



**Senate Bill 21: Benefit Corporations  
Testimony  
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Chairman Hambley and members of the Ohio House Civil Service Committee, my name is Sante Ghetti and I am a member of the Greater Cleveland Partnership's advocacy team. The Greater Cleveland Partnership (GCP) has more than 11,000 members. Our chamber of commerce advocates on behalf of small, middle market, and large businesses, representing a wide array of industries.

We thank you for the opportunity to provide testimony in support of Senate Bill 21 (SB 21) today.

Benefit corporations usually have an expanded purpose beyond maximizing share value. They often consider and balance the impact of their decisions not only on shareholders but also on their stakeholders. And, many benefit corporations offer annual benefit reports that assess their overall social and environmental impact.

Included among some of the stated advantages of becoming a benefit corporation are an increased sense of purpose, a reputation for leadership, more transparency, and additional accountability when it comes to creating value for all.

Many states have passed legislation, allowing organizations to form, convert, or merge into a benefit corporation.

SB 21 clarifies and permits a corporation in any industry or size to become a benefit corporation in Ohio. Furthermore, the bill allows a benefit corporation to require a report that details activities and social or environmental benefits of the corporation.

As stated by the bill sponsor, a benefit corporation is a for-profit corporation that is authorized by specific provision in its organizational documents to pursue one or more beneficial purposes in addition to the other legal purposes for which for-profit corporations may be formed.

It's also worth noting, benefit corporations do not receive any special government incentives to operate for a beneficial purpose (e.g., unique tax treatment) and they are subject to all the other requirements and limitations imposed by Ohio law on for-profit corporations.

In closing, GCP welcomes the opportunity to serve as a resource to you, we remain committed to working with you, and we thank you for your consideration of SB 21.