

SENATE FILE NO. SF0036

For-profit public benefit corporations.

Sponsored by: Select Committee on Blockchain, Financial  
Technology and Digital Innovation Technology

A BILL

for

1 AN ACT relating to corporations; providing for for-profit  
2 public benefit corporations; providing definitions;  
3 specifying requirements and applicability; imposing duties  
4 on boards of directors; and providing for an effective  
5 date.

6

7 *Be It Enacted by the Legislature of the State of Wyoming:*

8

9 **Section 1.** W.S. 17-31-101 through 17-31-110 are  
10 created to read:

11

CHAPTER 31

12

FOR-PROFIT PUBLIC BENEFIT CORPORATIONS SUPPLEMENT

13

14

ARTICLE 1

15

## 1 PROVISIONS

2

3 **17-31-101. Short title.**

4

5 This chapter shall be known and may be cited as the  
6 "Wyoming For-profit Public Benefit Corporations  
7 Supplement."

8

9 **17-31-102. Definitions.**

10

11 (a) As used in this chapter:

12

13 (i) A "for-profit public benefit corporation" is  
14 a for-profit corporation organized under and subject to the  
15 requirements of this chapter that is intended to produce a  
16 public benefit and to operate in a responsible and  
17 sustainable manner. A for-profit public benefit corporation  
18 shall be managed in a manner that balances the pecuniary  
19 interests of the stockholders and the public benefits  
20 identified in its articles of incorporation. This  
21 definition does not apply to or modify "public benefit  
22 corporation" as defined in W.S. 17-19-140(a)(xxix);

23

1           (ii) "Public benefit" means a positive effect or  
2 reduction of negative effects on one (1) or more categories  
3 of persons, entities, communities or interests, other than  
4 stockholders in their capacities as stockholders, including  
5 effects of an artistic, charitable, cultural, economic,  
6 educational, environmental, literary, medical, religious,  
7 scientific or technological nature;

8  
9           (iii) "Public benefit provisions" means the  
10 provisions of the articles of incorporation contemplated by  
11 this chapter.

12

13           **17-31-103. Applicability; formation.**

14

15           (a) The Wyoming Business Corporation Act applies to  
16 for-profit public benefit corporations to the extent not  
17 inconsistent with the provisions of this chapter.

18

19           (b) This chapter applies to all for-profit public  
20 benefit corporations. If any type of corporation elects to  
21 become, or converts to, a for-profit public benefit  
22 corporation under this chapter in the manner prescribed in

1 this chapter, it shall be subject in all respects to the  
2 provisions of this chapter.

3

4 **17-31-104. Contents of articles of incorporation.**

5

6 (a) In addition to any requirements set forth in W.S.  
7 17-16-202, in the articles of incorporation a for-profit  
8 public benefit corporation shall:

9

10 (i) Identify one (1) or more public benefits to  
11 be promoted by the corporation; and

12

13 (ii) State that it is a for-profit public  
14 benefit corporation.

15

16 (b) The name of the for-profit public benefit  
17 corporation may contain the words "public benefit  
18 corporation," or the abbreviation "P.B.C.," or the  
19 designation "PBC," which shall be deemed to satisfy the  
20 requirements of W.S. 17-16-401. Except as otherwise  
21 provided in this subsection, if the name does not contain  
22 such language, the corporation shall, prior to issuing  
23 unissued shares of stock or disposing of treasury shares,

1 provide notice to any person to whom the stock is issued or  
2 who acquires the treasury shares that it is a for-profit  
3 public benefit corporation. The notice required under this  
4 subsection need not be provided if the issuance or disposal  
5 is pursuant to an offering registered under the Securities  
6 Act of 1933 (15 U.S.C. § 77r et seq.) or if, at the time of  
7 issuance or disposal, the corporation has a class of  
8 securities that is registered under the Securities Exchange  
9 Act of 1934 (15 U.S.C. § 78a et seq.).

10

11 **17-31-105. Nonprofit nonstock corporations.**

12

13 A nonprofit corporation shall not be a constituent  
14 corporation to any merger or consolidation with a  
15 for-profit public benefit corporation or in which the  
16 articles of incorporation of the surviving corporation are  
17 amended to include a provision authorized by W.S.  
18 17-31-104(a)(i).

19

20 **17-31-106. Stock certificates; notices regarding**  
21 **uncertificated stock.**

22

1 Any stock certificate issued by a for-profit public benefit  
2 corporation shall note conspicuously that the corporation  
3 is a for-profit public benefit corporation formed pursuant  
4 to this chapter. Any notice given by a for-profit public  
5 benefit corporation pursuant to W.S. 17-16-626(b) shall  
6 state conspicuously that the corporation is a for-profit  
7 public benefit corporation formed pursuant to this chapter.

8

9 **17-31-107. Duties of directors.**

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11 (a) The board of directors shall manage or direct the  
12 business and affairs of the for-profit public benefit  
13 corporation in a manner that balances the pecuniary  
14 interests of the stockholders and the public benefits  
15 identified in its articles of incorporation.

16

17 (b) A director of a for-profit public benefit  
18 corporation shall not, by virtue of the public benefit  
19 provisions or W.S. 17-31-102(a)(i), have any duty to any  
20 person on account of any interest of the person in the  
21 public benefits identified in the articles of incorporation  
22 or on account of any interest materially affected by the  
23 corporation's conduct. With respect to a decision

1 implicating the balance requirement in subsection (a) of  
2 this section, a director of a for-profit public benefit  
3 corporation shall be deemed to satisfy the director's  
4 fiduciary duties to stockholders and the corporation if the  
5 director's decision is both informed and disinterested and  
6 such that a person of ordinary, sound judgment would  
7 approve.

8  
9 (c) A director's ownership of or other interest in  
10 the stock of the for-profit public benefit corporation  
11 shall not alone, for the purposes of this section, create a  
12 conflict of interest on the part of the director with  
13 respect to the director's decision implicating the  
14 balancing requirement in subsection (a) of this section,  
15 except to the extent that the ownership or interest would  
16 create a conflict of interest if the corporation were not a  
17 for-profit public benefit corporation.

18  
19 (d) In the absence of a conflict of interest, no  
20 failure to satisfy the balancing requirement in subsection  
21 (a) of this section shall, for the purposes of W.S.  
22 17-16-202(b)(iv) or 17-16-851 through 17-16-858, constitute  
23 an act or omission not in good faith or a breach of the

1 duty of loyalty, unless the articles of incorporation so  
2 provide.

3

4 **17-31-108. Periodic statements and third-party**  
5 **certification.**

6

7 (a) A for-profit public benefit corporation shall  
8 include in every notice of a meeting of stockholders a  
9 statement to the effect that it is a for-profit public  
10 benefit corporation formed pursuant to this chapter.

11

12 (b) A for-profit public benefit corporation shall no  
13 less than annually provide its stockholders with a  
14 statement as to the corporation's promotion of the public  
15 benefits identified in the articles of incorporation. The  
16 statement required by this subsection shall include all of  
17 the following:

18

19 (i) The objectives the board of directors has  
20 established to promote the public benefits and interests;

21



1           (ii) The standards the board of directors has  
2 adopted to measure the corporation's progress in promoting  
3 the benefits and interests;

4

5           (iii) Objective factual information based on  
6 those standards regarding the corporation's success in  
7 meeting the objectives for promoting the public benefits  
8 and interests;

9

10           (iv) An assessment of the corporation's success  
11 in meeting the objectives and promoting the public benefits  
12 and interests.

13

14           (c) The articles of incorporation or bylaws of a  
15 for-profit public benefit corporation may require that the  
16 corporation do any one (1) or more of the following:

17

18           (i) Provide the statement described in  
19 subsection (b) of this section more frequently than  
20 annually;

21

22           (ii) Make the statement described in subsection  
23 (b) of this section available to the public;

1

2           (iii) Use a third-party standard in connection  
3 with or attain a periodic third-party certification  
4 addressing the corporation's promotion of the public  
5 benefits identified in the articles of incorporation.

6

7           **17-31-109. Enforcement of balancing requirements.**

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9 Unless otherwise agreed to by the shareholders, any action  
10 to enforce the balancing requirement of W.S. 17-31-107(a),  
11 including any individual, derivative or any other type of  
12 proceeding, shall not be brought unless the plaintiffs in  
13 the proceeding own individually or collectively, as of the  
14 date of instituting the proceeding, at least two percent  
15 (2%) of the corporation's outstanding shares or, in the  
16 case of a corporation with shares listed on a national  
17 securities exchange, the lesser of the percentage or shares  
18 of the corporation with a market value of at least two  
19 million dollars (\$2,000,000.00) as of the date the action  
20 is instituted. This section shall not relieve the  
21 plaintiffs from complying with any other conditions  
22 applicable to filing a derivative proceeding including W.S.

1 17-16-741(a)(i) and any rules of the court in which the  
2 action is filed.

3

4 **17-31-110. No effect on other corporations.**

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6 This chapter shall not affect a statute or rule of law that  
7 is applicable to a corporation that is not a for-profit  
8 public benefit corporation, except as provided in W.S.  
9 17-31-105.

10

11 **Section 2.** This act is effective July 1, 2021.

12

13

(END)