

2023 Kansas Statutes

17-76,152. Periodic statements and third-party certification. (a) A statutory public benefit limited liability company, at least annually, shall provide its members with a statement as to the limited liability company's promotion of the public benefit or public benefits set forth in its articles of organization and as to the best interests of those materially affected by the limited liability company's conduct. The statement shall include:

- (1) The objectives that have been established to promote such public benefit or public benefits and interests;
- (2) the standards that have been adopted to measure the limited liability company's progress in promoting such public benefit or public benefits and interests;
- (3) objective factual information based on those standards regarding the limited liability company's success in meeting the objectives for promoting such public benefit or public benefits and interests; and
- (4) an assessment of the limited liability company's success in meeting the objectives and promoting such public benefit or public benefits and interests.

(b) A statutory public benefit limited liability company shall provide the statement in subsection (a) to its members at the time prescribed by K.S.A. 17-76,139, and amendments thereto, for the filing of the statutory public benefit limited liability company's annual report.

(c) The statement described in subsection (a) 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 identified in the statutory public benefit limited liability company's articles of organization that: (1) Is developed by a person or entity that is independent of the statutory public benefit limited liability company; 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 statutory public benefit limited liability company or any of its members, managers, affiliates or other persons with authority to manage or direct the business and affairs of the statutory public benefit limited liability company.

(d) A statutory public benefit limited liability company shall post its most recent statement described in subsection (a) on the public portion of its website, if any, concurrently with the delivery of such statement to its members under subsection (b). If a statutory public benefit limited liability company does not have a website, it shall provide a copy of such statement, without charge, to any person that requests a copy. Any compensation paid to any person and any other financial or proprietary information contained in the statement described in subsection (a) 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 member, manager or other person with authority to manage or direct the business and affairs of the statutory public benefit limited liability company.

(e) The articles of organization or the operating agreement of a statutory public benefit limited liability company may require that the statutory public benefit limited liability company obtain a periodic third-party certification addressing the statutory public benefit limited liability company's promotion of the public benefit or public benefits identified in the articles of organization or the best interests of those materially affected by the statutory public benefit limited liability company's conduct, or both.

History: L. 2019, ch. 47, § 9; July 1.