



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2017 Senate Bill 298

**Senate
Amendment 1**

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2017 Senate Bill 298 would permit the creation of a category of business corporation called a benefit corporation. Under the bill, a benefit corporation would generally be subject to the laws applicable to other corporations under ch. 180, Stats. However, a benefit corporation would also have a purpose of creating general public benefit, as described in its articles of incorporation. With regard to implementing such general public benefit, as well as other specific public benefits, the board of the benefit corporation must include a benefit director and must provide its shareholders with an annual benefit statement as to the corporation's promotion of general public benefit and, if applicable, any specific public benefit identified in its articles of incorporation.

SENATE AMENDMENT 1

Under the bill, a benefit corporation may terminate its status as a benefit corporation. Senate Amendment 1 specifies that if a benefit corporation elects to terminate its status as a benefit corporation, the status may not be revived for a period of one year from the most recent date of termination.

With regard to the annual benefit statement required under the bill, the amendment specifies that the statement must be provided to shareholders within 30 days of the end of the benefit corporation's fiscal year.

BILL HISTORY

Senator Testin and others introduced 2017 Senate Bill 298 on June 15, 2017. On October 2, 2017, Senator Testin offered Senate Amendment 1. On October 5, 2017, the Senate Committee on Economic Development, Commerce and Local Government recommended adoption of Senate Amendment 1 and passage of Senate Bill 298, as amended, on consecutive votes of Ayes, 7; Noes, 0.

SG:jal