

HB 1448 -- BENEFIT CORPORATIONS

SPONSOR: Miller

This bill defines "Benefit corporation" and requires all benefit corporations to create a general public benefit, as specified in the bill. The bill authorizes a Missouri general corporation to elect to become a benefit corporation by amending its articles of incorporation and meeting the requirements outlined in the bill.

The members of a board of directors of a benefit corporation, when determining the best interest of the benefit corporation, must consider the effects of any action or inaction upon 1) the shareholders of the corporation, 2) the employees of the corporation, 3) the interests of customers as beneficiaries of the general public benefit, 4) community and societal factors, 5) the local and global environment, 6) the short-term and long-term interest of the benefit corporation, and 7) the ability of the benefit corporation to accomplish its general public benefit purpose.

Directors and officers shall not have a duty to any person that is a beneficiary of the general public benefit or special public benefit of the corporation and shall not be personally liable for monetary damages for failure of the benefit corporation to pursue or create a general public benefit (Section 351.1418).

Each benefit corporation may have a benefit director who is responsible for preparing an annual report addressing whether the benefit corporation acted in accordance with its general public benefit purpose and any adopted specific public benefit purposes. Additionally, the opinion shall address whether the directors and officers of the corporation acted in accordance with their required statutory roles. A benefit director shall not be personally liable for an act or omission in his or her capacity as benefit director (Section 351.1421).

Each benefit corporation may have a benefit officer who shall, among other designated responsibilities, prepare an annual benefit report containing specified information. Each shareholder of the corporation shall receive the annual benefit report within 120 days of the end of the fiscal year or at the same time that the corporation delivers any other annual report to its shareholders. The report shall also be publicly available on its website. A copy of the report shall additionally be filed with the Secretary of State, which may charge a fee of \$45 for such filing (Sections 351.1427 to 351.1433).

The bill provides for benefit enforcement proceedings whereby

certain entities may make a claim against the benefit corporation for violation of any obligation, duty, or standard required by law, or for failure to pursue or create a general public benefit or specific public benefit. Only specified entities may commence a benefit enforcement proceeding (Section 351.1435).

This bill is similar to HB 2669 (2018).