State Corporation Commission
2011 Fiscal Impact Statement

1. **Bill Number:** HB2358

   House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

   Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron:** McClellan

3. **Committee:** Passed Both Houses

4. **Title:** Benefit corporations.

5. **Summary:** Benefit corporations. Authorizes a Virginia stock corporation to elect to be a benefit corporation. A benefit corporation is required to have, as one of its purposes, the purpose of creating a general public benefit, which is defined as a material positive impact on society and the environment taken as a whole, as measured by a third-party standard, from the business and operations of a benefit corporation. In addition, a benefit corporation may have the purpose of creating one or more specific public benefits, which include providing low-income or underserved individuals or communities with beneficial products or services; promoting economic opportunity for individuals or communities beyond the creation of jobs in the normal course of business; preserving the environment; improving human health; promoting the arts, sciences, or advancement of knowledge; increasing the flow of capital to entities with a public benefit purpose; and conferring any other particular benefit on society or the environment. In discharging their duties and considering the best interests of the benefit corporation, the board of directors and individual directors consider the effects of any corporate action on shareholders, employees, customers, and other persons and issues. A benefit corporation shall deliver to shareholders an annual report describing the ways in which the corporation generally pursued its general public benefit and related matters. A copy of the report shall be posted on the corporation's website.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates:** No Fiscal Impact on the State Corporation Commission.

8. **Fiscal Implications:** None on the State Corporation Commission

9. **Specific Agency or Political Subdivisions Affected:** State Corporation Commission.

10. **Technical Amendment Necessary:** No

11. Other Comments: No

Date: 2/28/2011 JP