

RESOLUTION NO. 38 -2015

EXPRESSING City Council's support for creating Benefit Corporations, or "B Corps," in Ohio, and urging the Ohio General Assembly to promptly introduce and pass "Model Benefit Corporation" legislation, consistent with legislation passed in over half of the country, establishing this new form of corporate entity for the benefit of Ohio businesses and entrepreneurs.

WHEREAS, Benefit Corporations are an additional form of for-profit corporate entity that include the express consideration and benefit of society and the environment as part of their purpose; and

WHEREAS, the purpose of a Benefit Corporation is to create a general public benefit to society and the environment, and may also include a specific public benefit; and

WHEREAS, Directors and Officers of a Benefit Corporation have a duty to make decisions in the best interest of the corporation, as well as its "stakeholders," which include shareholders, employees, suppliers, customers, the community, and the environment; and

WHEREAS, Benefit Corporations provide heightened transparency, by producing an annual benefit report using a third party standard to benchmark their performance, which investors and consumers can use to make informed financing and purchasing decisions; and

WHEREAS, Benefit Corporations provide flexibility to entrepreneurs, allowing them to raise capital without fear of losing control of the social or environmental missions of their business; and

WHEREAS, Benefit Corporations give shareholders additional rights by allowing them to enforce a Benefit Corporation's consideration of society and the environment; and

WHEREAS, the Benefit Corporation form is voluntary and does not alter any other existing corporate forms, taxes or government regulation; and

WHEREAS, Benefit Corporations are attractive to a large and growing market for socially responsible and impact investments; and

WHEREAS, according the U.S. Social Investment Forum, \$6.6 Trillion is currently invested in some form of Socially Responsible Investing; and

WHEREAS, there are over 2100 Benefit Corporations across the country, including companies like Home Care Associates, Method Products, Patagonia, Plum Organics, Greyston Bakery, and the Rasmussen Colleges, that have selected this class of corporation over others to establish their core mission as creating a material positive impact on society; and

WHEREAS, twenty-six states and the District of Columbia have passed Benefit Corporation legislation with wide bipartisan support, including many of our neighboring states; now, therefore,

BE IT RESOLVED by the Council of the City of Cincinnati, State of Ohio:

Section 1. That the Mayor and the Council of the City of Cincinnati respectfully request that Governor John Kasich and the Ohio State Legislature move swiftly to introduce and pass legislation establishing "Benefit Corporations" as a recognized corporate form in Ohio, which will provide additional corporate entity choices for businesses and entrepreneurs in Ohio.

Section 2. That a copy of this resolution be spread upon the minutes of Council and sent to Governor John R. Kasich of the State of Ohio, Ohio Secretary of State Jon Husted, and the Cincinnati delegation of the Ohio General Assembly.

Passed: April 29, 2015

Attest: [Signature]
Clerk

[Signature]
Mayor

Submitted by President Pro Tem Yvette Simpson