

**HB1009/723590/1**

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 1009

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “B (For-Benefit)” and substitute “Benefit”; in line 3, strike “B (for-benefit)” and substitute “benefit”; in lines 5, 7, 9, 10, 12, 14, and 18, in each instance, strike “B” and substitute “benefit”; in line 10, after “a” insert “certain general”; in the same line, after “benefit;” insert “authorizing the charter of a benefit corporation to identify as one of the purposes of the benefit corporation the creation of certain specific public benefits;”; in line 11, after “a” insert “certain”; in line 19, after “report;” insert “requiring a benefit corporation to post a certain report on its website or provide a copy of the report under certain circumstances;”; in the same line, strike “for-benefit” and substitute “benefit”; and strike beginning with “B” in line 23 down through “(For-Benefit)” in line 24 and substitute “Benefit”.

AMENDMENT NO. 2

On page 2, in line 2, strike “**B (FOR-BENEFIT)**” and substitute “**BENEFIT**”; in line 6, strike “**B**” and substitute “**BENEFIT**”; in lines 7 and 8, in each instance, strike “**FOR-BENEFIT**” and substitute “**BENEFIT**”; and in line 24, strike “**B**” and substitute “**BENEFIT**”.

On page 3, in lines 1, 4, 7, 8, 11, 27, 30, and 31, in each instance, strike “**B**” and substitute “**BENEFIT**”; and strike beginning with “**B**” in line 13 down through “**CORPORATION**” in line 14 and substitute “**BENEFIT CORPORATION**”.

On page 4, in lines 10, 13, 15, 17, 19, 22, 24, and 29, in each instance, strike “**B**” and substitute “**BENEFIT**”.

(Over)

On page 5, in lines 1, 2, 3, 6, 10, 17, 19, 21, 26, and 29, in each instance, strike “**B**” and substitute “BENEFIT”.

On page 6, in lines 2, 4, and 9, in each instance, strike “**B**” and substitute “BENEFIT”.

AMENDMENT NO. 3

On page 2, after line 9, insert:

“(C) “GENERAL PUBLIC BENEFIT” MEANS A MATERIAL, POSITIVE IMPACT ON SOCIETY AND THE ENVIRONMENT, AS MEASURED BY A THIRD-PARTY STANDARD, THROUGH ACTIVITIES THAT PROMOTE A COMBINATION OF SPECIFIC PUBLIC BENEFITS.”;

strike line 10 in its entirety and substitute:

“(D) “SPECIFIC PUBLIC BENEFIT” INCLUDES:”;

in line 19, strike “**OR**”; and in line 21, after “**PURPOSE**” insert “;**OR**”

(7) THE ACCOMPLISHMENT OF ANY OTHER PARTICULAR BENEFIT FOR SOCIETY OR THE ENVIRONMENT.

(E) “THIRD-PARTY STANDARD” MEANS A STANDARD FOR DEFINING, REPORTING, AND ASSESSING BEST PRACTICES IN CORPORATE SOCIAL AND ENVIRONMENTAL PERFORMANCE THAT:

(1) IS DEVELOPED BY A PERSON OR ENTITY THAT IS INDEPENDENT OF THE BENEFIT CORPORATION; AND

**(2) IS TRANSPARENT BECAUSE THE FOLLOWING INFORMATION ABOUT THE STANDARD IS PUBLICLY AVAILABLE OR ACCESSIBLE:**

**(i) THE FACTORS CONSIDERED WHEN MEASURING THE PERFORMANCE OF A BUSINESS;**

**(ii) THE RELATIVE WEIGHTINGS OF THOSE FACTORS; AND**

**(iii) THE IDENTITY OF THE PERSONS WHO DEVELOPED AND CONTROL CHANGES TO THE STANDARD AND THE PROCESS BY WHICH THOSE CHANGES WERE MADE**".

**AMENDMENT NO. 4**

On page 3, in line 15, strike "ELECTION" and substitute "AMENDMENT"; strike beginning with the first "BY" in line 16 down through "GROUP" in line 25 and substitute "IN ACCORDANCE WITH TITLE 2, SUBTITLE 6 OF THIS ARTICLE"; strike beginning with "ARTICLES" in line 28 down through "INCORPORATION" in line 29 and substitute "CHARTER"; in line 31, strike "THE TERMINATION OF" and substitute "AN AMENDMENT TERMINATING A CORPORATION'S"; and in line 32, strike "BY THE HIGHER OF:" and substitute "IN ACCORDANCE WITH TITLE 2, SUBTITLE 6 OF THIS ARTICLE.".

On page 4, strike in their entirety lines 1 through 8, inclusive.

**AMENDMENT NO. 5**

On page 4, in line 19, after "(A)" insert "(1)"; in the same line, after "CREATING A" insert "GENERAL"; after line 20, insert:

“(2) THE PURPOSE DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION IS IN ADDITION TO, AND MAY BE A LIMITATION ON, THE PURPOSES OF THE CORPORATION UNDER § 2-101 OF THIS ARTICLE.

(B) (1) IN ADDITION TO ITS PURPOSES UNDER § 2-101 OF THIS ARTICLE AND SUBSECTION (A) OF THIS SECTION, THE CHARTER OF A BENEFIT CORPORATION MAY IDENTIFY AS ONE OF THE PURPOSES OF THE BENEFIT CORPORATION THE CREATION OF ONE OR MORE SPECIFIC PUBLIC BENEFITS.

(2) THE IDENTIFICATION IN ITS CHARTER OF A SPECIFIC PUBLIC BENEFIT PURPOSE UNDER PARAGRAPH (1) OF THIS SUBSECTION DOES NOT LIMIT THE OBLIGATION OF A BENEFIT CORPORATION TO CREATE A GENERAL PUBLIC BENEFIT.”;

in line 21, strike “(B)” and substitute “(C)”; in the same line, after “A” insert “GENERAL”; in the same line, after “BENEFIT” insert “OR SPECIFIC PUBLIC BENEFIT”; and strike beginning with “SUBSECTION” in line 21 down through “(A)” in line 22 and substitute “SUBSECTIONS (A) AND (B)”.

AMENDMENT NO. 6

On page 5, strike beginning with “IN” in line 15 down through “CORPORATION” in line 16; in line 20, strike “DESCRIBED IN THE CHARTER OF THE B CORPORATION”; in line 27, strike “FOR-BENEFIT” and substitute “BENEFIT”; in line 29, strike “GENERALLY”; in line 30, strike the first “THE” and substitute “A GENERAL”; in the same line, strike “DESCRIBED IN THE CHARTER”; in line 31, after the second “THE” insert “GENERAL”; in the same line, strike the second “AND”; and after line 31, insert:

“(II) THE WAYS IN WHICH THE BENEFIT CORPORATION PURSUED ANY SPECIFIC PUBLIC BENEFIT THAT ITS CHARTER STATES IS THE

**PURPOSE OF THE BENEFIT CORPORATION TO CREATE AND THE EXTENT TO WHICH THAT SPECIFIC PUBLIC BENEFIT WAS CREATED; AND**.

On page 6, in line 1, strike “(II)” and substitute “(III)”; strike beginning with “IDENTIFIED” in line 5 down through “CORPORATION” in line 6 and substitute “A THIRD-PARTY STANDARD APPLIED CONSISTENTLY WITH THE PRIOR YEAR’S BENEFIT REPORT OR ACCOMPANIED BY AN EXPLANATION OF THE REASONS FOR ANY INCONSISTENT APPLICATION”; in line 7, strike “FOR-BENEFIT” and substitute “BENEFIT”; and after line 9, insert:

**“(C) (1) A BENEFIT CORPORATION SHALL POST ITS MOST RECENT BENEFIT REPORT ON THE PUBLIC PORTION OF ITS WEBSITE, IF ANY.**

**(2) IF A BENEFIT CORPORATION DOES NOT HAVE A PUBLIC WEBSITE, THE BENEFIT CORPORATION SHALL PROVIDE A COPY OF ITS MOST RECENT BENEFIT REPORT ON DEMAND AND WITHOUT CHARGE TO ANY PERSON WHO REQUESTS A COPY.”.**