

2015 -- S 0810 SUBSTITUTE A

LC002347/SUB A

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS, AND PARTNERSHIPS

Introduced By: Senator William A. Walaska

Date Introduced: April 09, 2015

Referred To: Senate Commerce

(Secretary of State)

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 7-5.3-13 of the General Laws in Chapter 7-5.3 entitled "Benefit  
2 Corporations" is hereby amended to read as follows:

3 **7-5.3-13. Availability of annual benefit report.** -- (a) A benefit corporation shall send  
4 its annual benefit report to each shareholder ~~on the earlier of: (1) One~~ within one hundred twenty  
5 (120) days following the end of the fiscal year of the benefit corporation; ~~or~~ except that the first  
6 report shall be recorded the year following the calendar year in which its articles of incorporation  
7 or its certificate of authority was issued by the secretary of state.

8 ~~(2) The same time that the benefit corporation delivers any other annual report to its~~  
9 ~~shareholders.~~

10 (b) A benefit corporation shall post all of its benefit reports on the public portion of its  
11 Internet website, if any, but the compensation paid to directors and financial or proprietary  
12 information included in the benefit reports may be omitted from the benefit reports as posted.

13 (c) If a benefit corporation does not have an Internet website, the benefit corporation  
14 shall provide a copy of its most recent benefit report, without charge, to any person that requests a  
15 copy, but the compensation paid to directors and financial or proprietary information included in  
16 the benefit report may be omitted from the copy of the benefit report provided.

17 (d) Concurrently with the delivery of the benefit report to shareholders under subsection  
18 (c), the benefit corporation shall deliver an annual report as specified in § 7-1.2-1501 together  
19 with a copy of the benefit report specified in § 7-5.3-12 to the secretary of state for filing; ~~but the~~

1 The compensation paid to directors and financial or proprietary information included in the  
2 benefit report may be omitted from the benefit report as delivered to the secretary of state. The  
3 secretary of state shall charge a fee of ~~ten dollars (\$10.00)~~ sixty dollars (\$60.00) for filing a  
4 ~~benefit report~~ the combined reports. Benefit corporations will not be subject to the annual report  
5 filing period outlined in § 7-1.2-1501(c).

6 (e) If the secretary of state finds that the annual report conforms to the requirements of  
7 this section, the secretary of state shall file the report. If the secretary of state finds that it does not  
8 conform, the secretary of state shall promptly return the report to the corporation for any  
9 necessary corrections, in which event the penalties subsequently prescribed for failure to file the  
10 report within the time previously provided do not apply if the report is corrected to conform to the  
11 requirements of this section and returned to the secretary of state within thirty (30) days from the  
12 date on which it was mailed to the corporation by the secretary of state.

13 (f) Each corporation, domestic or foreign, that fails or refuses to file its annual report for  
14 any year within thirty (30) days after the time prescribed by this chapter is subject to a penalty of  
15 twenty-five dollars (\$25.00) per year.

16 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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1           This act would require that a benefit corporation send its annual report to shareholders  
2 within one hundred twenty (120) days after the fiscal year ends, and would require that the first  
3 such report be recorded the year following the calendar year in which its articles of incorporation  
4 or certificate of authority was issued.

5           This act would take effect upon passage.

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