

2023 Kansas Statutes

17-72a06. Periodic statements and third-party certification. (a) A public benefit corporation shall include in every notice of a meeting of stockholders a statement to the effect that it is a public benefit corporation formed pursuant to K.S.A. 17-72a01 through 17-72a09, and amendments thereto.

(b) A public benefit corporation shall no less than annually provide its stockholders with a statement as to the corporation's promotion of the public benefit or public benefits identified in the articles of incorporation and of the best interests of those materially affected by the corporation's conduct. The statement shall include:

(1) The objectives the board of directors has established to promote such public benefit or public benefits and interests;

(2) the standards the board of directors has adopted to measure the corporation's progress in promoting such public benefit or public benefits and interests;

(3) objective factual information based on those standards regarding the corporation's success in meeting the objectives for promoting such public benefit or public benefits and interests; and

(4) an assessment of the corporation's success in meeting the objectives and promoting such public benefit or public benefits and interests.

(c) A public benefit corporation shall provide the statement described in subsection (b) to its stockholders at the time prescribed by K.S.A. 17-7503, and amendments thereto, for the filing of the public benefit corporation's annual report.

(d) The statement described in subsection (b) shall be based on a third-party standard. A "third-party standard" means a standard for defining, reporting and assessing promotion of the public benefit or public benefits and interests identified in the public benefit corporation's articles of incorporation that: (1) Is developed by a person or entity that is independent of the public benefit corporation; and (2) is transparent because the following information about the standard is publicly available: (A) The factors considered when measuring the performance of a business; (B) the relative weightings of those factors; and (C) the identity of the persons who developed the standard and who control changes to the standard and the process by which those changes are made. For purposes of this section, the term "independent" means having no material relationship with the public benefit corporation or any of its directors, officers, or affiliates, as determined by the board of the public benefit corporation or a committee thereof.

(e) A public benefit corporation shall post its most recent statement described in subsection (b) on the public portion of its website, if any, concurrently with the delivery of such statement to its stockholders under subsection (c). If a public benefit corporation does not have a website, it shall provide a copy of such statement, without charge, to any person that requests a copy. The compensation paid to directors and any other financial or proprietary information contained in the statement described in subsection (b) may be omitted from any statement that is publicly posted or provided to any person pursuant to this subsection, other than a statement provided to a stockholder, director or officer.

(f) The articles of incorporation or bylaws of a public benefit corporation may require that the corporation obtain a periodic third-party certification addressing the corporation's promotion of the public benefit or public benefits identified in the articles of incorporation or the best interests of those materially affected by the corporation's conduct, or both.

History: L. 2017, ch. 71, § 6; July 1.