House Industry, Business, and Labor Committee Testimony on Senate Bill No. 2138 Murray G. Sagsveen

I am testifying in support of Senate Bill 2138.

I am an attorney who provides voluntary legal services to nonprofit organizations in North Dakota including:

- Western North Dakota Synod of the Evangelical Lutheran Church in America [ELCA] (and its 160+ congregations within the Synod)
- North Dakota Association of Nonprofit Organizations (NDANO)

In addition, I serve on the governing boards of several nonprofit organizations including Luther Seminary, St. Paul, MN.

Many Lutheran congregations in North Dakota were established a century ago, and many of the remaining congregations have not amended or updated their articles of incorporation for decades (if ever).

Also, all ELCA Lutheran congregations are governed by a constitution and bylaws. The ELCA was established in 1988 when several Lutheran denominations merged into the current organizational structure. Again, many congregations have not amended or updated their constitutions and bylaws in recent years (and some congregations have not updated the governing documents since 1988).

Section 10-33-75 presents a challenge for many church organizations and other nonprofit corporations. During this pandemic, many nonprofit organizations have been unable to safely or legally conduct in-person meetings of the members to amend the articles of incorporation or bylaws to allow membership meetings by means of remote communication.

This bill, if enacted, would solve the problem. It would allow a nonprofit organization to conduct membership meetings by remote communication UNLESS prohibited by the organization's articles of incorporation or bylaws (or, for Lutheran churches, their constitution). This bill, if enacted, would also allow greater member participation in annual meetings of nonprofit organizations. For example, this year, even though I could not attend in person, I participated in two nonprofit organization annual meetings by remote communication.

Accordingly, I urge this committee to vote a "do pass" recommendation for the bill.

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