agent" means a registered agent that accepts service of pro-
4 cess on behalf of 50 or more persons.

5 (4) "Licensee" means a person who has a license from the Secretary of State to serve
6 as a commercial registered agent in this state.

7 (5) "Person" means an individual or a business entity.

8 (6) "Principal owner, member, director or manager" means an individual who:

9 (a) Owns five percent or more of the total equitable interest in a business entity;

10 (b) Exercises sole control, or substantial control in common with another principal
11 owner, member, director or manager, over the affairs of a business entity;

12 (c) Has a right under a business entity's articles of incorporation, articles of organization
13 or bylaws to:

14 (A) Inspect the books, papers and other records, including electronic records, that con-
15 cern the affairs of the business entity; or

16 (B) Receive information concerning, and vote on, any or all issues that involve the affairs
17 of the business entity; or

18 (d) Has a right under a business entity's articles of incorporation, articles of organization
19 or bylaws to receive distributions of moneys or property from the business entity.

20 (7) "Registered agent" means a person that has a physical residence or business address
21 in this state at which the person accepts service of process on behalf of another person.

22 **SECTION 3.** (1) A person may not serve as a commercial registered agent in this state
23 unless the person has a current unexpired license from the Secretary of State.

24 (2) A person may apply to obtain or renew a license to serve as a commercial registered
25 agent by submitting a form to the Secretary of State in a format and with contents that the
26 Secretary of State specifies by rule. The Secretary of State shall require that each applica-
27 tion, at a minimum:

28 (a) States the person's full legal name and assumed business name, if the person uses
29 an assumed business name.

30 (b) Lists the full legal names and full, current and correct street addresses for each of
31 the person's principal owners, members, directors and managers and specifies the legal form
32 of organization and the jurisdiction under which the person operates, if the person is a
33 business entity.

34 (c) Lists full, current and correct street addresses for:

35 (A) The person's principal business office;

36 (B) Each location in this state at which the person conducts business; and

37 (C) Each location in this state at which the person will receive service of process on be-
38 half of another person, if the person will receive service of process on behalf of another
39 person at an address that differs from the person's principal business address.

40 (d) Lists the name of each employee or agent that the person has authorized to accept
41 service of process on behalf of another person.

42 (e) Lists the days of the week and the hours in each day on which the person will accept
43 service of process on behalf of another person.

44 (f) States that the person is authorized to conduct business in this state, has filed all
45 required annual reports and has any other current and unexpired licenses, registrations or

1 other authorizations that are necessary to conduct business under the laws of this state.

2 (g) States that the person has not, or the person's principal owners, members, directors
3 and managers have not, been convicted of a felony.

4 (h) States that the person has not, or the person's principal owners, members, directors
5 and managers have not, had an authorization to serve as a registered agent denied, revoked
6 or enjoined in this state or in another jurisdiction because of the person's or the principal
7 owner's, member's, director's or manager's conduct as a registered agent or while perform-
8 ing functions equivalent to the functions of a registered agent or because the person or
9 principal owner, member, director or manager engaged in conduct that was intended to or
10 likely would deceive or defraud a member of the public.

11 (i) States that the person has served as a registered agent in this state for at least one
12 year before the date on which the person submits the application.

13 (j) Includes any other information the Secretary of State requires by rule.

14 (k) Includes a complete set of fingerprints for each of the person's principal owners,
15 members, directors and managers and for each employee or agent that the person authorizes
16 to accept service of process on behalf of another person, along with signed written permis-
17 sion for the Secretary of State to forward the fingerprints to the Department of State Police
18 and the Federal Bureau of Investigation for a criminal background check.

19 (L) Includes a nonrefundable processing fee of \$500 for each location at which the person
20 will accept service of process on behalf of another person.

21 (m) Includes the signature of at least one individual that the person has authorized to
22 sign on the person's behalf and with authority to bind the person to all of the representations
23 and undertakings in the application underneath a statement that acknowledges that the in-
24 dividual signs under penalty of perjury.

25 (3) If a name that a person submits on an application under subsection (2)(a) of this
26 section is not distinguishable from the name of a licensee, the person shall adopt an assumed
27 business name that is distinguishable from the name of a licensee and shall use the assumed
28 business name in communications and filings with the Secretary of State and in transactions
29 with another person when serving as a commercial registered agent in this state. For pur-
30 poses of this subsection, a person's name is not distinguishable from a licensee's name solely
31 because the person uses a distinctive typeface, design, trademark, trade name or similar
32 device or a combination of distinctive typefaces, designs, trademarks, trade names or similar
33 devices. The Secretary of State may by rule specify requirements for distinguishing among
34 the names of commercial registered agents.

35 (4) The Secretary of State shall issue or renew a license to serve as a commercial regis-
36 tered agent to a person that applies under subsection (2) of this section unless the Secretary
37 of State finds that:

38 (a) The person or one or more of the person's principal owners, members, directors or
39 managers has been convicted of a felony; or

40 (b) The person or one or more of the person's principal owners, members, directors or
41 managers has had an authorization to serve as a registered agent denied, revoked or enjoined
42 in this state or in another jurisdiction because of the person's or the principal owner's,
43 member's, director's or manager's conduct as a registered agent or while performing func-
44 tions equivalent to the functions of a registered agent or because the person or principal
45 owner, member, director or manager engaged in conduct that was intended to or likely would

1 deceive or defraud a member of the public.

2 (5) A license that the Secretary of State issues under this section expires at the end of
 3 the calendar year in which the Secretary of State issues the license.

4 **SECTION 4.** (1)(a) A licensee at any time may change or update any of the information
 5 the licensee submitted in an application under section 3 of this 2017 Act by filing a statement
 6 with the Secretary of State that identifies the changes the licensee intends to make.

7 (b) If the licensee changes the licensee’s name or assumed business name, the address
 8 of the licensee’s principal business office or an office at which the licensee conducts business
 9 or receives service of process on behalf of another person or the licensee’s legal form of or-
 10 ganization, if the licensee intends to replace or change the names or addresses of any of the
 11 licensee’s principal owners, members, directors or managers or if a condition described in
 12 section 3 (4) of this 2017 Act has occurred, the licensee shall file a statement of the changes
 13 with the Secretary of State not later than 31 days before the change becomes effective or,
 14 if appropriate, not later than 10 business days after the condition described in section 3 (4)
 15 of this 2017 Act has occurred.

16 (c) If the licensee replaces or changes the names of any of the licensee’s principal own-
 17 ers, members, directors or managers, the licensee shall submit, along with the statement
 18 described in paragraph (b) of this subsection, a complete set of fingerprints and an authori-
 19 zation, as provided in section 3 (2)(k) of this 2017 Act, for each new principal owner, member,
 20 director or manager.

21 (2) The Secretary of State by rule may specify a form, format and contents for the
 22 statement described in subsection (1) of this section, but at a minimum the statement must:

23 (a) List the licensee’s current name and assumed business name, if any, as the name
 24 appears on the license;

25 (b) Specify each change that the licensee intends to make to the information the licensee
 26 submitted in the licensee’s original or amended application;

27 (c) Display the signature of an individual that the licensee has authorized to sign on the
 28 licensee’s behalf; and

29 (d) Include a nonrefundable processing fee of \$100.

30 (3) On the same date on which a licensee submits a statement to the Secretary of State
 31 under subsection (1) of this section, the licensee shall send a copy of the statement to each
 32 of the persons for which the licensee serves as a registered agent in this state. The licensee,
 33 within 10 business days after submitting a statement under subsection (1) of this section,
 34 shall submit an affidavit to the Secretary of State that states that the licensee has complied
 35 with the notification requirements set forth in this subsection and that lists the name of
 36 each person to which the licensee sent a copy of the statement.

37 (4) The Secretary of State may impose a civil penalty of not more than \$500 as provided
 38 in ORS 183.745 on a licensee that fails to submit a statement as required under subsection
 39 (1)(b) of this section and, if appropriate, the fingerprints and authorization described in
 40 subsection (1)(c) of this section.

41 **SECTION 5.** (1) A licensee at any time may terminate a license to serve as a commercial
 42 registered agent in this state by filing a termination notice with the Secretary of State. The
 43 Secretary of State by rule may specify a form, format and contents for the termination no-
 44 tice, but at a minimum the termination notice must:

45 (a) List the licensee’s name and assumed business name, if any, as the name appears on

1 the license;

2 (b) State that the licensee will no longer serve as a commercial registered agent in this
3 state;

4 (c) Display the signature of an individual that the licensee has authorized to sign on the
5 licensee's behalf; and

6 (d) Include a nonrefundable processing fee of \$100.

7 (2) A license termination is effective 31 days after the date on which the Secretary of
8 State receives and files a licensee's termination notice.

9 (3) On the same date on which a licensee submits a termination notice to the Secretary
10 of State, the licensee shall notify each person for which the licensee serves as a registered
11 agent that the licensee has terminated the licensee's license to serve as a commercial reg-
12 istered agent in this state. In the notice, the licensee shall also specify the date on which the
13 termination is effective. The licensee, within 10 business days after submitting a notice of
14 termination under subsection (1) of this section, shall submit an affidavit to the Secretary
15 of State that states that the licensee has complied with the notification requirements set
16 forth in this subsection and that lists the name of each person to which the licensee sent
17 notice.

18 (4) A licensee ceases to serve as the registered agent for all persons for which the
19 licensee previously served as a registered agent on the date the licensee's termination is ef-
20 fective as provided in subsection (2) of this section. A license termination under this section
21 does not affect any contractual or other rights that a licensee may have against a person for
22 which the licensee served as a registered agent or that the person may have against the
23 licensee.

24 **SECTION 6.** (1) A licensee, including as appropriate the licensee's principal owners,
25 members, directors and managers and the licensee's employees or agents, shall:

26 (a) Accept service of process on behalf of all persons for which the licensee serves as a
27 registered agent in this state;

28 (b) Forward all process served and other related documents that a registered agent must
29 accept and forward under the laws of this state to the person identified in the process or
30 documents at the current address the licensee has for the person in the licensee's records;

31 (c) Notify the Secretary of State of any material changes to the information described in
32 section 4 (1)(b) of this 2017 Act and, if appropriate, provide the fingerprints and authorization
33 described in section 4 (1)(c) of this 2017 Act in accordance with the requirements of section
34 4 of this 2017 Act; and

35 (d) Otherwise comply with the requirements set forth in sections 2 to 9 of this 2017 Act.

36 (2) A licensee, including as appropriate the licensee's principal owners, members, direc-
37 tors and managers and the licensee's employees, agents or affiliates, may not:

38 (a) Engage in any misleading, deceptive or fraudulent business practice or any practice
39 that shows evidence of an intention to mislead or deceive members of the public or a person
40 for which the licensee serves as a registered agent;

41 (b) Advertise or market through any medium of communication or in any manner the
42 licensee's assistance or services, or the assistance or services of an affiliate of the licensee,
43 in establishing "shell," "shelf," "aged-shelf" or similar business entities in this state; or

44 (c) Advertise, claim, represent or state in any medium of communication or in any
45 manner that the State of Oregon, an officer or employee of the State of Oregon, the Secre-

1 tary of State or any law of this state provides “anonymity,” “secrecy” or “hidden
 2 ownership,” or use similar words or phrases with which the licensee intends to convey the
 3 impression that a person may conceal the identities of the person’s principal owners, mem-
 4 bers, directors or managers or other information about the person or the person’s principal
 5 owners, members, directors or managers that is lawfully accessible to the public.

6 (3) The Secretary of State may impose a civil penalty as provided in ORS 183.745 of not
 7 more than \$500 for each violation of subsection (2) of this section.

8 **SECTION 7. (1) The Secretary of State may:**

9 (a) Examine a licensee’s books, papers, documents or other records, including electronic
 10 records, to ensure compliance with the provisions of sections 2 to 9 of this 2017 Act or any
 11 other provision of the laws of this state that relates to the duties of a registered agent. The
 12 Secretary of State may conduct the examination periodically or after determining that a vi-
 13 olation of sections 2 to 9 of this 2017 Act or any other provision of the laws of this state that
 14 relates to the duties of a registered agent has occurred or is about to occur.

15 (b) Issue an interrogatory or an order to provide or produce books, papers, documents
 16 or other records, including electronic records, that are necessary to enable the Secretary
 17 of State to perform duties under paragraph (a) of this subsection.

18 (2) A licensee shall answer an interrogatory or order that the Secretary of State issues
 19 under subsection (1) of this section on or before the time stated in the interrogatory or order
 20 or, if a time is not stated in the interrogatory or order, within 30 days after the date of the
 21 interrogatory or order.

22 **SECTION 8. (1)(a) The Secretary of State may revoke a licensee’s license to serve as a**
 23 **commercial registered agent in this state if the Secretary of State determines that the**
 24 **licensee or a principal owner, member, director or manager or an affiliate of the licensee**
 25 **intentionally violated a provision of section 6 (2) of this 2017 Act or intentionally failed to**
 26 **provide the information required under section 4 (1)(b) or (c) of this 2017 Act.**

27 (b) A licensee may request a hearing from the Secretary of State under ORS chapter 183
 28 concerning a revocation under paragraph (a) of this subsection. If the licensee does not re-
 29 quest a hearing or if the Secretary of State finds after a hearing that good cause exists for
 30 the revocation, the revocation becomes effective 31 days after the date on which the Secre-
 31 tary of State notifies the licensee of the revocation or of the Secretary of State’s findings
 32 following the hearing.

33 (2) The Secretary of State may:

34 (a) Order a licensee to remove a principal owner, member, director or manager from the
 35 principal owner’s, member’s, director’s or manager’s position with the licensee if the Secre-
 36 tary of State finds that a condition described in section 3 (4) of this 2017 Act has occurred.

37 (b) Revoke a licensee’s license if the licensee fails to comply with an order the Secretary
 38 of State issued under paragraph (a) of this subsection by the date the Secretary of State
 39 specifies in the order. A revocation under this paragraph is not subject to a hearing.

40 (c) Apply to a circuit court of this state for an order to enjoin a principal owner, member,
 41 director or manager of a licensee from directing any of the actions of, or performing any
 42 duties with, the licensee as a principal owner, member, director or manager if the court finds
 43 that a condition described in section 3 (4) of this 2017 Act has occurred.

44 (3) If the Secretary of State revokes a licensee’s license, the Secretary of State shall
 45 notify each person for which the licensee served as a registered agent that the Secretary of

1 State has revoked the licensee’s license to serve as a commercial registered agent in this
 2 state and shall indicate the date on which the revocation becomes effective. The notice must
 3 also require the person to appoint a new registered agent within 31 days after the date of the
 4 Secretary of State’s notice.

5 (4) In addition to any of the penalties provided in subsections (1) to (3) of this section,
 6 if a licensee fails to comply with a provision of sections 2 to 9 of this 2017 Act or an order
 7 of the Secretary of State under sections 2 to 9 of this 2017 Act, the Secretary of State may
 8 refuse to file a document from a person for which a licensee serves as a registered agent
 9 until the licensee complies with the provision or the order.

10 **SECTION 9.** The Secretary of State may adopt rules to implement the provisions of
 11 sections 2 to 9 of this 2017 Act.

12 **SECTION 10.** Sections 11, 12 and 13 of this 2017 Act are added to and made a part of ORS
 13 chapter 60.

14 **SECTION 11.** (1)(a) The Secretary of State may investigate an alleged or potential vio-
 15 lation of this chapter and, in the course of the investigation or in response to a request from
 16 a law enforcement agency, may order a corporation to:

17 (A) Prepare and submit to the Secretary of State within 30 days the list described in ORS
 18 60.771 (3); and

19 (B) Answer within 30 days any interrogatory the Secretary of State submits to the cor-
 20 poration.

21 (b) Notwithstanding the provisions of ORS 192.410 to 192.505, the list described in para-
 22 graph (a)(A) of this subsection and information that the Secretary of State obtains from an
 23 interrogatory under paragraph (a)(B) of this subsection is not subject to public disclosure.
 24 The Secretary of State may provide a law enforcement agency with the list described in
 25 paragraph (a)(A) of this subsection and information the Secretary of State obtains from an
 26 interrogatory under paragraph (a)(B) of this subsection.

27 (2) If a corporation fails to comply with an order from the Secretary of State under
 28 subsection (1) of this section, the Secretary of State may:

29 (a) Impose a civil penalty on the corporation in accordance with ORS 183.745;

30 (b) Cancel or revoke an incorporation, or revoke a foreign corporation’s authorization to
 31 transact business in this state, after conducting a hearing under ORS 183.413 to 183.470; or

32 (c) Administratively dissolve the corporation in accordance with ORS 60.651.

33 (3) The Attorney General may notify a corporation of any complaint that the Attorney
 34 General receives that alleges that the corporation has failed to comply with a provision of
 35 this chapter and may demand an answer from the corporation with respect to the allegations
 36 in the complaint. If the corporation fails to answer or the Attorney General does not deem
 37 the corporation’s answer satisfactory, the Attorney General may bring or intervene in an
 38 action or proceeding in an appropriate forum to enjoin the corporation from the violation
 39 or to seek judicial dissolution of the corporation, the appointment of a receiver or another
 40 preliminary, provisional, temporary or final remedy for the consequences of the
 41 corporation’s violation. The Attorney General may seek, and a court or other forum may
 42 grant, joinder of all persons and parties that are responsible for or affected by the violation.

43 (4) The Director of the Department of Revenue may recommend to the Secretary of State
 44 that the Secretary of State administratively dissolve a corporation for failure to comply with
 45 the tax laws of the state. The Secretary of State shall file a recommendation from the di-

1 rector and shall dissolve the corporation under ORS 60.651.

2 (5) The Secretary of State may not file articles of incorporation for a corporation in
 3 which the incorporators or shareholders are or will be substantially the same as the
 4 incorporators or shareholders in a corporation for which the Secretary of State canceled or
 5 revoked incorporation or revoked an authorization to transact business in this state, that a
 6 court has judicially dissolved or for which the Department of Revenue has recommended
 7 administrative dissolution, and may not reinstate a corporation that was administratively
 8 or judicially dissolved unless, as appropriate:

9 (a) The corporation complies with the Secretary of State's order under subsection (1) of
 10 this section;

11 (b) A law enforcement agency that has completed an investigation of the corporation for
 12 which the Secretary of State canceled or revoked incorporation or revoked an authorization
 13 to transact business in this state recommends that the Secretary of State allow the incor-
 14 poration or reinstatement;

15 (c) A court order compels a reinstatement; or

16 (d) The Department of Revenue recommends a reinstatement.

17 (6) The Secretary of State, the Attorney General and the Director of the Department of
 18 Revenue may each adopt rules to implement the provisions of this section.

19 **SECTION 12.** An officer, director, employee or agent of a corporation is liable for dam-
 20 ages to the corporation or to a person that suffers an ascertainable loss of money or prop-
 21 erty as a result of the officer, director, employee or agent:

22 (1) Making, issuing, delivering or publishing, or participating in making, issuing, deliver-
 23 ing or publishing, a prospectus, report, circular, certificate, financial statement, balance
 24 sheet, public notice or document concerning the corporation or the corporation's shares,
 25 assets, liabilities, capital, dividends, earnings, accounts or business operations that the offi-
 26 cer, director, employee or agent knows is false in any material respect;

27 (2) Making an entry or causing another person to make an entry in the corporation's
 28 books, records, minutes or accounts that the director, officer, employee or agent knows is
 29 false in any material respect; or

30 (3) Removing, erasing, altering or canceling, or causing another person to remove, erase,
 31 alter or cancel, an entry in a corporation's books, records, minutes or accounts if by means
 32 of the removal, erasure, alteration or cancellation the director, officer, employee or agent
 33 intends to deceive another person.

34 **SECTION 13.** (1)(a) As used in this section, "beneficial owner" means an individual who,
 35 directly or indirectly:

36 (A) Exercises substantial control over a corporation; or

37 (B) Has a substantial interest in or receives substantial economic benefit from the assets
 38 of a corporation.

39 (b) "Beneficial owner" does not include:

40 (A) An individual who is a minor;

41 (B) A person that acts solely as a nominee, intermediary, custodian or agent for or on
 42 behalf of another person that is a beneficial owner;

43 (C) An individual who acts solely as an employee of a corporation, for whom control over
 44 the corporation or substantial interest in or economic benefit from assets of the corporation
 45 derives solely from the individual's employment with the corporation;

1 (D) An individual whose control over a corporation or substantial interest in or economic
2 benefit from assets of the corporation derives entirely from inheritance, unless the individual
3 otherwise is, acts as or retains the rights of a beneficial owner; or

4 (E) A creditor of a corporation, unless the creditor otherwise is, acts as or retains the
5 rights of a beneficial owner.

6 (2) An incorporator, at the time the incorporator delivers articles of incorporation to the
7 Secretary of State under ORS 60.044, or a corporation, at the time the corporation delivers
8 the corporation's annual report, shall deliver a written document to the Secretary of State
9 for filing, in a form and format and with the contents the Secretary of State specifies by
10 rule, that, at a minimum:

11 (a)(A) Declares under penalty of perjury whether the corporation has previously filed or
12 will file a tax return with the Department of Revenue; or

13 (B) Lists:

14 (i) For each of the corporation's beneficial owners who is a citizen of the United States,
15 the beneficial owner's name, street address, driver license number or other official state
16 identification number and the state that issued the driver license or identification; or

17 (ii) For each of the corporation's beneficial owners who is not a citizen of the United
18 States, the beneficial owner's name, street address and a true copy of the beneficial owner's
19 authenticated passport that a foreign government issued and that displays a photograph,
20 date of birth and additional identifying information; and

21 (b) Updates the list and information described in paragraph (a)(B) of this subsection, in-
22 dicating specifically how the composition of the list and the information about any of the
23 corporation's beneficial owners has changed since the incorporator or the corporation last
24 filed a document under this subsection.

25 (3) This section does not require the Secretary of State to verify the truth or accuracy
26 of any list or information in any document the Secretary of State receives under this section.

27 (4) The Secretary of State may disclose information from the document described in
28 subsection (2) of this section only in response to:

29 (a) A civil, criminal or administrative subpoena or equivalent legal process from a federal
30 or state law enforcement agency that is conducting a criminal investigation; or

31 (b) A written request issued by an agency or political subdivision of this state, another
32 state or the United States in the course of enforcing a law of a state or the United States.

33 **SECTION 14.** Sections 15, 16 and 17 of this 2017 Act are added to and made a part of ORS
34 chapter 63.

35 **SECTION 15.** (1)(a) The Secretary of State may investigate an alleged or potential vio-
36 lation of this chapter and, in the course of the investigation or in response to a request from
37 a law enforcement agency, may order a limited liability company to:

38 (A) Prepare and submit to the Secretary of State within 30 days the list described in ORS
39 63.771 (1)(a); and

40 (B) Answer within 30 days any interrogatory the Secretary of State submits to the lim-
41 ited liability company.

42 (b) Notwithstanding the provisions of ORS 192.410 to 192.505, the list described in para-
43 graph (a)(A) of this subsection and information that the Secretary of State obtains from an
44 interrogatory under paragraph (a)(B) of this subsection is not subject to public disclosure.
45 The Secretary of State may provide a law enforcement agency with the list described in

1 paragraph (a)(A) of this subsection and information the Secretary of State obtains from an
 2 interrogatory under paragraph (a)(B) of this subsection.

3 (2) If a limited liability company fails to comply with an order from the Secretary of State
 4 under subsection (1) of this section, the Secretary of State may:

5 (a) Impose a civil penalty on the limited liability company in accordance with ORS
 6 183.745;

7 (b) Cancel or revoke an organization, or revoke a foreign limited liability company's au-
 8 thorization to transact business in this state, after conducting a hearing under ORS 183.413
 9 to 183.470; or

10 (c) Administratively dissolve the limited liability company in accordance with ORS 63.651.

11 (3) The Attorney General may notify a limited liability company of any complaint that
 12 the Attorney General receives that alleges that the limited liability company has failed to
 13 comply with a provision of this chapter and may demand an answer from the limited liability
 14 company with respect to the allegations in the complaint. If the Attorney General does not
 15 deem the limited liability company's answer satisfactory, the Attorney General may bring
 16 or intervene in an action or proceeding in an appropriate forum to enjoin the limited liability
 17 company from the violation or to seek judicial dissolution of the limited liability company,
 18 the appointment of a receiver or another preliminary, provisional, temporary or final remedy
 19 for the consequences of the limited liability company's violation. The Attorney General may
 20 seek, and a court or other forum may grant, joinder of all persons and parties that are re-
 21 sponsible for or affected by the violation.

22 (4) The Director of the Department of Revenue may recommend to the Secretary of State
 23 that the Secretary of State administratively dissolve a limited liability company for failure
 24 to comply with the tax laws of the state. The Secretary of State shall file a recommendation
 25 from the director and shall dissolve the limited liability company under ORS 63.651.

26 (5) The Secretary of State may not file articles of organization for a limited liability
 27 company in which the individuals or entities that submit the articles of organization or the
 28 members or managers of the limited liability company are or will be substantially the same
 29 as the individuals, entities, members or managers in a limited liability company for which
 30 the Secretary of State canceled or revoked organization or revoked an authorization to
 31 transact business in this state, that a court has judicially dissolved or for which the De-
 32 partment of Revenue has recommended administrative dissolution, and may not reinstate a
 33 limited liability company that was administratively or judicially dissolved unless, as appro-
 34 priate:

35 (a) The limited liability company complies with the Secretary of State's order under
 36 subsection (1) of this section;

37 (b) A law enforcement agency that has completed an investigation of the limited liability
 38 company for which the Secretary of State canceled or revoked organization or revoked an
 39 authorization to transact business in this state recommends that the Secretary of State al-
 40 low the organization or reinstatement;

41 (c) A court order compels a reinstatement; or

42 (d) The Department of Revenue recommends a reinstatement.

43 (6) The Secretary of State, the Attorney General and the Director of the Department of
 44 Revenue may each adopt rules to implement the provisions of this section.

45 **SECTION 16.** A member, manager, employee or agent of a limited liability company is

1 liable for damages to the limited liability company or to a person that suffers an
 2 ascertainable loss of money or property as a result of the member, manager, employee or
 3 agent:

4 (1) Making, issuing, delivering or publishing, or participating in making, issuing, deliver-
 5 ing or publishing, a prospectus, report, circular, certificate, financial statement, balance
 6 sheet, public notice or document concerning the limited liability company or the limited li-
 7 ability company's shares, assets, liabilities, capital, dividends, earnings, accounts or business
 8 operations that the member, manager, employee or agent knows is false in any material re-
 9 spect;

10 (2) Making an entry or causing another person to make an entry in the limited liability
 11 company's books, records, minutes or accounts that the member, manager, employee or
 12 agent knows is false in any material respect; or

13 (3) Removing, erasing, altering or canceling, or causing another person to remove, erase,
 14 alter or cancel, an entry in a limited liability company's books, records, minutes or accounts
 15 if by means of the removal, erasure, alteration or cancellation the member, manager, em-
 16 ployee or agent intends to deceive another person.

17 **SECTION 17.** (1)(a) As used in this section, "beneficial owner" means an individual who,
 18 directly or indirectly:

19 (A) Exercises substantial control over a limited liability company; or

20 (B) Has a substantial interest in or receives substantial economic benefit from the assets
 21 of a limited liability company.

22 (b) "Beneficial owner" does not include:

23 (A) An individual who is a minor;

24 (B) A person that acts solely as a nominee, intermediary, custodian or agent for or on
 25 behalf of another person that is a beneficial owner;

26 (C) An individual who acts solely as an employee of a limited liability company, for whom
 27 control over the limited liability company or substantial interest in or economic benefit from
 28 assets of the limited liability company derives solely from the individual's employment with
 29 the limited liability company;

30 (D) An individual whose control over a limited liability company or substantial interest
 31 in or economic benefit from assets of the limited liability company derives entirely from
 32 inheritance, unless the individual otherwise is, acts as or retains the rights of a beneficial
 33 owner; or

34 (E) A creditor of a limited liability company, unless the creditor otherwise is, acts as or
 35 retains the rights of a beneficial owner.

36 (2) An organizer, at the time the organizer delivers articles of organization to the Sec-
 37 retary of State under ORS 63.044, or a limited liability company, at the time the limited li-
 38 ability company delivers the limited liability company's annual report, shall deliver a written
 39 document to the Secretary of State for filing, in a form and format and with the contents
 40 the Secretary of State specifies by rule, that, at a minimum:

41 (a)(A) Declares under penalty of perjury whether the limited liability company has pre-
 42 viously filed or will file a tax return with the Department of Revenue; or

43 (B) Lists:

44 (i) For each of the limited liability company's beneficial owners who is a citizen of the
 45 United States, the beneficial owner's name, street address, driver license number or other

1 **official state identification number and the state that issued the driver license or identifica-**
 2 **tion; or**

3 **(ii) For each of the limited liability company’s beneficial owners who is not a citizen of**
 4 **the United States, the beneficial owner’s name, street address and a true copy of the bene-**
 5 **ficial owner’s authenticated passport that a foreign government issued and that displays a**
 6 **photograph, date of birth and additional identifying information; and**

7 **(b) Updates the list and information described in paragraph (a)(B) of this subsection, in-**
 8 **dicating specifically how the composition of the list and the information about any of the**
 9 **limited liability company’s beneficial owners has changed since the organizer or the limited**
 10 **liability company last filed a document under this subsection.**

11 **(3) This section does not require the Secretary of State to verify the truth or accuracy**
 12 **of any list or information in any document the Secretary of State receives under this section.**

13 **(4) The Secretary of State may disclose information from the document described in**
 14 **subsection (2) of this section only in response to:**

15 **(a) A civil, criminal or administrative subpoena or equivalent legal process from a federal**
 16 **or state law enforcement agency that is conducting a criminal investigation; or**

17 **(b) A written request issued by an agency or political subdivision of this state, another**
 18 **state or the United States in the course of enforcing a law of a state or the United States.**

19 **SECTION 18.** ORS 56.035 is amended to read:

20 56.035. (1) If a document is required by law to be verified before being submitted for filing with
 21 the Secretary of State, the document must include or be accompanied by a written declaration that
 22 the person who executes the document prepares under penalties of perjury to the effect that the
 23 person has examined the document and to the best of the person’s knowledge and belief the docu-
 24 ment is true, correct and complete. An acknowledgment before a notary public or other officer is
 25 not required.

26 (2) The Secretary of State, before filing a document that a person submits for filing, may verify
 27 that the principal office address, [or] the registered office address, **the records office address de-**
 28 **scribed in ORS 70.020 or the principal address described in ORS 648.010 for an entity that has**
 29 **an assumed business name as** listed in the document, is a physical street address and not a
 30 commercial mail receiving agency, **a mail forwarding business or a virtual office.**

31 **SECTION 19.** ORS 60.001 is amended to read:

32 60.001. As used in this chapter:

33 (1) “Anniversary” means the day each year that is exactly one or more years after:

34 (a) The date on which the Secretary of State files the articles of incorporation for a domestic
 35 corporation.

36 (b) The date on which the Secretary of State files an application for authority to transact busi-
 37 ness for a foreign corporation.

38 (2) “Articles of incorporation” means the articles described in ORS 60.047, amended and restated
 39 articles of incorporation, articles of conversion or articles of merger.

40 (3) “Authorized shares” means the shares of all classes that a domestic or foreign corporation
 41 is authorized to issue.

42 (4) “Conspicuous” means written, printed or typed in text that is italicized, boldfaced, of a con-
 43 trasting color, capitalized or underlined or similarly enhanced so that a reasonable person against
 44 whom the writing is to operate should have noticed the writing.

45 (5) “Corporation” or “domestic corporation” means a corporation for profit that is incorporated

1 under or subject to the provisions of this chapter and that is not a foreign corporation.

2 (6) "Delivery" means any method of delivery used in conventional commercial practice, whether
3 by hand, mail, commercial delivery or electronic transmission.

4 (7) "Distribution" means a direct or indirect transfer of money or other property, except of a
5 corporation's own shares, or *[an]* **a corporation's** incurrence of indebtedness *[by a corporation]* to
6 or for the benefit of the corporation's shareholders in respect of any of the corporation's shares, in
7 the form of a declaration or payment of a dividend, a purchase, redemption or other acquisition of
8 shares, a distribution of indebtedness, or otherwise.

9 (8) "Domestic limited liability company" means an entity that is an unincorporated association
10 that has one or more members and that is organized under ORS chapter 63.

11 (9) "Domestic nonprofit corporation" means a corporation not for profit that is incorporated
12 under ORS chapter 65.

13 (10) "Domestic professional corporation" means a corporation that is organized under ORS
14 chapter 58 for the purpose of rendering professional services and for the purposes provided under
15 ORS chapter 58.

16 (11) "Electronic signature" has the meaning given that term in ORS 84.004.

17 (12) "Electronic transmission" means any process of communication that does not directly in-
18 volve the physical transfer of paper and that is suitable for the recipient to retain, retrieve and re-
19 produce information.

20 (13) "Employee" includes an officer but not a director, unless the director accepts duties that
21 make the director also an employee.

22 (14) "Entity" *[includes]* **means** a corporation, foreign corporation, nonprofit corporation, profit
23 and nonprofit unincorporated association, business trust, partnership, two or more persons *[having]*
24 **that have** a joint or common economic interest, any state, the United States, a federally recognized
25 Native American or American Indian tribal government and any foreign government.

26 (15) "Foreign corporation" means a corporation for profit that is incorporated under laws other
27 than the laws of *[this]* **the** state.

28 (16) "Foreign limited liability company" means an entity that is an unincorporated association
29 organized under laws other than the laws of *[this]* **the** state and that is organized under a statute
30 under which an association may be formed that affords to each of the entity's members limited li-
31 ability with respect to liabilities of the entity.

32 (17) "Foreign nonprofit corporation" means a corporation not for profit that is organized under
33 laws other than the laws of *[this]* **the** state.

34 (18) "Foreign professional corporation" means a professional corporation that is organized under
35 laws other than the laws of *[this]* **the** state.

36 (19) "Governmental subdivision" includes an authority, county, district and municipality.

37 (20) "Individual" means a natural person or the estate of an incompetent individual or a de-
38 ceased individual.

39 (21) "Office," when used to refer to the administrative unit directed by the Secretary of State,
40 means the office of the Secretary of State.

41 (22) "Person" means an individual or entity.

42 (23)(a) "Principal office" means the physical street address of *[the]* **an** office, in or out of this
43 state, where the principal executive offices of a domestic or foreign corporation are located and
44 designated in the annual report or in the application for authority to transact business in this state.

45 **(b) "Principal office" does not include a commercial mail receiving agency, a mail for-**

1 **warding business or a virtual office.**

2 (24) "Proceeding" means a civil, criminal, administrative or investigatory action.

3 (25) "Record date" means the date established under this chapter on which a corporation de-
4 termines the identity of the corporation's shareholders and their shareholdings for purposes of this
5 chapter.

6 (26) "Remote communication" means any method by which a person that is not physically pres-
7 ent at the location at which a meeting occurs may nevertheless hear or otherwise communicate at
8 substantially the same time with other persons at the meeting and have access to materials neces-
9 sary to participate or vote in the meeting to the extent of the person's authorization to participate
10 or vote.

11 (27) "Shares" means the units into which the proprietary interest in a corporation is divided.

12 (28) "Shareholder" means the person in whose name shares are registered in the records of a
13 corporation or the beneficial owner of shares to the extent of the rights granted by a nominee cer-
14 tificate on file with a corporation.

15 (29) "Signature" means any manual, facsimile, conformed or electronic signature.

16 (30) "Single voting group" means a voting group, the shares of which are entitled by the articles
17 of incorporation or this chapter to vote generally on a matter.

18 (31) "State," when referring to a part of the United States, means a state, commonwealth, ter-
19 ritory or insular possession of the United States and the agencies and governmental subdivisions
20 of the state, commonwealth, territory or insular possession.

21 (32) "Subscriber" means a person who subscribes for shares in a corporation, whether before
22 or after incorporation.

23 (33) "United States" *[includes]* **means the federal government or** a district, authority, bureau,
24 commission, department *[and]* **or** any other agency of the United States.

25 (34) "Voting group" means all shares of one or more classes or series that under the articles
26 of incorporation or this chapter are entitled to vote and be counted together collectively on a matter
27 at a meeting of shareholders.

28 **SECTION 20.** ORS 60.004 is amended to read:

29 60.004. (1) For the Secretary of State to file a document under this chapter, the document must
30 satisfy the requirements set forth in this section and any other requirements in this chapter that
31 supplement or modify the requirements set forth in this section.

32 (2) *[This chapter must require or permit filing]* The document **must be a type of document that**
33 **this chapter or another law requires or permits a person to file** with the Office of the Secretary
34 of State.

35 (3) The document must contain the information required by this chapter and may contain other
36 information.

37 (4) The document must be legible.

38 (5) The document must be in the English language. The certificate of existence required of for-
39 eign corporations need not be in English if accompanied by a reasonably authenticated English
40 translation.

41 (6) The document must be executed **by**:

42 (a) *[By]* The chair of the board of directors of a domestic or foreign corporation, the
43 corporation's president or another of the corporation's officers;

44 (b) **An incorporator**, if directors have not been selected or before the organizational meeting[,
45 *by an incorporator*];

1 (c) **A receiver, trustee or court-appointed fiduciary**, if the corporation is in the hands of a
 2 receiver, trustee or other court-appointed fiduciary[, *by the fiduciary, receiver or trustee*]; or

3 (d) [*By*] An agent of a person identified in this subsection, if the person authorizes the agent to
 4 execute the document.

5 (7) The person that executes the document shall:

6 (a) **Declare, above the person's signature and under penalty of perjury, that the docu-**
 7 **ment does not fraudulently conceal, obscure, alter or otherwise misrepresent the identity**
 8 **of the person or any of the officers, directors, employees or agents of the corporation on**
 9 **behalf of which the person signs; and**

10 (b) State beneath or opposite the signature the person's name and the capacity in which the
 11 person signs.

12 (8) The document may, but is not required to, contain:

13 (a) The corporate seal;

14 (b) An attestation by the secretary or an assistant secretary; or

15 (c) An acknowledgment, verification or proof.

16 [(8)] (9) If the Secretary of State has prescribed a mandatory form for the document under ORS
 17 60.016, the document must be in or on the prescribed form.

18 [(9)] (10) The document must be delivered to the Office of the Secretary of State and must be
 19 accompanied by the required fees.

20 [(10)] (11) Delivery of a document to the office is accomplished only when the office actually
 21 receives the document.

22 **SECTION 21.** ORS 60.047 is amended to read:

23 60.047. (1) [*The*] Articles of incorporation [*shall*] **must** set forth:

24 (a) A corporate name for the corporation that satisfies the requirements of ORS 60.094;

25 (b) The number of shares the corporation is authorized to issue;

26 (c) The address, including street and number, and mailing address, if different, of the
 27 corporation's initial registered office and the name of [*its*] **the corporation's** initial registered agent
 28 at [*that*] **the initial registered** office;

29 (d) The name and address of each incorporator; [*and*]

30 (e) A mailing address to which notices, as required by this chapter, may be mailed until **the**
 31 **corporation designates** an address [*has been designated by the corporation in its*] **in the**
 32 **corporation's** annual report[.];

33 (f) **The physical street address, including the number and name of the street, and the**
 34 **mailing address, if different, of the corporation's principal office; and**

35 (g) **A description of the corporation's primary business activity.**

36 (2) The articles of incorporation may set forth:

37 (a) The names of the initial directors;

38 (b) The addresses of the initial directors;

39 (c) Provisions regarding:

40 (A) The purpose or purposes for which the corporation is organized;

41 (B) Managing the business and regulating the affairs of the corporation;

42 (C) Defining, limiting and regulating the powers of the corporation, [*its*] **the** board of directors
 43 and shareholders; and

44 (D) A par value for authorized shares or classes of shares;

45 (d) A provision eliminating or limiting the personal liability of a director to the corporation or

1 [its] **the corporation's** shareholders for monetary damages for conduct as a director, provided that
 2 [no such provision shall] **the provision does not** eliminate or limit the liability of a director for any
 3 act or omission [occurring prior to the date when such] **that occurs before the date on which the**
 4 provision becomes effective and [such] **the provision [shall] does** not eliminate or limit the liability
 5 of a director for:

6 (A) Any breach of the director's duty of loyalty to the corporation or [its] **the corporation's**
 7 shareholders;

8 (B) Acts or omissions **that are** not in good faith or [which] **that** involve intentional misconduct
 9 or a knowing violation of law;

10 (C) Any unlawful distribution under ORS 60.367; or

11 (D) Any transaction from which the director derived an improper personal benefit;

12 (e) A provision authorizing or directing the corporation to conduct the business of the corpo-
 13 ration in a manner that is environmentally and socially responsible; and

14 (f) Any provision that under this chapter is required or permitted to be set forth in the bylaws.

15 (3) The articles of incorporation need not set forth any of the corporate powers enumerated in
 16 this chapter.

17 **SECTION 22.** ORS 60.074 is amended to read:

18 60.074. (1) Every corporation incorporated under this chapter has the purpose of engaging in any
 19 lawful business unless a more limited purpose is set forth in the articles of incorporation. **A person**
 20 **may not incorporate a corporation under this chapter for any illegal purpose or with an in-**
 21 **tent to fraudulently conceal from another person, or a governmental agency, any business**
 22 **activity or a lack of business activity.**

23 (2) A business that is subject to regulation under another statute of [this] **the** state may not be
 24 incorporated under this chapter if [such business is required to] **the business must** be organized
 25 under [such] **the** other statute.

26 **SECTION 23.** ORS 60.111 is amended to read:

27 60.111. (1) A corporation shall continuously maintain in this state a registered agent and regis-
 28 tered office that may be, but need not be, the same as any of the corporation's places of business.
 29 The registered office must be located at a physical street address where process may be personally
 30 served on the registered agent. The registered office may not be a commercial mail receiving
 31 agency, **a mail forwarding business or a virtual office.**

32 (2) A registered agent [shall] **must** be:

33 (a) An individual who resides in this state and whose business office is identical to the regis-
 34 tered office;

35 (b) A domestic corporation, domestic limited liability company, domestic professional corporation
 36 or domestic nonprofit corporation, the business office of which is identical to the registered office;
 37 or

38 (c) A foreign corporation, foreign limited liability company, foreign professional corporation or
 39 foreign nonprofit corporation that is authorized to transact business in this state, the business office
 40 of which is identical to the registered office.

41 **SECTION 24.** ORS 60.131 is amended to read:

42 60.131. (1)(a) [The] Articles of incorporation must prescribe the classes of shares and the number
 43 of shares of each class that [the corporation is authorized to] **a corporation may** issue.

44 (b) **A corporation may not issue a document that entitles an unidentified individual or**
 45 **entity that possesses the document to a share in the corporation.**

1 (c) If **the corporation may issue** more than one class of shares [*is authorized*], the articles of
 2 incorporation must prescribe a distinguishing designation for each class, and [*prior to the issuance*
 3 of] **before** shares of a class **are issued**, the preferences, limitations and relative rights of [*that*] **the**
 4 class must be described in the articles of incorporation. All shares of a class must have preferences,
 5 limitations and relative rights identical to [*those*] **the preferences, limitations and relative rights**
 6 of other shares of the same class except to the extent otherwise permitted by ORS 60.134 and 60.157.

7 (2) If the articles of incorporation authorize only one class of shares, that class has unlimited
 8 voting rights and rights to receive the net assets of the corporation upon dissolution. If the articles
 9 of incorporation authorize more than one class of shares, then one or more classes of shares must
 10 together have unlimited voting rights, and one or more classes of shares which may be the same
 11 class or classes as those with voting rights, must together be entitled to receive the net assets of
 12 the corporation upon dissolution.

13 (3) The articles of incorporation may authorize one or more classes of shares that:

14 (a) Have special, conditional or limited voting rights, or no voting rights, except to the extent
 15 prohibited by this chapter;

16 (b) Are redeemable or convertible as specified in the articles of incorporation:

17 (A) At the option of the corporation, the shareholder or another person or upon the occurrence
 18 of a designated event;

19 (B) For cash, indebtedness, securities or other property; or

20 (C) In a designated amount or in an amount determined in accordance with a designated formula
 21 or by reference to extrinsic data or events;

22 (c) Entitle the holders to distributions calculated in any manner, including dividends that may
 23 be cumulative, noncumulative or partially cumulative; or

24 (d) Have preference over any other class of shares with respect to distributions, including divi-
 25 dends and distributions upon the dissolution of the corporation.

26 (4) The description of the designations, preferences, limitations and relative rights of share
 27 classes in subsection (3) of this section is not exhaustive.

28 **SECTION 25.** ORS 60.647 is amended to read:

29 60.647. The Secretary of State may commence a proceeding under ORS 60.651 to administratively
 30 dissolve a corporation if:

31 (1) The corporation does not pay when due any fees imposed by this chapter;

32 (2) The corporation does not deliver [*its*] **the corporation's** annual report to the Secretary of
 33 State when due;

34 (3) **The corporation fails to comply with an order from the Secretary of State under**
 35 **section 11 (1) of this 2017 Act or is the subject of a recommendation for dissolution from the**
 36 **Director of the Department of Revenue under section 11 (4) of this 2017 Act;**

37 [(3)] (4) The corporation is without a registered agent or registered office in this state;

38 [(4)] (5) The corporation does not notify the Secretary of State that [*its*] **the corporation's**
 39 registered agent or registered office has [*been*] changed, that [*its*] **the** registered agent has resigned
 40 or that [*its*] **the** registered office has been discontinued; or

41 [(5)] (6) The corporation's period of duration stated in [*its*] **the** articles of incorporation expires.

42 **SECTION 26.** ORS 60.661 is amended to read:

43 60.661. [*The circuit courts*] **A circuit court** may dissolve a corporation:

44 (1) In a proceeding by the Attorney General if [*it is established*] **the court finds** that:

45 (a) The corporation [*obtained its*] **filed** articles of incorporation [*through*] **with fraudulent in-**

1 **tent, with fraudulent information or in a manner that otherwise indicates fraud; [or]**

2 (b) The corporation has continued to exceed or abuse the authority conferred upon *[it]* **the**
 3 **corporation** by law[.]; **or**

4 **(c) The corporation failed to answer or provided an unsatisfactory answer to the Attor-**
 5 **ney General under section 11 (3) of this 2017 Act concerning a complaint alleging that the**
 6 **corporation failed to comply with a provision of this chapter.**

7 (2) In a proceeding by a shareholder in a corporation that has shares that are listed on a na-
 8 tional securities exchange or that are regularly traded in a market maintained by one or more
 9 members of a national or affiliated securities association, if *[it is established]* **the court finds** that:

10 (a) The directors are deadlocked in the management of the corporate affairs, the shareholders
 11 are unable to break the deadlock and irreparable injury to the corporation is threatened or being
 12 suffered, or the business and affairs of the corporation can no longer be conducted to the advantage
 13 of the shareholders generally, because of the deadlock;

14 (b) The directors or those in control of the corporation have acted, are acting or will act in a
 15 manner that is illegal, oppressive or fraudulent;

16 (c) The shareholders are deadlocked in voting power and have failed, for a period that includes
 17 at least two consecutive annual meeting dates, to elect successors to directors whose terms have
 18 expired; or

19 (d) The corporate assets are being misapplied or wasted.

20 (3) In a proceeding by a creditor if *[it is established]* **the court finds** that:

21 (a) The creditor's claim has been reduced to judgment, the execution on the judgment returned
 22 unsatisfied and the corporation is insolvent; or

23 (b) The corporation has admitted in writing that the creditor's claim is due and owing and the
 24 corporation is insolvent.

25 (4) In a proceeding by the corporation to have *[its]* **the corporation's** voluntary dissolution
 26 continued under court supervision.

27 **SECTION 27.** ORS 60.737 is amended to read:

28 60.737. The Secretary of State may commence a proceeding under ORS 60.741 to revoke the
 29 authority of a foreign corporation to transact business in this state if:

30 (1) The foreign corporation does not deliver *[its]* **the corporation's** annual report to the Secre-
 31 tary of State within the time prescribed by this chapter;

32 (2) The foreign corporation does not pay within the time prescribed by this chapter any fees
 33 imposed by this chapter;

34 **(3) The foreign corporation fails to comply with an order from the Secretary of State**
 35 **under section 11 (1) of this 2017 Act or is the subject of a recommendation for dissolution**
 36 **from the Director of the Department of Revenue under section 11 (4) of this 2017 Act;**

37 *[(3)]* (4) The foreign corporation has failed to appoint or maintain a registered agent or regis-
 38 tered office in this state as prescribed by this chapter;

39 *[(4)]* (5) The foreign corporation does not inform the Secretary of State under ORS 60.724 or
 40 60.727 that *[its]* **the corporation's** registered agent or registered office has changed, that *[its]* **the**
 41 registered agent has resigned or that *[its]* **the** registered office has been discontinued;

42 *[(5)]* (6) An incorporator, director, officer or agent of the foreign corporation signed a document
 43 knowing *[it]* **the document** was false in any material respect with intent that the document be de-
 44 livered to the office for filing; or

45 *[(6)]* (7) The Secretary of State receives a duly authenticated certificate from the official having

1 custody of corporate records in the state or country under whose law the foreign corporation is
 2 incorporated stating that *[it]* **the foreign corporation** has been dissolved or disappeared as the re-
 3 sult of a merger.

4 **SECTION 28.** ORS 62.155 is amended to read:

5 62.155. (1) A cooperative shall have and continuously maintain in this state:

6 (a) A registered office that may be, but need not be, the same as the cooperative's place of
 7 business. The registered office must be located at a physical street address where process may be
 8 personally served on the registered agent. The registered office may not be a commercial mail re-
 9 ceiving agency, **a mail forwarding business or a virtual office.**

10 (b) A registered agent that must be:

11 (A) An individual who resides in this state and whose business office is identical to the regis-
 12 tered office;

13 (B) A domestic corporation, domestic limited liability company, domestic professional corpo-
 14 ration or domestic nonprofit corporation that has a business office identical to the registered office;
 15 or

16 (C) A foreign corporation, foreign limited liability company, foreign professional corporation or
 17 foreign nonprofit corporation that is authorized to transact business in this state and that has a
 18 business office identical to the registered office.

19 (2) A cooperative may change the cooperative's registered office or registered agent in accord-
 20 ance with the procedure set forth in ORS 60.114.

21 (3) A person that a cooperative has designated as the cooperative's registered agent may resign
 22 in accordance with the procedure set forth in ORS 60.117.

23 (4) A registered agent appointed by a cooperative is an agent of the cooperative upon whom any
 24 process, notice or demand required or permitted by law to be served upon the cooperative may be
 25 served.

26 (5) The provisions of ORS 60.121 are applicable to cooperatives.

27 **SECTION 29.** ORS 63.001 is amended to read:

28 63.001. As used in this chapter:

29 (1) "Anniversary" means *[that]* **the** day each year **that is** exactly one or more years after:

30 (a) The date *[of filing by]* **on which** the Secretary of State *[of]* **files** the articles of organization
 31 *[in the case of]* **for** a domestic limited liability company.

32 (b) The date *[of filing by]* **on which** the Secretary of State *[of an]* **files a foreign limited li-**
 33 **ability company's** application for authority to transact business in *[the case of a foreign limited li-*
 34 *ability company]* **this state.**

35 (2) "Articles of organization" means the document described in ORS 63.047 *[for the purpose of*
 36 *forming]* **that forms** a limited liability company, including articles of organization as *[they]* **the**
 37 **articles of organization** may be amended or restated, articles of conversion and articles of merger.

38 (3) "Bankruptcy" means:

39 (a) *[Assignment by a member]* **A member's assignment** for the benefit of creditors;

40 (b) **A member's** commencement of a voluntary bankruptcy case *[by a member];*

41 (c) Adjudication of a member as bankrupt or insolvent;

42 (d) *[Filing by a member of]* **A member's filing of** a petition or answer *[seeking]* **to seek** for the
 43 member any reorganization, arrangement, composition, readjustment, liquidation, dissolution or sim-
 44 ilar relief under any statute, law or rule;

45 (e) **A member's** filing *[by a member]* of an answer or other pleading *[admitting or failing]* **that**

1 **admits or fails** to contest the material allegations of a petition filed against the member in [*any*
 2 *proceeding of this nature*] **a bankruptcy procedure;**

3 (f) Seeking, consenting to or acquiescing in the appointment of a trustee, receiver or liquidator
 4 of the member or of all or any substantial part of the member’s properties;

5 (g) **A** commencement of an involuntary bankruptcy case against a member that has not been
 6 dismissed on or before the 120th day after the commencement of the case;

7 (h) **An** appointment, without the member’s consent, of a trustee, receiver or liquidator either of
 8 the member or of all or any substantial part of the member’s properties that is not vacated or stayed
 9 on or before the 90th day after **the** appointment; or

10 (i) **An** appointment described in paragraph (h) of this subsection that is not vacated on or before
 11 the 90th day after [*expiration of the stay under*] **the stay described in** paragraph (h) of this sub-
 12 section **expires.**

13 (4) “Contribution” means anything of value that a person contributes to the limited liability
 14 company as a prerequisite for or in connection with membership including cash, property or services
 15 rendered or a promissory note or other binding obligation to contribute cash or property or to per-
 16 form services.

17 (5) “Corporation” or “domestic corporation” means a corporation for profit **that is** incorporated
 18 under ORS chapter 60.

19 (6) “Distribution” means a direct or indirect transfer of money or other property, except of a
 20 limited liability company’s own interests, or **a limited liability company’s** incurrence of indebt-
 21 edness [*by a limited liability company*] to or for the benefit of the limited liability company’s members
 22 in respect of a member’s interests[. *A distribution may be*], **whether** in the form of a declaration or
 23 payment of profits, a purchase, retirement or other acquisition of interests, a distribution of indebt-
 24 edness, or otherwise.

25 (7) “Domestic nonprofit corporation” means a corporation not for profit **that is** incorporated
 26 under ORS chapter 65.

27 (8) “Domestic professional corporation” means a corporation **that is** organized under ORS
 28 chapter 58 for the purpose of rendering professional services and for the purposes provided under
 29 ORS chapter 58.

30 (9) “Entity” [*includes*] **means** a domestic or foreign limited liability company, corporation, pro-
 31 fessional corporation, foreign corporation, domestic or foreign nonprofit corporation, domestic or
 32 foreign cooperative corporation, profit or nonprofit unincorporated association, business trust, do-
 33 mestic or foreign general or limited partnership, two or more persons [*having*] **that have** a joint or
 34 common economic interest, any state, the United States, a federally recognized Native American or
 35 American Indian tribal government or any foreign government.

36 (10) “Foreign corporation” means a corporation for profit **that is** incorporated under laws other
 37 than the laws of [*this*] **the** state.

38 (11) “Foreign limited liability company” means an entity that is an unincorporated association
 39 organized under laws other than the laws of [*this*] **the** state and that is organized under a statute
 40 under which an association may be formed that affords to each of the entity’s members limited li-
 41 ability with respect to the liabilities of the entity.

42 (12) “Foreign limited partnership” means a limited partnership formed under laws other than the
 43 laws of [*this state and having*] **the state and that has** as partners one or more general partners and
 44 one or more limited partners.

45 (13) “Foreign nonprofit corporation” means a corporation not for profit **that is** organized under

1 laws other than the laws of *[this]* **the** state.

2 (14) “Foreign professional corporation” means a professional corporation **that is** organized un-
3 der laws other than the laws of *[this]* **the** state.

4 (15) “Incompetency” means the entry of a judgment by a court of competent jurisdiction adju-
5 dicating the member incompetent to manage the member’s person or estate.

6 (16) “Individual” means a natural person.

7 (17) “Limited liability company” or “domestic limited liability company” means an entity that
8 is an unincorporated association *[having]* **that has** one or more members **and** *[that]* is organized
9 under this chapter.

10 (18) “Limited partnership” or “domestic limited partnership” means a partnership formed by two
11 or more persons under ORS chapter 70 *[and having]* **that has** one or more general partners and one
12 or more limited partners.

13 (19) “Manager” *[or “managers”]* means a person *[or persons, who need not be members, designated*
14 *by]*, **not necessarily a member, that** the members of a manager-managed limited liability company
15 **designate** to manage the limited liability company’s business and affairs.

16 (20) “Manager-managed limited liability company” means a limited liability company that is
17 designated as a manager-managed limited liability company in the limited liability company’s articles
18 of organization or *[whose]* **the** articles of organization **of which** otherwise expressly provide that **a**
19 **manager will manage** the limited liability company *[will be managed by a manager or managers]*.

20 (21)(a) “Member” *[or “members”]* means a person *[or persons]* with both an ownership interest
21 in a limited liability company and all the rights and obligations of a member specified under this
22 chapter.

23 (b) “Member” does not include an assignee of an ownership interest *[who]* **that** has not also
24 acquired the voting and other rights appurtenant to membership.

25 (22) “Member-managed limited liability company” means a limited liability company other than
26 a manager-managed limited liability company.

27 (23) “Membership interest” *[or “interest”]* means a member’s collective rights in a limited liabil-
28 ity company, including the member’s share of profits and losses of the limited liability company, the
29 right to receive distributions of the limited liability company’s assets and any right to vote or partic-
30 ipate in management.

31 (24) “Office,” when used to refer to the administrative unit directed by the Secretary of State,
32 means the office of the Secretary of State.

33 (25) “Operating agreement” means any valid agreement, written or oral, of the member or
34 members as to the affairs of a limited liability company and the conduct of the limited liability
35 company’s business.

36 (26) “Organizer” means one of the signers of the initial articles of organization.

37 (27) “Party” includes an individual who was, is or is threatened to be made a named defendant
38 or respondent in a proceeding.

39 (28) “Person” means an individual or entity.

40 (29)(a) **“Principal office” means the physical street address of an office, in or out of this**
41 **state, where the principal executive offices of a domestic or foreign limited liability company**
42 **are located and designated in the annual report or in the application for authority to trans-**
43 **act business in this state.**

44 (b) **“Principal office” does not include a commercial mail receiving agency, a mail for-**
45 **warding business or a virtual office.**

1 [(29)] (30) “Proceeding” means any threatened, pending or completed action, suit or proceeding
 2 whether civil, criminal, administrative or investigatory and whether formal or informal.

3 [(30)] (31) “State,” when referring to a part of the United States, *[includes]* **means** a state,
 4 commonwealth, territory or insular possession of the United States and the agencies and govern-
 5 mental subdivisions of the state, commonwealth, territory or insular possession.

6 [(31)] (32) “United States” *[includes]* **means the federal government and** a district, authority,
 7 bureau, commission, department or any other agency of the United States.

8 **SECTION 30.** ORS 63.004 is amended to read:

9 63.004. (1) For the Secretary of State to file a document under this chapter, the document must
 10 satisfy the requirements set forth in this section and any other requirements in this chapter that
 11 supplement or modify the requirements set forth in this section.

12 (2) *[This chapter must require or permit filing]* The document **must be a type of document that**
 13 **this chapter or another law requires or permits a person to file** with the Office of the Secretary
 14 of State.

15 (3) The document must contain the information required by this chapter and may contain other
 16 information.

17 (4) The document must be legible.

18 (5) The document must be in the English language. The certificate of existence required of for-
 19 eign limited liability companies under ORS 63.707 need not be in English if accompanied by a rea-
 20 sonably authenticated English translation.

21 (6)(a) Unless otherwise specified in this chapter, each document or report required by this
 22 chapter to be filed with the office must be executed in the following manner:

23 (A) Articles of organization must be signed by or on behalf of one or more persons wishing to
 24 form the limited liability company.

25 (B) Articles of amendment must be signed by at least one member or manager.

26 (C) Each annual report must be signed by one member or manager.

27 (D) If the limited liability company is in the hands of a receiver, trustee or other court-appointed
 28 fiduciary, a document or report must be signed by that receiver, trustee or fiduciary.

29 (b) An agent of a person identified in paragraph (a) of this subsection may execute a document
 30 identified in paragraph (a) of this subsection, if the person authorizes the agent to execute the doc-
 31 ument.

32 (7) The person that executes the document shall:

33 (a) **Declare, above the person’s signature and under penalty of perjury, that the docu-**
 34 **ment does not fraudulently conceal, obscure, alter or otherwise misrepresent the identity**
 35 **of the person or any of the members, managers, employees or agents of the limited liability**
 36 **company on behalf of which the person signs; and**

37 (b) State beneath or opposite the signature the person’s name and the capacity in which the
 38 person signs.

39 (8) The document may, but is not required to, contain an acknowledgment, verification or proof.

40 [(8)] (9) If the Secretary of State has prescribed a mandatory form for the document under ORS
 41 63.016, the document must be in or on the prescribed form.

42 [(9)] (10) The document must be delivered to the office accompanied by the required fees.

43 [(10)] (11) Delivery of a document to the office *[is accomplished]* **occurs** only when the office
 44 actually receives the document.

45 **SECTION 31.** ORS 63.047 is amended to read:

1 63.047. (1) *[The]* Articles of organization *[shall]* **must** set forth:

2 (a) The name of the limited liability company, which *[satisfies]* **must satisfy** the requirements
3 of ORS 63.094;

4 (b) The address, including street and number, and mailing address, if different, of the limited li-
5 ability company's initial registered office and the name of *[its]* **the** initial registered agent at *[that]*
6 **the** office;

7 (c) A mailing address to which notices, as required by this chapter, may be mailed until **the**
8 **limited liability company designates** an address *[has been designated by the limited liability com-
9 pany in its]* **in an** annual report;

10 (d) If the limited liability company *[is to]* **will** be manager-managed, a statement that the limited
11 liability company will be manager-managed or a statement that the limited liability company *[is to]*
12 **will** be managed by a manager or managers;

13 (e) The name and address of each organizer;

14 (f) The latest date on which the limited liability company *[is to]* **will** dissolve or a statement that
15 *[its]* **the limited liability company's** existence is perpetual; *[and]*

16 (g) If a limited liability company *[is to]* **will** render professional service or services, as defined
17 in ORS 58.015, the professional service or services *[to be rendered through]* **that** the limited liability
18 company~~.~~ **will render;**

19 **(h) The physical street address, including the number and name of the street, and the**
20 **mailing address, if different, of the limited liability company's principal office; and**

21 **(i) A description of the limited liability company's primary business activity.**

22 (2) The articles of organization may set forth any other provisions, not inconsistent with law,
23 for *[the regulation of]* **regulating** the internal affairs of the limited liability company, including any
24 provision that is required or permitted to be included in any operating agreement of the limited li-
25 ability company under this chapter.

26 (3) The articles of organization need not set forth any of the powers enumerated in this chapter.

27 **SECTION 32.** ORS 63.074 is amended to read:

28 63.074. (1) Except as otherwise provided by the laws of *[this]* **the** state and in this section, a
29 limited liability company formed under this chapter may conduct or promote any lawful business or
30 purpose *[which]* **that** a partnership, corporation or professional corporation as defined in ORS 58.015
31 may conduct or promote, unless **the articles of organization set forth** a more limited purpose *[is
32 set forth in the articles of organization]*. **A person may not organize a limited liability company
33 under this chapter for any illegal purpose or with an intent to fraudulently conceal from
34 another person, or a governmental agency, any business activity or a lack of business ac-
35 tivity.**

36 (2) Subject to the laws of *[this]* **the** state, the rules and regulations of *[the]* **a** regulatory board
37 of *[the]* **a** profession, if any, and the standards of professional conduct of the profession, if any, a
38 limited liability company or *[its]* members **of the limited liability company** may render professional
39 service in this state. Notwithstanding any other law, members **of a limited liability company**, in-
40 cluding members who are managers, *[of a limited liability company]* **and** who are also professionals,
41 as defined in ORS 58.015, *[shall be]* **are** personally liable as members of the limited liability company
42 to the same extent and in the same manner as provided for shareholders of a professional corpo-
43 ration in ORS 58.185 and 58.187 and as otherwise provided in this chapter.

44 (3) A business that is subject to regulation under another statute of *[this]* **the** state may not be
45 organized under this chapter if the business is required to be organized only under the other statute.

SECTION 33. ORS 63.111 is amended to read:

63.111. (1) A limited liability company shall continuously maintain in this state a registered agent and registered office that may be, but need not be, the same as any of the limited liability company's places of business. The registered office must be located at a physical street address where process may be personally served on the registered agent. The registered office may not be a commercial mail receiving agency, **a mail forwarding business or a virtual office.**

(2) A registered agent must be:

(a) An individual who resides in this state and whose business office is identical to the registered office;

(b) A domestic limited liability company, a domestic corporation, a domestic professional corporation or a domestic nonprofit corporation, the business office of which is identical to the registered office; or

(c) A foreign limited liability company, foreign corporation, foreign professional corporation or foreign nonprofit corporation that is authorized to transact business in this state, the business office of which is identical to the registered office.

SECTION 34. ORS 63.647 is amended to read:

63.647. The Secretary of State may commence a proceeding under ORS 63.651 to administratively dissolve a limited liability company if:

(1) The limited liability company does not pay when due any fees imposed by this chapter;

(2) The limited liability company does not deliver *[its]* **the limited liability company's** annual report to the Secretary of State when due;

(3) The limited liability company fails to comply with an order from the Secretary of State under section 15 (1) of this 2017 Act or is the subject of a recommendation for dissolution from the Director of the Department of Revenue under section 15 (4) of this 2017 Act;

~~[(3)]~~ (4) The limited liability company is without a registered agent or registered office in this state;

~~[(4)]~~ (5) The limited liability company does not notify the Secretary of State that *[its]* **the limited liability company's** registered agent or registered office has *[been]* changed, that *[its]* **the** registered agent has resigned or that *[its]* **the** registered office has been discontinued; or

~~[(5)]~~ (6) The limited liability company's period of duration stated in *[its]* **the** articles of organization expires.

SECTION 35. ORS 63.661 is amended to read:

63.661. *[The circuit courts]* **A circuit court** may dissolve a limited liability company:

(1) In a proceeding by the Attorney General if *[it is established]* **the court finds** that:

(a) The limited liability company *[obtained its]* **filed** articles of organization *[through]* **with fraudulent intent, with fraudulent information or in a manner that otherwise indicates** fraud; *[or]*

(b) The limited liability company has continued to exceed or abuse the authority conferred upon *[it]* **the limited liability company** by law.; **or**

(c) The limited liability company failed to answer or provided an unsatisfactory answer to the Attorney General under section 15 (3) of this 2017 Act concerning a complaint alleging that the limited liability company failed to comply with a provision of this chapter.

(2) In a proceeding by or for a member if *[it is established]* **the court finds** that it is not reasonably practicable to carry on the business of the limited liability company in conformance with *[its]* **the** articles of organization or any operating agreement.

1 (3) In a proceeding by the limited liability company to have *[its]* **the limited liability company's**
 2 voluntary dissolution continued under court supervision.

3 **SECTION 36.** ORS 63.737 is amended to read:

4 63.737. The Secretary of State may commence a proceeding under ORS 63.741 to revoke the
 5 authority of a foreign limited liability company to transact business in this state if:

6 (1) The foreign limited liability company does not deliver *[its]* **the limited liability company's**
 7 annual report to the Secretary of State within the time prescribed by this chapter;

8 (2) The foreign limited liability company does not pay within the time prescribed by this chapter
 9 any fees imposed by this chapter;

10 (3) **The foreign limited liability company fails to comply with an order from the Secretary**
 11 **of State under section 15 (1) of this 2017 Act or is the subject of a recommendation for dis-**
 12 **solution from the Director of the Department of Revenue under section 15 (4) of this 2017**
 13 **Act;**

14 [(3)] (4) The foreign limited liability company has failed to appoint or maintain a registered
 15 agent or registered office in this state as prescribed by this chapter;

16 [(4)] (5) The foreign limited liability company does not inform the Secretary of State under ORS
 17 63.724 or 63.727 that *[its]* **the limited liability company's** registered agent or registered office has
 18 changed, that *[its]* **the** registered agent has resigned or that *[its]* **the** registered office has been
 19 discontinued;

20 [(5)] (6) An organizer, manager, member or agent of the foreign limited liability company signed
 21 a document knowing *[it]* **the document** was false in any material respect with intent that the doc-
 22 ument be delivered to the office for filing;

23 [(6)] (7) The foreign limited liability company no longer satisfies the requirements of ORS 63.714
 24 (3);

25 [(7)] (8) The Secretary of State receives a duly authenticated certificate from the official having
 26 custody of the limited liability company records in the state or country under whose law the foreign
 27 limited liability company is organized stating that *[it]* **the foreign limited liability company** has
 28 been dissolved or has ceased to exist as the result of a merger or other reorganization transaction;
 29 or

30 [(8)] (9) The period of duration of the foreign limited liability company expires.

31 **SECTION 37.** ORS 65.001 is amended to read:

32 65.001. As used in this chapter:

33 (1) "Anniversary" means the day each year that is exactly one or more years after the date on
 34 which the Office of the Secretary of State files the articles of incorporation for a domestic corpo-
 35 ration or the date on which the office files an application for authority to transact business for a
 36 foreign corporation[.], **except that** an event that would otherwise cause an anniversary to fall on
 37 February 29 will cause the anniversary to fall on February 28.

38 (2) "Approved by the members" or "approval by the members" means approved or ratified by the
 39 members entitled to vote on the issue through either:

40 (a) The affirmative vote of a majority of the votes of the members represented and voting at a
 41 duly held meeting at which a quorum is present or the affirmative vote of a greater proportion in-
 42 cluding the votes of any required proportion of the members of any class as the articles, bylaws or
 43 this chapter may provide for specified types of member action; or

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

45 (3) "Articles of incorporation" or "articles" means the articles described in ORS 65.047, amended

1 and restated articles of incorporation or articles of merger, and corrections to the articles.

2 (4) “Board” or “board of directors” means the individual or individuals **who are** vested with
3 overall management of the affairs of the domestic or foreign corporation, irrespective of the name
4 by which the individual or individuals are designated, except that an individual or a group of indi-
5 viduals is not the board of directors because of powers delegated to the individual or group under
6 ORS 65.301.

7 (5) “Bylaws” means the code or codes of rules, other than the articles adopted under this
8 chapter or the laws governing a foreign corporation, for regulating or managing the affairs of the
9 domestic or foreign corporation, irrespective of the name or names by which the rules are desig-
10 nated.

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

14 (7)(a) “Contact address” means a mailing address, **including the principal office of a corpo-**
15 **ration or foreign corporation, or a business or residential address** at which a person affiliated
16 with the [organization] **corporation or foreign corporation** will **or has consented to** receive and
17 transmit [to the organization] notices intended for the **corporation or** foreign [or domestic] corpo-
18 ration either when sending the notices to the registered agent is not practical or when a duplicate
19 notice is desirable. [The contact address may be the principal place of business, if any, or the business
20 or residence address of any person associated with the corporation or foreign corporation who has
21 consented to serve, but may not be the address of the registered agent.]

22 (b) **“Contract address” does not include the address of a registered agent.**

23 (8) “Corporation” or “domestic corporation” means a nonprofit corporation that is not a foreign
24 corporation, and that is incorporated under or subject to the provisions of this chapter.

25 (9) [*Delegates means those persons*] **“Delegate” means a person** elected or appointed to vote
26 in a representative assembly for electing a director or directors or on other matters.

27 (10) “Deliver” means any method of delivery used in conventional commercial practice, including
28 delivery by hand, mail, commercial delivery and electronic transmission.

29 (11) [*Directors means individuals*] **“Director” means an individual** whom the articles or by-
30 laws designate or whom the incorporators elect to act as [*members*] **a member** of the board, and
31 [*the successors to the individuals*] **a successor to the individual.**

32 (12) “Distribution” means paying a dividend or any part of the income or profit of a corporation
33 to the corporation’s members, directors or officers, other than paying value for property received
34 or services performed or paying benefits to further the corporation’s purposes.

35 (13) “Domestic business corporation” means a for profit corporation that is incorporated under
36 ORS chapter 60.

37 (14) “Domestic limited liability company” means an unincorporated association that has one or
38 more members and that is organized under ORS chapter 63.

39 (15) “Domestic professional corporation” means a corporation that is organized under ORS
40 chapter 58 for the purpose of rendering professional services and for the purposes provided under
41 ORS chapter 58.

42 (16) “Effective date of notice” has the meaning given that term in ORS 65.034.

43 (17) “Employee” includes an officer or director whom the corporation employs with compen-
44 sation for services beyond those encompassed by board membership.

45 (18) “Entity” means a corporation, foreign corporation, business corporation and foreign busi-

1 ness corporation, profit and nonprofit unincorporated association, corporation sole, business trust,
 2 partnership, two or more persons that have a joint or common economic interest, any state, the
 3 United States, a federally recognized Native American or American Indian tribal government and
 4 any foreign government.

5 (19) “File,” “filed” or “filing” means reviewed, accepted and entered in the Office of the Secre-
 6 tary of State.

7 (20) “Foreign business corporation” means a for profit corporation that is incorporated under
 8 laws other than the laws of *[this]* **the** state.

9 (21) “Foreign corporation” means a corporation that is organized under laws other than the laws
 10 of *[this]* **the** state and that would be a nonprofit corporation if formed under the laws of *[this]* **the**
 11 state.

12 (22) “Foreign limited liability company” means an unincorporated association that is organized
 13 under laws other than the laws of *[this]* **the** state and that is organized under a statute under which
 14 an association may be formed that affords to each of the entity’s members limited liability with re-
 15 spect to liabilities of the entity.

16 (23) “Foreign professional corporation” means a professional corporation that is organized under
 17 laws other than the laws of *[this]* **the** state.

18 (24) “Governmental subdivision” includes an authority, county, district and municipality.

19 (25) “Individual” means a natural person, including the guardian of an incompetent individual.

20 (26)(a) “Member” means a person that is entitled, under a domestic or foreign corporation’s ar-
 21 ticles or bylaws, without regard to what the person is called in the articles or bylaws, to vote on
 22 more than one occasion to elect a director or directors.

23 (b) **“Member” does not include:**

24 (A) A person *[is not a member by virtue of any]* **that has only one or more** of the following
 25 rights *[the person has]*:

26 [(A)] (i) As a delegate;

27 [(B)] (ii) To designate or appoint a director or directors;

28 [(C)] (iii) As a director; or

29 [(D)] (iv) As a holder of an evidence of indebtedness the corporation has issued or will issue.

30 [(c)] (B) *[Notwithstanding the provisions of paragraph (a) of this subsection, a person is not a*
 31 *member if the person’s]* **A person whose** membership rights have been eliminated as provided in ORS
 32 65.164 or 65.167.

33 (27) “Membership” means the rights and obligations a member has under this chapter.

34 (28) “Mutual benefit corporation” means a domestic corporation that is formed as a mutual
 35 benefit corporation under ORS 65.044 to 65.067 and is designated a mutual benefit corporation by
 36 a statute or does not come within the definition of public benefit or religious corporation.

37 (29) “Nonprofit corporation” means a mutual benefit corporation, a public benefit corporation
 38 or a religious corporation.

39 (30) “Notice” has the meaning given that term in ORS 65.034.

40 (31) “Office,” when used to refer to the administrative unit directed by the Secretary of State,
 41 means the Office of the Secretary of State.

42 (32) “Person” means individual or entity.

43 (33)(a) “Principal office” means the physical street address of the place, in or out of this state,
 44 where the principal executive offices of a domestic or foreign corporation are located and that is
 45 designated as the principal office in the most recent annual report filed pursuant to ORS 65.787 or,

1 if no annual report is on file, in the articles of incorporation or the application for authority to
 2 transact business in this state.

3 **(b) “Principal office” does not include a commercial mail receiving agency, a mail for-**
 4 **warding business or a virtual office.**

5 (34) “Proceeding” means a civil, criminal, administrative or investigatory action.

6 (35) “Public benefit corporation” means a domestic corporation that:

7 (a) Is formed as a public benefit corporation under ORS 65.044 to 65.067, is designated as a
 8 public benefit corporation by a statute, is recognized as tax exempt under section 501(c)(3) of the
 9 Internal Revenue Code of 1986 or is otherwise organized for a public or charitable purpose;

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

14 (c) Does not come within the definition of “religious corporation.”

15 (36) “Record date” means the date established under ORS 65.131 to 65.177 or 65.201 to 65.254
 16 on which a corporation determines the identity of the corporation’s members and the members’
 17 membership rights for the purposes of this chapter.

18 (37) “Religious corporation” means a domestic corporation that is formed as a religious corpo-
 19 ration under ORS 65.044 to 65.067, is designated a religious corporation by a statute or is organized
 20 primarily or exclusively for religious purposes.

21 (38) “Remote communication” means any method by which a person that is not physically pres-
 22 ent at the location at which a meeting occurs may nevertheless hear or otherwise communicate at
 23 substantially the same time with other persons at the meeting and have access to materials neces-
 24 sary to participate or vote in the meeting to the extent of the person’s authorization to participate
 25 or vote.

26 (39) “Secretary,” when used in the context of a corporate official, means the corporate officer
 27 to whom the board of directors has delegated responsibility under ORS 65.371 for preparing the
 28 minutes of the directors’ and members’ meetings and for authenticating the records of the corpo-
 29 ration.

30 (40) “State,” when referring to a part of the United States, means a state, commonwealth, ter-
 31 ritory or insular possession of the United States and the agencies and governmental subdivisions
 32 of the state, commonwealth, territory or insular possession.

33 (41) “Uncompensated officer” means an individual who serves in an office without compensation
 34 for personal service. For purposes of this subsection, payment solely for actual expenses in per-
 35 forming duties of the officer or a stipend that is paid only to compensate the average expenses the
 36 individual incurs over the course of a year is not compensation.

37 (42) “United States” means **the federal government or** a district, authority, bureau, commis-
 38 sion, department or any other agency of the United States.

39 (43) “Vote” means authorization by written ballot and written consent, where permitted.

40 (44) “Voting power” means the total number of votes entitled to be cast on an issue at the time
 41 the determination of voting power is made, excluding a vote that is contingent upon a condition or
 42 event occurring that has not occurred at the time.

43 **SECTION 38.** ORS 65.111 is amended to read:

44 65.111. (1) Each corporation shall continuously maintain in this state both:

45 [(1)] (a) A registered agent, who [shall] **must** be:

1 [(a)] (A) An individual who resides in this state;

2 [(b)] (B) A corporation, domestic business corporation, domestic limited liability company or
 3 domestic professional corporation with an office in this state; or

4 [(c)] (C) A foreign corporation, foreign business corporation, foreign limited liability company
 5 or foreign professional corporation authorized to transact business in this state with an office in this
 6 state; and

7 [(2)] (b) A registered office of the corporation, which [*shall*] **must** be the residence or office
 8 address of the registered agent.

9 **(2) A registered office under this section must be located at a physical street address
 10 where process may be personally served on the registered agent. The registered office may
 11 not be a commercial mail receiving agency, a mail forwarding business or a virtual office.**

12 **SECTION 39.** ORS 70.020 is amended to read:

13 70.020. Each limited partnership shall continuously maintain in this state an office at which the
 14 records referred to in ORS 70.050 shall be kept. The office may be but need not be a place of busi-
 15 ness of the limited partnership in this state **and may not be a commercial mail receiving agency,
 16 a mail forwarding business or a virtual office.**

17 **SECTION 40.** ORS 70.025 is amended to read:

18 70.025. (1)(a) A domestic limited partnership and a foreign limited partnership that does business
 19 in this state and all general partners of each domestic limited partnership or foreign limited part-
 20 nership must continuously maintain in this state a registered agent and a registered office. The
 21 registered office must be located at a physical street address where process may be personally
 22 served on the registered agent. The registered office may not be a commercial mail receiving
 23 agency, **a mail forwarding business or a virtual office.**

24 (b) The registered agent must be:

25 (A) An individual resident of this state who has a business office in this state;

26 (B) A domestic corporation, domestic limited liability company, domestic professional corpo-
 27 ration or domestic nonprofit corporation that has a business office in this state; or

28 (C) A foreign corporation, foreign limited liability company, foreign professional corporation or
 29 foreign nonprofit corporation that is authorized to transact business in this state and has a business
 30 office in this state.

31 (2) A domestic or foreign limited partnership and the general partners of the domestic or foreign
 32 limited partnership may change the registered agent of the domestic or foreign limited partnership
 33 by submitting for filing to the Office of Secretary of State a statement described in this subsection.
 34 The statement must be executed by a general partner. Filing the statement immediately terminates
 35 the existing registered agent and establishes the newly appointed registered agent as the registered
 36 agent of the domestic or foreign limited partnership and the general partners of the domestic or
 37 foreign limited partnership. The statement must include:

38 (a) The name of the domestic or foreign limited partnership and the name and address of each
 39 general partner of the domestic or foreign limited partnership; and

40 (b) The name of the successor registered agent and the physical street address of the registered
 41 agent's business office in this state.

42 **SECTION 41.** ORS 128.575 is amended to read:

43 128.575. (1) Any business trust desiring to do business in this state shall first submit to the Of-
 44 fice of Secretary of State a copy of the trust instrument creating the trust and any subsequent
 45 amendments to the trust and a document setting forth:

1 (a) The business trust name and the state or country of formation;

2 (b) The names and addresses of [*its*] **the business trust's** trustees;

3 (c) The **physical** street address of the business trust's registered office in this state, **which**
4 **must be a location at which process may be personally served on the registered agent and**
5 **that may not be a commercial mail receiving agency, a mail forwarding business or a virtual**
6 **office**, and the name of the registered agent;

7 (d) A mailing address to which the Secretary of State may mail notices; and

8 (e) Any additional identifying information that the Secretary of State by rule may require.

9 (2) The filing described in subsection (1) of this section [*shall*] **must** be accompanied by the
10 applicable filing fee.

11 (3) If the Secretary of State finds that the document contains the required information, the
12 Secretary of State, when all fees have been paid, shall file the trust instrument and document and
13 return an acknowledgment of filing to the sender.

14 (4) If a business trust amends [*its*] a trust instrument [*it*], **the business trust** shall submit for
15 filing a copy of the amendment to the Office of Secretary of State. The amendment [*shall*] **must** set
16 forth:

17 (a) The name of the business trust as shown on the records of the Office of Secretary of State;
18 and

19 (b) The information as changed.

20 **SECTION 42.** ORS 128.595 is amended to read:

21 128.595. (1) A business trust by the trust's anniversary date shall deliver to the office of the
22 Secretary of State for filing an annual report accompanied by the annual fee.

23 (2) The annual report must contain:

24 (a) The name of the business trust and the state or country under the law of which the business
25 trust is formed;

26 (b) The names and addresses of the business trust's trustees;

27 (c) The physical street address of the business trust's registered office in this state, which must
28 be a location at which process may be personally served on the registered agent and which may not
29 be a commercial mail receiving agency, **a mail forwarding business or a virtual office**, and the
30 name of the trust's registered agent at the registered office;

31 (d) A mailing address to which the Secretary of State may mail notices;

32 (e) A description of the primary business activity of the business trust; and

33 (f) Any additional identifying information that the Secretary of State may require by rule.

34 (3) The annual report must be on forms prescribed and furnished by the Secretary of State. The
35 information contained in the annual report must be current as of 30 days before the anniversary of
36 the business trust.

37 (4) The Secretary of State shall mail the report form to any address shown for the business trust
38 in the current records of the office of the Secretary of State. The business trust's failure to receive
39 the report form from the Secretary of State does not relieve the business trust of the trust's duty
40 under this section to deliver a report to the office.

41 (5) If the Secretary of State finds the report conforms to the requirements of this section, the
42 Secretary of State shall file the report.

43 (6) If the Secretary of State finds that the annual report does not conform to the requirements
44 of this section, the Secretary of State shall return the report to the business trust. The business
45 trust shall correct the annual report and return the corrected report to the Secretary of State

1 within 45 days after the Secretary of State returns the report.

2 (7) If [no] a **business trust has not filed the** report [is filed] by the reporting date or [if no]
 3 **has not filed a** corrected report [is filed] within the 45-day period, the Secretary of State shall send
 4 to the business trust a final notice advising that a report has not been filed and the Secretary of
 5 State, therefore, assumes that the business trust is no longer active unless a report is filed within
 6 45 days after the mailing of the final notice.

7 (8) Not less than 45 days after the mailing date of the final notice specified in subsection (7) of
 8 this section, the Secretary of State may assume and note on the records of the Secretary of State
 9 that the business trust is inactive.

10 **SECTION 43.** ORS 314.840 is amended to read:

11 314.840. (1) The Department of Revenue may:

12 (a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.230
 13 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, represen-
 14 tative or designee, with a copy of the taxpayer's income tax return filed with the department for
 15 any year, or with a copy of any report filed by the taxpayer in connection with the return, or with
 16 any other information the department considers necessary.

17 (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

18 (c) Publish statistics so classified as to prevent the identification of income or any particulars
 19 contained in any report or return.

20 (d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social
 21 Security number, employer identification number or other taxpayer identification number to the ex-
 22 tent necessary in connection with collection activities or the processing and mailing of correspond-
 23 ence or of forms for any report or return required in the administration of any local tax under ORS
 24 305.620 or any law imposing a tax upon or measured by net income.

25 (2) The department also may disclose and give access to information described in ORS 314.835
 26 to:

27 (a) The Governor of the State of Oregon or the authorized representative of the Governor with
 28 respect to an individual who is designated as being under consideration for appointment or reap-
 29 pointment to an office or for employment in the office of the Governor. The information disclosed
 30 shall be confined to whether the individual:

31 (A) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not
 32 more than the three immediately preceding years for which the individual was required to file an
 33 Oregon individual income tax return.

34 (B) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or
 35 otherwise respond to a deficiency notice within 30 days of its mailing.

36 (C) Has been assessed any penalty under the Oregon personal income tax laws and the nature
 37 of the penalty.

38 (D) Has been or is under investigation for possible criminal offenses under the Oregon personal
 39 income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose
 40 of making the appointment, reappointment or decision to employ or not to employ the individual in
 41 the office of the Governor.

42 (b) An officer or employee of the Oregon Department of Administrative Services duly authorized
 43 or employed to prepare revenue estimates, or a person contracting with the Oregon Department of
 44 Administrative Services to prepare revenue estimates, in the preparation of revenue estimates re-
 45 quired for the Governor's budget under ORS 291.201 to 291.226, or required for submission to the

1 Emergency Board or the Joint Interim Committee on Ways and Means, or if the Legislative As-
 2 sembly is in session, to the Joint Committee on Ways and Means, and to the Legislative Revenue
 3 Officer or Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The Department of
 4 Revenue shall disclose and give access to the information described in ORS 314.835 for the purposes
 5 of this paragraph only if:

6 (A) The request for information is made in writing, specifies the purposes for which the request
 7 is made and is signed by an authorized representative of the Oregon Department of Administrative
 8 Services. The form for request for information shall be prescribed by the Oregon Department of
 9 Administrative Services and approved by the Director of the Department of Revenue.

10 (B) The officer, employee or person receiving the information does not remove from the premises
 11 of the Department of Revenue any materials that would reveal the identity of a personal or corpo-
 12 rate taxpayer.

13 (c) The Commissioner of Internal Revenue or authorized representative, for tax administration
 14 and compliance purposes only.

15 (d) For tax administration and compliance purposes, the proper officer or authorized represen-
 16 tative of any of the following entities that has or is governed by a provision of law that meets the
 17 requirements of any applicable provision of the Internal Revenue Code as to confidentiality:

18 (A) A state;

19 (B) A city, county or other political subdivision of a state;

20 (C) The District of Columbia; or

21 (D) An association established exclusively to provide services to federal, state or local taxing
 22 authorities.

23 (e) The Multistate Tax Commission or its authorized representatives, for tax administration and
 24 compliance purposes only. The Multistate Tax Commission may make the information available to
 25 the Commissioner of Internal Revenue or the proper officer or authorized representative of any
 26 governmental entity described in and meeting the qualifications of paragraph (d) of this subsection.

27 (f) The Attorney General, assistants and employees in the Department of Justice, or other legal
 28 representative of the State of Oregon, to the extent the department deems disclosure or access
 29 necessary for the performance of the duties of advising or representing the department pursuant to
 30 ORS 180.010 to 180.240 and the tax laws of *[this]* **the** state.

31 (g) Employees of the State of Oregon, other than of the Department of Revenue or Department
 32 of Justice, to the extent the department deems disclosure or access necessary for such employees
 33 to perform their duties under contracts or agreements between the department and any other de-
 34 partment, agency or subdivision of the State of Oregon, in the department's administration of the
 35 tax laws.

36 (h) Other persons, partnerships, corporations and other legal entities, and their employees, to
 37 the extent the department deems disclosure or access necessary for the performance of such others'
 38 duties under contracts or agreements between the department and such legal entities, in the
 39 department's administration of the tax laws.

40 (i) The Legislative Revenue Officer or authorized representatives upon compliance with ORS
 41 173.850. Such officer or representative shall not remove from the premises of the department any
 42 materials that would reveal the identity of any taxpayer or any other person.

43 (j) The Department of Consumer and Business Services, to the extent the department requires
 44 such information to determine whether it is appropriate to adjust those workers' compensation
 45 benefits the amount of which is based pursuant to ORS chapter 656 on the amount of wages or

1 earned income received by an individual.

2 (k) Any agency of the State of Oregon, or any person, or any officer or employee of such agency
 3 or person to whom disclosure or access is given by state law and not otherwise referred to in this
 4 section, including but not limited to the Secretary of State as Auditor of Public Accounts under
 5 Article VI, section 2, of the Oregon Constitution; the Department of Human Services pursuant to
 6 ORS 412.094; the Division of Child Support of the Department of Justice and district attorney re-
 7 garding cases for which they are providing support enforcement services under ORS 25.080; the
 8 State Board of Tax Practitioners, pursuant to ORS 673.710; and the Oregon Board of Accountancy,
 9 pursuant to ORS 673.415.

10 (L) The Director of the Department of Consumer and Business Services to determine that a
 11 person complies with ORS chapter 656 and the Director of the Employment Department to determine
 12 that a person complies with ORS chapter 657, the following employer information:

- 13 (A) Identification numbers.
- 14 (B) Names and addresses.
- 15 (C) Inception date as employer.
- 16 (D) Nature of business.
- 17 (E) Entity changes.
- 18 (F) Date of last payroll.

19 (m) The Director of the Oregon Health Authority to determine that a person has the ability to
 20 pay for care that includes services provided by the Oregon State Hospital, or the Oregon Health
 21 Authority to collect any unpaid cost of care as provided by ORS chapter 179.

22 (n) Employees of the Employment Department to the extent the Department of Revenue deems
 23 disclosure or access to information on a combined tax report filed under ORS 316.168 is necessary
 24 to performance of their duties in administering the tax imposed by ORS chapter 657.

25 (o) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and
 26 powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and
 27 standard industrial classification, if available.

28 (p) Employees of the Department of State Lands for the purposes of identifying, locating and
 29 publishing lists of taxpayers entitled to unclaimed refunds as required by the provisions of chapter
 30 694, Oregon Laws 1993. The information shall be limited to the taxpayer's name, address and the
 31 refund amount.

32 (q) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement
 33 agencies to assist in the investigation or prosecution of the following criminal activities:

34 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
 35 to the stolen document, the name, address and taxpayer identification number of the payee, the
 36 amount of the check and the date printed on the check.

37 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
 38 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
 39 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
 40 dress and taxpayer identification number of the payee, the amount of the check, the date printed
 41 on the check and the altered name and address.

42 (r) The United States Postal Inspection Service or a federal law enforcement agency, including
 43 but not limited to the United States Department of Justice, to assist in the investigation of the fol-
 44 lowing criminal activities:

- 45 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited

1 to the stolen document, the name, address and taxpayer identification number of the payee, the
2 amount of the check and the date printed on the check.

3 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
4 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
5 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
6 dress and taxpayer identification number of the payee, the amount of the check, the date printed
7 on the check and the altered name and address.

8 (s) The United States Financial Management Service, for purposes of facilitating the offsets de-
9 scribed in ORS 305.612.

10 (t) A municipal corporation of this state for purposes of assisting the municipal corporation in
11 the administration of a tax of the municipal corporation that is imposed on or measured by income,
12 wages or net earnings from self-employment. Any disclosure under this paragraph may be made only
13 pursuant to a written agreement between the Department of Revenue and the municipal corporation
14 that ensures the confidentiality of the information disclosed.

15 (u) A consumer reporting agency, to the extent necessary to carry out the purposes of ORS
16 314.843.

17 (v) The Public Employees Retirement Board, to the extent necessary to carry out the purposes
18 of ORS 238.372 to 238.384, and to any public employer, to the extent necessary to carry out the
19 purposes of ORS 237.635 (3) and 237.637 (2).

20 **(w) The Secretary of State for the purpose of initiating or supporting a recommendation**
21 **under section 11 (4) or (5) or 15 (4) or (5) of this 2017 Act to administratively dissolve or**
22 **reinstate a corporation or limited liability company that the Director of the Department of**
23 **Revenue determines has failed to comply with applicable tax laws of the state.**

24 (3)(a) Each officer or employee of the department and each person described or referred to in
25 subsection (2)(a), (b), (f) to (L) or (n) to (q) of this section to whom disclosure or access to the tax
26 information is given under subsection (2) of this section or any other provision of state law, prior
27 to beginning employment or the performance of duties involving such disclosure or access, shall be
28 advised in writing of the provisions of ORS 314.835 and 314.991, relating to penalties for the vio-
29 lation of ORS 314.835, and shall as a condition of employment or performance of duties execute a
30 certificate for the department, in a form prescribed by the department, stating in substance that the
31 person has read these provisions of law, that the person has had them explained and that the person
32 is aware of the penalties for the violation of ORS 314.835.

33 (b) The disclosure authorized in subsection (2)(r) of this section shall be made only after a
34 written agreement has been entered into between the Department of Revenue and the person de-
35 scribed in subsection (2)(r) of this section to whom disclosure or access to the tax information is
36 given, providing that:

37 (A) Any information described in ORS 314.835 that is received by the person pursuant to sub-
38 section (2)(r) of this section is confidential information that may not be disclosed, except to the ex-
39 tent necessary to investigate or prosecute the criminal activities described in subsection (2)(r) of
40 this section;

41 (B) The information shall be protected as confidential under applicable federal and state laws;
42 and

43 (C) The United States Postal Inspection Service or the federal law enforcement agency shall
44 give notice to the Department of Revenue of any request received under the federal Freedom of In-
45 formation Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

1 (4) The Department of Revenue may recover the costs of furnishing the information described
2 in subsection (2)(L), (m) and (o) to (q) of this section from the respective agencies.

3 **SECTION 44.** ORS 554.082 is amended to read:

4 554.082. (1) A corporation shall continuously maintain in this state a registered agent and reg-
5 istered office that may be, but need not be, the same as any of the corporation's places of business.
6 The registered office must be located at a physical street address where process may be personally
7 served on the registered agent. The registered office may not be a commercial mail receiving
8 agency, **a mail forwarding business or a virtual office.**

9 (2) A registered agent must be:

10 (a) An individual who resides in this state and whose business office is identical to the regis-
11 tered office;

12 (b) A domestic corporation or domestic nonprofit corporation, the business office of which is
13 identical to the registered office; or

14 (c) A foreign corporation or foreign nonprofit corporation that is authorized to transact business
15 in this state, the business office of which is identical to the registered office.

16 **SECTION 45.** (1) **Sections 2 to 9, 11, 12, 13, 15, 16 and 17 of this 2017 Act and the amend-**
17 **ments to ORS 56.035, 60.001, 60.004, 60.047, 60.074, 60.111, 60.131, 60.647, 60.661, 60.737, 62.155,**
18 **63.001, 63.004, 63.047, 63.074, 63.111, 63.647, 63.661, 63.737, 65.001, 65.111, 70.020, 70.025, 128.575,**
19 **128.595, 314.840 and 554.082 by sections 18 to 44 of this 2017 Act become operative on January**
20 **1, 2018.**

21 **(2) The Secretary of State, the Attorney General and the Director of the Department of**
22 **Revenue may adopt rules and take any other action before the operative date specified in**
23 **subsection (1) of this section that is necessary to enable the Secretary of State, the Attorney**
24 **General or the director to exercise, on or after the operative date specified in subsection (1)**
25 **of this section, all of the duties, powers and functions conferred on the Secretary of State,**
26 **the Attorney General and the director by sections 2 to 9, 11, 12, 13, 15, 16 and 17 of this 2017**
27 **Act and the amendments to ORS 56.035, 60.001, 60.004, 60.047, 60.074, 60.111, 60.131, 60.647,**
28 **60.661, 60.737, 62.155, 63.001, 63.004, 63.047, 63.074, 63.111, 63.647, 63.661, 63.737, 65.001, 65.111,**
29 **70.020, 70.025, 128.575, 128.595, 314.840 and 554.082 by sections 18 to 44 of this 2017 Act.**

30 **SECTION 46.** This 2017 Act takes effect on the 91st day after the date on which the 2017
31 regular session of the Seventy-ninth Legislative Assembly adjourns sine die.

32