

**SB 185 A STAFF MEASURE SUMMARY**

**Carrier:** Sen. Prozanski

**Senate Committee On Judiciary and Ballot Measure 110  
Implementation**

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**Action Date:** 02/18/21

**Action:** Do pass with amendments. (Printed A-Eng.)

**Vote:** 4-3-0-0

**Yeas:** 4 - Dembrow, Gelser, Manning Jr, Prozanski

**Nays:** 3 - Heard, Linthicum, Thatcher

**Fiscal:** No fiscal impact

**Revenue:** No revenue impact

**Prepared By:** Channa Newell, Counsel

**Meeting Dates:** 2/11, 2/18

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**WHAT THE MEASURE DOES:**

Provides update to nonprofit corporation processes. Clarifies that members of nonprofit may take action via electronic means, including email, if not disallowed in articles of incorporation or bylaws. Specifies process for electronic actions. Allows a majority of directors in office at the time of proposed dissolution to approve dissolution.

**ISSUES DISCUSSED:**

- Process of updating the Nonprofit Corporations Act
- Clarification on electronic actions by Board and members
- Reorganization of structures
- Continuing interim work with Secretary of State to address domestication provisions

**EFFECT OF AMENDMENT:**

Removes provisions relating to domestication and Board action via electronic means.

**BACKGROUND:**

The Nonprofit Corporations Act, Chapter 65 of the Oregon Revised Statutes, was adopted in 1989 and governs the formation and procedures of nonprofit corporations created and operating in Oregon. In 2019, Senate Bill 360 provided an extensive update to the Nonprofit Corporations Act.

Senate Bill 185 A provides additional updates to Chapter 65. The measure clarifies that members may take actions via electronic means, so long as it is not disallowed by the articles of incorporation or bylaws, and is done in accordance with the procedures outlined in the measure. The measure allows a majority of the directors holding office to approve a dissolution of the corporation, even if less than the number required under the articles of incorporation or bylaws.