



BENEFIT CORPORATIONS  
AND CERTIFIED B CORPS  
*NEW OPPORTUNITIES FOR BUSINESS*

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## Benefit Corporations and Certified B Corps: New Opportunities for Businesses

### Executive Summary

Organizational activities for the common “good” have never been limited to just voluntary or non-profit organizations. Prior to the establishment of social benefit programs (such as unemployment insurance) at the state and national levels, businesses in a local region commonly served as the “employer of last resort” for those in need. Today, there are many for-profit businesses equally concerned about their neighbors and the common good. However, there are challenges in gaining recognition for those efforts, and in many states there are legal inhibitions for corporations trying to address social or environmental issues at the expense of profits.

Over the past thirty years a variety of certification programs, including organic, marine, and forest certification, have captured the attention of those for-profit organizations trying to separate themselves from the herd. Although these material sourcing approaches are very valuable, they do not necessarily address the core nature of the for-profit business itself. For-benefit status and B Corp certification have the potential to complement and supplement these programs, especially for chain-of-custody participants. For-Benefit Corporation legislation provides the legal basis and For-Benefit certification the recognition needed to support positive corporate behavior.

### Introduction

*“I have frequently admired the endless skill with which the inhabitants of the United States manage to set a common aim to the efforts of a great number of men and to persuade them to pursue it voluntarily.”*

This quote<sup>1</sup> by Alexis de Tocqueville in 1831, points out the predilection for Americans to organize and reorganize for purposes beyond that of financial gain.

Today, many states are furthering the ability of people to organize for the common good by merging the goals of for-profit and nonprofit entities through the legislation of a new for-profit business category – the *public benefit, benefit, or for-benefit corporation*.

At its center, Benefit Corporation legislation facilitates the ability of for-profit corporations to engage in community benefit activities that impact their financial success without fear



**Figure 1: State by state legislative status. States with, in progress, and without laws for B Corps**  
 Source: B Lab (2014)

<sup>1</sup> Tocqueville, Alexis de, (2003) Democracy in America, Penguin Books, London, England, p. 596.

of litigation from shareholders. However, Benefit Corporation legislation and the related B Corp certification can also provide new opportunities for businesses. Corporations that clearly demonstrate commitment to social welfare practices through Benefit Corporation status and/or B Corp certification are likely to attract investors interested in new opportunities that can arise in the social and environmental marketplace and potential brand enhancement that can occur from stated for-benefit activities.

Over the past thirty years a variety of certification programs, including organic, marine, and forest certification, have captured the attention of those organizations trying to separate themselves from the herd of for-profit businesses. For-benefit status and B Corp certification have the potential to enhance these programs, especially for chain-of-custody participants. This report summarizes the basics of Public Benefit Corporations and B Corp certification and the opportunities they may offer to existing or new businesses and other stakeholders.

## Background

Generally speaking there are three major categories of formal organizations in the U.S.: 1) Business or industry (“for-profit” organizations); 2) Government (including local, state, and federal agencies); and 3) “Non-profit” organizations that qualify under the Internal Revenue Code because they are organized for specific purposes stated in the Code. In this report we will focus on the private sector for-profit and nonprofit categories.

For-profit business structures have both legal and tax implications. Traditionally, the most common business structures are:

- Sole Proprietorships: owned by an individual who is responsible for all assets and liabilities
- Partnerships: owned by a two or more individuals through a legal arrangement where assets and liabilities are carefully defined
- Corporations: more complex organizations, usually with multiple shareholders, where the liabilities and assets rest with the organization (there are multiple types of corporations, with the most common being “C” and “S” corporations; the major difference is that a C-corporation incurs the tax liability for all activities whereas in an S-Corporation the income and thus taxes incur at the personal level)
- Limited Liability Corporations: combine aspects of a corporation and a partnership by providing the limited liability of a corporation and the flexibility of a partnership
- Cooperatives: individuals group together due to a collective need or to provide a service that benefits all individual member-owners

According to the U.S. Census data, in 2012 there were more than 5.7 million firms in the U.S. and over 7.4 million establishments (locations) with two-thirds of those establishments employing fewer than 20 people. More than a quarter of all firms were non-profits.

The origin of the tax-exempt sector, or “non-profits” predates the American Revolution and far predates the formation of the American tax code. Initially, voluntary associations tended to be either public serving (such as schools, churches, or hospitals) or member serving, such as the Freemasons who counted a number of the founding fathers as members. The “privileged tax treatment” granted to charitable and member-serving organizations dates from the initial versions of the U.S. tax code. The

earliest reference to a tax exemption for these organizations dates to 1894; there have been major legislative updates eighteen times since then. In 2010, there were about 1.6 million formally recognized exempt organizations plus many others that were not required to register with the IRS because they were either too small (less than \$5,000 in gross receipts) or were religious congregations (Bernasek, 2014). It is estimated that about half of all religious congregations file voluntarily.<sup>2</sup>

Although the IRS lists 29 different 501(c) categories for non-profits, about two-thirds of all non-profits are exempt under Section 501(c)(3) of the Internal Revenue Code as charitable organizations. Other major types of tax-exempt organizations include social welfare organizations (501(c)(4)), labor and agricultural associations (501(c)(5)), business leagues (501(c)(6)), and fraternal beneficiary societies (501(c)(8)).

### ***“Doing Well by Doing Good” – Benjamin Franklin***

Organizational activities for the common “good” have never been limited to just voluntary or non-profit organizations. Prior to the establishment of social benefit programs (such as unemployment insurance) at the state and national levels, businesses in a local region commonly served as the “employer of last resort” for those in need. If someone in a local community was in desperate need of funds there was always something they could do at a local business to bring in a few dollars and survive. It was not uncommon for businesses to share in this support process – meaning a person might sweep out the local general store one day for a few dollars, work at the sawmill for a couple of days, and on a farm for a few more. Businesses shared responsibility for neighbors in need and received some form of benefit from these efforts (e.g. cleaner floors, sorted lumber, a new fence).

There are many for-profit businesses today equally concerned about their neighbors and the common good. In the U.S. some of these are commonly recognized names such as Patagonia, Ben & Jerry’s, and Tom’s of Maine. Activities of many other organizations are less publically visible but no less impactful. To expand for-profit organizations’ stake in social and environmental issues and to improve the recognition of those that are including social welfare as part of their strategic focus, the B Lab organization was founded in 2006, and the B Corp certification process was developed. Early B Corp certified organizations include: Seventh Generation, King Arthur Flour, Danskø, and Numi Tea.

### **Understanding the Legal Motivation for Benefit Corporation Legislation**

Although the extent of obligations can vary a bit from state to state, it is generally accepted that corporate officers and directors of for-profit organizations are subject to two primary fiduciary responsibilities to their shareholders: the *duty of care* and the *duty of loyalty*. Under Delaware law (where many companies are incorporated) corporate executives must exercise the care that a “reasonably prudent person in a like position would exercise under similar circumstances.” They must also “act in good faith and to refrain from putting his personal interests ahead of the interests of the corporation and/or its stockholders” (Walker, 2013).

In addition, historical legal precedence indicates that shareholders can legally hold the CEO of a for-profit business accountable for maximizing profits over social benefits. This legal position dates back nearly 100 years to the Michigan Supreme Court in *Dodge v. Ford Motor Company* (Michigan, 1919). In this case, the Michigan Supreme court concluded that Henry Ford also owed a *duty* to the

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<sup>2</sup> National Center For Charitable Statistics: [www.nccs.urban.org](http://www.nccs.urban.org)

shareholders of Ford Motor Company to operate his company *to generate a profit* for his shareholders, rather than for the benefit of the employees or the community as a whole.

As a result of this and similar legal precedents, corporate officers and directors may be unable or hesitant to pursue social benefit missions out of fear of breaching their fiduciary duty to shareholders. To address this concern, many states have initiated legislation to create a new legal structure of for-profit business called variously “public benefit,” “benefit”, or “for-benefit” corporations (hereafter **Benefit Corporations**). A Benefit Corporation is a legal structure available to for-profit businesses that are committed to conducting business in a socially and environmentally sustainable manner. Benefit Corporations have the ability to conduct business in a manner that directly reflects the organization’s mission statement and/or goals in addition to financial objectives. A Benefit Corporation’s tax status does *not* change. Businesses remain taxable based on traditional structures such as LLC, S-, or C-Corps.

Since 2010, thirty-eight individual states and the District of Columbia have implemented or are in the process of implementing Benefit Corporation legislation (Table 1). A table is also provided in the appendix that describes state-by-state legislative status and bill number.

**Table 1. Status of B Corp Legislation in the United States<sup>3</sup>**

Laws Passed (27)	Working On It (12)	Stagnant (12)
Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Hawaii, Illinois, Louisiana, Maryland, Massachusetts, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, South Carolina, Utah, Vermont, Virginia, West Virginia	Alabama, Alaska, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Michigan, Montana, Ohio, Wisconsin	Maine, Missouri, Mississippi, New Mexico, North Carolina, North Dakota, Oklahoma, South Dakota, Tennessee, Texas, Washington, Wyoming

Source: <https://www.bcorporation.net/what-are-b-corps/legislation>

To become a Benefit Corporation, a business must apply for legal status through their designated state. Although the legal benefits may vary by state, in general it can be said that core benefits of state legal status include:

- Providing legal protection to directors and officers enabling them to consider the interests of ALL stakeholders when making decisions, not just shareholders;
- Creating the opportunity for shareholders to hold directors and officers accountable to a broader range of interests; and
- Clearly limiting these expanded rights to shareholders

<sup>3</sup> See appendix for detail by state

## Example Recent Legislation – Minnesota

The state of Minnesota very recently passed Benefit Corporation legislation, with this becoming effective January 1, 2015. Some details from that legislation are included below for information purposes.

### *Minnesota's Public Benefit Corporation Act 304A*

*Legislation passed April 24, 2014 with an effective date of January 1, 2015*

The statute is an overlay of the existing Minnesota Business Corporation Act, and thus, Benefit Corporations are subject to most of the statutory provisions and case law that apply to Minnesota Corporations (Mason & Nygren, 2014). Key additional requirements include:

- MN Public Benefit Corporations must elect between two public benefit corporation options:
  - *General Benefit Corporations* are required to pursue a net material positive impact from its businesses and operations on society, the environment and well-being of present and future generations.
  - *Specific Benefit Corporations* are only required to pursue one or more positive impacts, or reduction of negative impacts, on specific categories of natural persons, entities, communities, or interests other than shareholders.
- Each Public Benefit Corporation will have either “General Benefit Corporation” or “Specific Benefit Corporation” or their abbreviations (GBC and SBC respectively) in its legal name
- Directors are obligated to consider the general or specific purpose and the interests of stakeholders other than shareholders. The “pecuniary” interests of shareholders have no presumptive priority.
- Only shareholders have the right to bring action for failure to pursue the public benefit.
- GBCs and SBCs must prepare and file an annual “transparency” report with the Secretary of State describing the ways and extent to which the organization pursued and created public benefit.
- Shareholders may demand their shares be redeemed at fair market value through a statutory appraisal proceeding IF the status as a public benefit corporation is terminated due to two-thirds shareholder vote or intentional failure to file the required annual transparency report. Per the legislation: “Any Minnesota business corporation can elect to be a Public Benefit Corporation either during formation or by amending current articles of incorporation with a two-thirds vote of its shareholders. Any shareholders that oppose the conversion to public benefit corporation have the opportunity to redeem their shares at fair value pursuant to a statutory appraisal rights proceeding.” (Mason & Nygren, 2014)

## B Corp Certification

Today, for-profit companies committed to environmental and social issues can also publically demonstrate that commitment by seeking recognition through a program developed by the B Lab organization. B Lab ([www.bcorporation.net](http://www.bcorporation.net)) is a 501(c)(3) non-profit corporation that provides third-party **B Corp certification** for interested socially and environmentally responsible companies. B Corp certification is a voluntary certification process similar to Fair Trade products or LEED for green buildings. Companies must meet a certain level of social and/or environmental responsibility and pay an annual certification fee.

Potential benefits of B Corp certification include the ability for companies to:

- Compare performance against organizations with similar interests
- Access best practices
- Attract talented employees
- Gain a competitive advantage
- Network with other like-minded organizations
- Gain publicity
- Enhance the organizational image (and brand)

A key focus of the Certified B Corp process is to facilitate the development of a B Corp community. It is very common for Certified B Corporations to do business with each other and the certification process helps organizations identify potential like-minded partners, vendors and customers.

The first B Corporations were certified in 2007 and by 2012 B Corps were multinational. As of 2013, global B Corps made up 25% of the global B Corp community. There are B Corps in North America, South America, Europe, Asia, Australia, New Zealand and Africa (Table 2). Currently, there are more than 1,200 Certified B Corps in 35 different countries and reflecting 120 different industries.

**Table 2. Where Certified B Corps exist internationally, how many, and local B Lab communities**

Continent	North America	South America	Australia	Europe
<b>Countries</b>	U.S. Canada	Argentina, Brazil, Chile, Columbia, Ecuador, Peru, Uruguay	Australia, New Zealand Asia Africa	Belgium, England, France, Germany, Italy, Netherlands, Scotland, Spain, Turkey
<b>Certified B Corps</b>	>1,000 <small>United States</small> >100 <small>Canada</small>	>120 >160 <small>in Process</small>	-	17 & counting
<b>B Lab Community</b>	B Lab MaRS	Sistema B	B Lab (Launched Aug 2014)	B Lab Europe

*Source: B Lab (2014)*

Early in the process of developing B Corp certification, participant organizations and B Lab recognized there were legal implications to increasing for-profit companies' strategic focus on social welfare. As a result, B Lab drafted model legislation for states to facilitate the formation of a legal "Benefit Corporation" status for participant organizations and others. Model language for Benefit Corporation legislation is posted on the Benefit Corp Information Center website and can be viewed at <http://www.benefitcorp.net/interested-in-passing-legislation>.

Twenty-one companies in Minnesota filed for Public Benefit Corporation status on January 2, 2015, the first day it was officially available (State of MN, 2015). Former Minnesota Secretary of State Mark Ritchie noted that, "Many Minnesota businesses are eager to file as a public benefit corporation to demonstrate to their community and customers that they want to make a positive impact on society, and not just a profit." New registrants include Peace Coffee – a Fair Trade and organic coffee importer; Sunrise Banks – an urban bank that is one of 90 designated Community Development Financial Institutions (CDFI<sup>4</sup>) in the U.S.; Advocacy Cycling Productions – a cycling race/ride organization that commits 100% of revenue to trails; and Beyond Boardroom Doors – a coaching and consulting firm.

<sup>4</sup> CDFIs serve low-income people and communities that lack access to affordable financial products and services.

## Comparing B Corp Certification and Benefit Corporation Registration

The language surrounding Certified B Corporations and Benefit Corporation registration can become quite confusing. Table 3 attempts to highlight key differences between the two categories of business. Although states may have slight variations in approach to achieving legal Benefit Corporation status, the process of electing Benefit Corporation status is a fairly straightforward corporate registration process. In general, a business does not have to be a Certified B Corporation to elect Benefit Corporation status in those states that have passed Benefit Corporation legislation. However, the reverse is not true. To become a Certified B Corporation the business must elect Benefit Corporation status at some defined point if and when the state in which they are based passes Benefit Corporation legislation. There are also significant additional requirements for becoming a Certified B Corporation discussed below.

**Table 3. Requirements for Benefit Corporations Versus Certified B Corps**

Benefit Corporations legal registration	Certified B Corps (2-yr. certification)
<ul style="list-style-type: none"> <li>• State must pass Benefit Corporation legislation</li> <li>• Organization must elect Benefit Corporation status</li> <li>• Annual filing requirements must be met</li> <li>• Certification is not required</li> <li>• Generally, an annual report is required</li> </ul>	<ul style="list-style-type: none"> <li>• Meet <i>Performance</i> requirements by:                             <ul style="list-style-type: none"> <li>○ Passing the B Impact Assessment (Verified Score 80/200)</li> <li>○ Submitting all required documentation</li> <li>○ Participate in reviews as required</li> </ul> </li> <li>• Meet <i>Transparency</i> requirements</li> <li>• Abide by <i>Intellectual Property</i> requirements</li> <li>• Meet <i>Legal</i> requirements pertinent to state and business structure (elect Benefit Corporation status if available)</li> <li>• Sign <i>Declaration of Interdependence</i></li> <li>• Pay annual certification <i>fee</i></li> </ul>

### Becoming a Certified B Corp

The *B Impact Assessment* is at the heart of the B Corp certification process. To become a certified B Corp through the B Lab program, businesses must be verified to have scored a minimum of 80 out of 200 points on the B Impact Assessment (BIA). The BIA is then reviewed via a telephone conversation with a B Lab staff member who seeks to clarify responses and clearly understand any unique circumstances and/or proposed practices of the company. If the organization meets the threshold score of 80 on the BIA they may be asked to provide supporting documentation providing greater detail on randomly selected components of the assessment. A company will then complete a Complete Disclosure Questionnaire to confidentially disclose any sensitive practices, prior fines, or sanctions related to the company or its partners. Unless B Lab determines any disclosed item to be significant (or as a result of a background check of the company or senior management) these disclosures will not affect the organization’s rating. However, if it is determined there are material issues, then further transparency may be required and continued participation in B Corp certification may be affected. Approximately 10 percent of Certified B Corporations are randomly selected for actual on-site (at B Corps place of business) review each year. To maintain B Corp certification the organization must repeat the assessment process every two years.

### *The B Impact Assessment*

The B Impact Assessment (BIA)<sup>5</sup> is both the primary tool for businesses to become a certified B Corp and serves as a performance benchmark from B Lab. The BIA is scored against a mean of other businesses. The BIA can also be used free of charge as a personal consulting tool without pursuing certification. An organization can get a quick understanding of the assessment by going to <http://bimpactassessment.net>. The BIA helps determine a company's benchmark standing among other businesses. The BIA can also be strictly used as an exploratory tool for businesses that are interested in simply learning more about certification and the certification process. After completing the BIA and Assessment Review there is no obligation to proceed further toward certification.

From a B Lab perspective there are three types of business categories that take the Assessment: Ordinary Businesses, Sustainable Businesses, and B Corporations. They define *Ordinary Businesses* as having the primary objective of generating high financial returns. Ordinary Businesses may be interested in contributing to positive community/worldly impact but are not driven by this as a main business objective. *Sustainable Businesses* are those viewed as being simultaneously in pursuit of generating returns and having a positive impact. However, they may or may not have evaluated, or be evaluating their impact on society and/or the environment. *Benefit Corporations* are primarily trying to *solve* social and environmental issues and may already be registered as B Corps. The B Impact Assessment serves as a validation that they have achieved a significant threshold of impact.

### **B Corp Examples**

Below are examples of B Corporations from a variety of industries. You can also search for certified B Corporations by name, location, or industry on the [www.bcorporation.net](http://www.bcorporation.net) website.

#### Greyston Bakery Inc.: Social Enterprise – New York



Greyston became the first Certified Benefit Corporation in New York State in February 2012. The following is information provided in company literature:

“For over 30 years, Greyston has proudly maintained an open door hiring policy, offering employment opportunities regardless of educational attainment, work history, or past social barriers, such as incarceration, homelessness or drug use. We believe that employment is a first step in an individual's path toward success. In 2012, Greyston Bakery provided employment opportunities and training to 181 residents within our community.” (Greyston, 2013)

Greyston specializes in producing brownies and is in partnership with another Certified B Corporation, Ben & Jerry's to provide the brownies for the ice cream flavor Chocolate Fudge Brownie. Seventy percent of their core suppliers operate with social and/or environmental initiatives. For example, Greyston is also partnered with Whole Planet Foundation – a Whole Foods Market non-profit organization that supports poverty alleviation through microcredit loans across 57 countries (Whole Planet Foundation, 2014). Greyston operates a bakery, a childcare center, affordable housing, community gardens and acts as an environmental education facilitator. Greyston boasts a 20% reduction of greenhouse gas (GHG) due to the addition of Solar Panels and LEDs (Greyston, 2013). It has decreased 75% of landfill waste due to landfill management, single stream recycling & teamwork (Greyston, 2013).

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<sup>5</sup> A preview of the Assessment and link to take the Assessment can be accessed [here](#). It is available to print or to complete online.

### CR-BPS Inc.: Building Performance Specialists – Minnesota



CR-BPS provides a full range of architecture, engineering and facilities management services, including design of new buildings, renovations, remodels, retrofits and additions. CR-BPS has specific expertise in high performance buildings, including net-zero, passive house, and the living building challenge. CR-BPS has been B Corp certified since March 2011 and reports an overall B Score of 103.<sup>6</sup>

### The Rose Group: Addressing veteran employment needs – Ladys Island, South Carolina



The Rose Group started in 2003 and aims to lower veteran unemployment and under-employment. The Rose Group provides search firm services and partners with candidates to assess their military experience, career interests and job hunting skills. They also help companies better understand how military skillsets match their job requirements. The Rose Group has been a Certified B Corp since August 2014 and reports an overall B Score of 110. Also see: <http://www.rose-group.org/>

## **Conclusion**

Public benefit legislation has been passed in 26 states and the District of Columbia, and is pending in twelve other states. There are more than 1,200 Certified B Corporations in 121 industries and 35 countries (B Lab, 2014). Industries include: accounting, agricultural services, apparel/footwear/accessories, architecture/design/planning, automotive sales/repair, books and media, building materials, catering and meeting event management, contractors and builders. The size of a business does not matter, and B Corp certification is available for all forms of business structure, from sole proprietorships to multi-national corporations.

B Corp certification and Benefit Corporation status are not for every company. If a company has not elected Benefit Corporation status, nor gotten certified as a B Corp, it doesn't mean the company disregards social and environmental issues. There are many companies doing great things under traditional structures or through other programs (e.g. through forest certification or organic farming). Yet, Benefit corporation structures, including B Corp certification and Benefit Corporation election, do address concerns in the marketplace not addressed today by simple chain-of-custody tracking as now used in a number of certification programs. A growing segment of the marketplace is interested in the nature of the companies people are doing business with. They want assurances that companies throughout the supply chain are operating responsibly, and not contributing to environmental damage or human misery. Benefit Corporation structures can address these things through broader corporate behavior administration, management and transparency. To a certain extent, B Corp certification has the potential to supplement, if not supplant, other types of certification – and can likely be less costly. A certified B Corporation committed to sourcing agricultural or forest-based materials from best available sources as well as committing to other social and environmental performance expectations, and being held accountable to those objectives, may be just what the doctor ordered.

<sup>6</sup> <http://www.bcorporation.net/community/cr-building-performance-specialists>

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## Appendix

## B Corp Regulations and Actions By Law Per State

**Key**

SB## – Senate Bill &amp; Number

HB## (- ##) – House Bill &amp; Number

AB## – Assembly Bill

SF## – Senate File

HF## – House File

State	Status	Effective	Legislation	Terminology	Notes
<u>Alabama</u>	Introduced May 7, 2013		SB14		Similar to B Lab model
<u>Alaska</u>	Introduced	In Effect: July 1, 2015	<u>HB346</u>		
<u>Arizona</u>	Passed October 2013	In Effect: December 31, 2014	<u>SB1238</u>		B Lab State Specific How-To: <a href="#">Click Here</a>
<u>Arkansas</u>	Passed Effective as of July 27, 2013		Bill Number <u>HB1510</u> Act Number <u>1388</u>		
<u>California</u>	Passed January 1, 2012	Effective as of January 1, 2012	<u>AB361</u>		
<u>Colorado</u>	Sections 1 & 2 Effective as of April 1, 2014	Sections Remaining In Effect November 2014	<u>HB13-1138</u>		Contact Secretary of State to determine if the corporation must register under the Colorado Charitable Solicitations Act in addition to registering as a Benefit Corporation.
<u>Connecticut</u>	Passed April 2014	In Effect: October 1, 2014	<u>SB23</u> Related State Budget for Fiscal Year <u>HB5597 Section 140</u>		
<u>District of Columbia / Washington, DC</u>	Pending December 4, 2012		<u>B19-0584</u>		

<b><u>Delaware</u></b>	Passed	Effective as of August 1, 2013	<b><u>SB47</u></b>	General Corporation Law / Public benefit corporation	Delaware serves as precedent for states adopting a constituency statute. Most states (with or without a constituency statute) will consider Delaware law when interpreting local corporate law (White Paper, 2011).
<b><u>Florida</u></b>	Passed	Effective as of July 1, 2014	Florida Senate <b><u>SB 654</u></b> Florida House of Representatives <b><u>HB 685</u></b>		
<b><u>Georgia</u></b>	Drafted 2012				
<b><u>Hawaii</u></b>	Passed	Effective as of July 8, 2011	<b><u>SB 298</u></b>	Sustainable Business Corporations	
<b><u>Kansas</u></b>	Rejected as of May 30, 2014		<b><u>HB2650</u></b>		
<b><u>Kentucky</u></b>	Passed House January 14, 2014	In Effect: Unknown	<b><u>HB 66</u></b>		
<b><u>Illinois</u></b>	Passed	Effective as of January 1, 2013	<b><u>SB2897</u></b>		
<b><u>Indiana</u></b>	Passed	Effective as of July 1, 2014	<b><u>HB 1260</u></b>		
<b><u>Iowa</u></b>	Has not been revisited as of December 31, 2013		<b><u>HF 288</u></b>		
<b><u>Louisiana</u></b>	Passed	Effective as of August 1, 2012	<b><u>HB1178</u></b>		
<b><u>Maryland</u></b>	Passed	Effective as of October 1, 2010	<b><u>SB690/HB1009</u></b>		
<b><u>Massachusetts</u></b>	Passed	Sections Effective as of December 1, 2012 and January 1, 2014	<b><u>H4352</u></b>		
<b><u>Michigan</u></b>	Standstill as of April 11, 2013		<b><u>HB4527, HB4526</u></b>		
<b><u>Minnesota</u></b>	Passed	January 1, 2015	<b><u>SF 2053</u></b> <b><u>HF 2582</u></b>	Public Benefit Corporation	
<b><u>Montana</u></b>	Failed		HB534		Did not get out of committee
<b><u>Nebraska</u></b>	Passed July 2014	In Effect: Unknown	<b><u>LB751</u></b>		
<b><u>Nevada</u></b>	Passed May 24,	Effective	<b><u>AB89</u></b>		Testimony: <b><u>Governor's</u></b>

	2014	January 1, 2014			<b><u>Office of Economic Development</u></b>
<b><u>New Hampshire</u></b>	Passed	In Effect: January 1, 2015	<b><u>SB215</u></b>		
<b><u>New Jersey</u></b>	Passed	Effective as of March 1, 2011	<b><u>S2170</u></b>		
<b><u>New Mexico</u></b>	Failed March 16, 2013		S 2170		Pocket Veto by Governor
<b><u>New York</u></b>	Passed	Effective as of February 10, 2012	<b><u>A4692-a and S79-a</u></b>	General construction law	
<b><u>North Carolina</u></b>	Referred to House Subcommittee		H440 & S99		
<b><u>Oregon</u></b>	Passed	Effective as of January 1, 2014	<b><u>HB 2296</u></b>		Testimony: <b><u>Secretary of State Press Release</u></b>
<b><u>Pennsylvania</u></b>	Passed	Effective as of January 22, 2013	<b><u>HB1616</u></b>		
<b><u>Puerto Rico</u></b>	In Senate for Review as of March 10, 2014		<b><u>SB979</u></b>		
<b><u>Rhode Island</u></b>	Passed	Effective as of July 17, 2013	<b><u>HB5720</u></b>		Reference: <a href="#">See Here</a>
<b><u>South Carolina</u></b>	Passed	Effective as of June 14, 2012	<b><u>HB4766</u></b>		
<b><u>Texas</u></b>	Withdrawn May 7, 2013		HB2565		
<b><u>Utah</u></b>	Passed	Effective as of May 13, 2014	<b><u>SB133</u></b>		
<b><u>Vermont</u></b>	Passed	Effective as of July 1, 2011	<b><u>S.263</u></b>		
<b><u>Virginia</u></b>	Passed	Effective as of July 1, 2011	<b><u>HB2358</u></b>	Virginia Stock Corporation	
<b><u>West Virginia</u></b>	Passed	Effective as of July 1, 2014	<b><u>HB2358</u></b>		
<b><u>Wisconsin</u></b>	Failed as of April 8, 2014		<b><u>AB870</u></b>		

*This report was prepared by*  
**DOVETAIL PARTNERS, INC.**

*Dovetail Partners is a 501(c)(3) nonprofit organization that provides authoritative information about the impacts and trade-offs of environmental decisions, including consumption choices, land use, and policy alternatives.*

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