State Law's Impact on Benefit Corporation Activity

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Abstract

For 13 years, benefit corporations have offered a vehicle for for-profit companies to embed a social mission into their legal structure. Yet, little is known about the corporate form. A comprehensive analysis of the current laws supplemented with concrete data will serve as important baseline knowledge on the state of benefit corporations. This paper analyzes the impact of variations in the restrictiveness of benefit corporation laws, as a result of political partisanship, on industry composition across the 41 states in which they have been enacted. To conduct this research I analyzed eight key components of the state laws, including third-party assessment requirements and annual reporting measures, with a special focus on the state's political party the year the law was adopted. This legislative analysis was coupled with concrete data on the benefit corporations incorporated in six states—both with their industries of operation and B Corp certification status—to comprehensively understand how differing state laws impacted the corporations' presence. The findings suggest restrictiveness of benefit corporation law is largely bipartisan and not an indicator of the industries under which benefit corporations operate. Moreover, B Lab certifies a higher percentage of benefit corporations as B Corps in states with more restrictive laws.

Keywords: benefit corporation, benefit corp, b corp, B Lab, industry composition, legislative analysis, benefit corporation restrictions, benefit corporation legislation

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Introduction

In the expansive world of corporate law, benefit corporations offer a relatively new and specialized approach to conducting business. Since 2010, the benefit corporation legal structure has allowed over 3,000 businesses across numerous industries to take charge of their desire to pursue a social mission – an initiative typically taken on by nonprofit organizations – alongside the aim of profit maximization (USDN n.d.). Due to the nascency of this corporate structure, little research has been conducted during the lifetime of benefit corporation law to understand its differences and impacts across the country. Yet, as the legal structure and sheer amount of benefit corporations continue to expand, a comprehensive analysis of where the corporate form stands today is necessary.

My research specifically aims to answer the question: How do differing state laws surrounding benefit corporations affect their presence within each state and what industries they operate under? Within my research, I analyze legislation, specifically in terms of how much the law restricts and holds benefit corporations accountable, in the 41 states it has been enacted. With benefit corporation laws that are less restrictive, socially-minded entrepreneurs may express a greater willingness to take on the new corporate form and utilize it as a means of making an impact, rather than creating a nonprofit to aid the social cause. Alternatively, more restrictive laws that place greater reporting and transparency burdens on benefit corporations can verify whether an impact is actually occurring.

This analysis of the law is guided by model legislation that was created by the steward of benefit corporation law, B Lab, to aid states in the enactment of benefit corporation law. I contextualized the legislative analysis through the political party in power during the time of benefit corporation law enactment to understand if differences in the law stemmed from partisanship. This contextualization will aim to answer the question: How does political partisanship affect the creation of benefit corporation law?

To answer the initial question, my legislative analysis is supplemented by a quantitative study of benefit corporation industries in states where data regarding benefit corporations is readily and freely available. The states included – Alabama, Arkansas, Indiana, Vermont, Virginia, and West Virginia – offer explicit lists of benefit corporations on their databases, provide a filter option to allow researchers to curate specialized lists, or provide datasets on request.

Additionally, the benefit corporations in this study were tested for registration as a certified B Corp under B Lab due to the organization's ties to benefit corporation law. This test can offer valuable insights into whether benefit corporations are successfully pursuing accreditation offered by B Lab to ensure demonstrated commitment to meeting rigorous standards of sustainability, provision of a public service, and accountability beyond what is required in the law. Are benefit corporations going the extra mile? And, are they doing so only when the law is so restrictive that they hit many of the requirements of B Corp certification already?

Previous studies have addressed legislative differences between Delaware and the model legislation, as well as the composition of benefit corporation industries; but, neither have addressed the intersection at which this paper lies nor the complexities of how the law may have formed (Plerhoples 2014; Berrey 2018). A comprehensive analysis of the current laws supplemented with concrete data has yet to be conducted and will build greatly upon the current understanding of benefit corporations.

Literature Review

The Emergence of Benefit Corporations

Existing research has laid the groundwork for how benefit corporations can be studied by defining their features and history. Benefit corporations arose out of a desire to merge for-profit companies' drive for income generation with nonprofit organizations' mission for fulfilling a public benefit (Cao et al. 2017, p. 3). They, therefore, may closely mirror legally allowable nonprofit missions, but not be bound by the non-distribution constraint which prohibits nonprofit profit-sharing.

Early research has found that before the existence of benefit corporations, a gap existed in the world of social enterprises that largely left out such hybrid organizations, including revenue-based nonprofits and socially-minded corporations, that sought to bridge existing sectoral divides (Rawhouser et al. 2015, p. 4). This gap forced companies to decide between the advantages of operating as a for-profit or as a nonprofit, often resulting in social hybrid organizations fused with internal tension (Rawhouser et al. 2015, p. 4).

Ben and Jerry's was faced with this tension due in large part to the theory of shareholder primacy which obliges for-profit organizations to prioritize the interests of shareholders above peripheral stakeholders such as the local community, the environment, and society as a whole (Hiller 2012). The company, originally founded as a privately held corporation in 1978, and later converted to a publicly traded corporation in 1984, pledged itself to operate with a "double-bottom line" that included pursuing several social missions, such as voter turnout and children's education, alongside profit-maximization (Ben and Jerry's 2024). However, the turn of the century brought great change for the organization (Ben and Jerry's 2024). Forced to adhere to shareholder primacy, Ben and Jerry's was sold to the highest bidder, Unilever (Hiller 2012). Its ensuing struggles to maintain a public benefit purpose following the acquisition have been used as a rationale for carving out more space for commercial enterprises to engage in public benefit activities.

Patagonia was met with this same dilemma but decided to take a different path. From its inception in 1973, Patagonia worked within the confines of the traditional corporate structure to create apparel that caused no environmental harm, while simultaneously advocating for equitable sustainability initiatives across the globe (Patagonia 2024). To prove its commitment to social missions, Patagonia became certified as a B corporation through a rigorous impact assessment under the emerging nonprofit, B Lab (Cao et al. 2017, p. 8).

B Lab is an accrediting organization that takes into account a corporation's impact on the environment, workers, customers, community, and governance, and awards B Corporation certifications to those that meet its standards (Cao et al. 2017, p. 8). To receive the certification, independently operated businesses that have been in operation for at least 12 months must score above 80 points on the B Impact Assessment, as well as post this report on the B Lab public directory (B Lab 2024). Moreover, corporations must pay an annual fee on a graduated scale ranging from $500 to $3,600 based on the size of the company (B Lab 2024). Finally, corporations must adopt benefit corporation legal status if it is available within the state (B Lab 2024). It is important to note that not all B Corporations are benefit corporations and vice versa. In fact, the terms “B Corporation” and “Benefit Corp” are trademarked by B Lab and cannot be used by benefit corporations without certification from B Lab (B Lab 2024). Currently, 8,012 certified B Corps exist across over 150 industries in over 80 countries, including 2,934 in the United States (B Lab 2024).

The B Corp certification, however, does not have the power of law but rather acts as a form of self-regulation for corporations to hold themselves accountable in the public eye. Thus, corporations like Patagonia are still required to adhere to traditional fiduciary duties which, much like the theory of shareholder primacy, typically obligate for-profits to act in the best interests of their shareholders often through profit maximization (Barone 2023). If suspected of pursuing mission-oriented goals over profits, corporations could be taken to court by shareholders for breaching this responsibility (Cornell Law 2022).

With the help of B Lab, Maryland became the first state to enact statutes for benefit corporations as a legal structure through which a double-bottom line of profits and mission could be legally pursued (Kirst et al. 2021). Patagonia later helped spearhead the benefit corporation movement in California, eventually becoming the state’s first benefit corporation once the law was passed in 2012 (Posner 2019; Bar Association of San Francisco n.d.; Loughman 2014). To date, over 40 states have adopted benefit corporation legislation in their statutes (Kirst et al. 2021).

The corporate form has produced several benefits for Patagonia. Founder and long-term environmentalist, Yvon Chouinard, states “Benefit Corporation legislation creates the legal framework to enable mission-driven companies like Patagonia to stay mission-driven through succession, capital raises, and even changes in ownership, by institutionalizing the values, culture, processes, and high standards put in place by founding entrepreneurs,” (Loughman 2014).

Alongside the ability to remain mission-driven through internal changes, incorporation as a benefit corporation has two additional advantages. First, the legal structure allows company directors to consider the interests of various stakeholders – and place the interests of beneficiaries above those of company shareholders. In contrast to traditional for-profit corporations, prioritizing beneficiaries above shareholder interests does not constitute a breach of fiduciary duties because it aligns with benefit corporations’ inherent duty to consider beneficiaries’ well-being. Second, benefit corporations simultaneously gain consumer and investor attractiveness for being socially-minded companies (Goforth 2018, p. 4).

Despite the corporate form's advantages, some critics argue benefit corporations are unnecessary additions to the corporate space where avenues, such as corporate social responsibility, already exist for traditional corporations to pursue social missions (Manesh 2019, p. 1). This argument further emphasizes the possibility of benefit corporations pursuing the legal structure simply for branding purposes, enabling them to place their status on marketing materials and draw in a wider range of consumers interested in social issues such as climate change or fair labor laws (Manesh 2019, p. 1). However, a study of twelve benefit corporations in New York found that mission alignment, rather than branding or reputation concerns, was the main reason for taking on the legal form (Singer and Day 2014).

Thus far, benefit corporations have been the most successful and widely adopted form of hybrid organizations throughout the country (Tyler et al. 2015). Other hybrid organizational forms exist, such as the social purpose corporation (SPC), which has only been established in two states, and the low-profit, limited liability company (L3C), which has been established in eight states (Worth 2021, p. 40). Though similar, SPC laws are often less stringent than their benefit corporation counterparts (Stanford Center for Innovation n.d.). Directors of an SPC have the flexibility to consider social and environmental factors in decision-making but are not obligated to prioritize them over financial pursuits, and must still act in the best interests of the corporation's shareholders (Stanford Center for Innovation n.d.). L3Cs, much like the LLC form of corporations, offer smaller companies not looking to issue stock an avenue to pursue a social purpose alongside their profit-maximizing goals (Cornell Law 2022).

Conversely, the benefit corporation legal structure has allowed companies to address matters of public concern, gain recognition for their socially responsible and beneficial actions, and legally pursue the double-bottom line of profits and mission at a large scale (Tyler et al. 2015).

Though benefit corporations present an innovative way to help solve social issues, many nonprofit organizations view the corporate form as a competitor and a threat. This stems from the fear that the availability of the benefit corporation legal form may draw social entrepreneurs away from creating nonprofit organizations because of a greater potential for long-term growth and profit (Toepler 2019; Rawhouser et al. 2015). As a result of this fear, several nonprofit organization leaders oppose benefit corporation legislation. In fact, Rawhouser et al. (2015) found that a higher density of nonprofit organizations in a given state equated to a lower likelihood of enacting benefit corporation legislation (Toeopler 2019).

Operationalization of Legislative Differences in Benefit Corporations

Four years after the creation of B Lab, Maryland became the first state to adopt the benefit corporation as a legal form (Cao et al. 2017, p. 4). However, the focus of researchers' legislative analysis and attention was placed on Delaware due to its unique position in the history of American corporate law as a changemaker and influencer (Harvard Business Services 2023). The Delaware legislation was based on model legislation created through a joint effort between corporate lawyer William Clark and B Lab (Plerhoples 2014, p. 253). The model legislation (or

B Lab's ideal statute) was composed of elements such as reporting requirements and leadership roles.

Plerhoples showcased how this model legislation could serve as a basis for comparison across states by pulling out key factors of the law such as whether or not benefit reports were required to be made public, how often benefit reports were required to be shown to shareholders, where fiduciary duties of the board should be directed, as well as several other factors (Plerhoples 2014, p. 255). Her analysis found that Delaware was largely more liberal in its adoption of legislation, creating a more flexible environment for benefit corporations than the model legislation allowed for (Plerhoples 2014, p. 258).

Other researchers have explored frameworks for legislative comparisons that differ from Plerhoples's evaluation of state laws against the model legislation. Brown provided a comparison between state laws focused on the annual report posting requirements for benefit corporations across the country and identified whether such reports need to be posted to the public, as well as if they must be sent to the Secretary of State office (Brown 2016, p. 211). Brown's study further provided data on whether or not lists of benefit corporations within a state could be accessed by the public, allowing future researchers to understand where data can be obtained (Brown 2016, p. 211).

Together, previous research provides an avenue for differentiating and comparing benefit corporations' legislation at the state level. My analysis within this paper is built from Plerhoples's approach of state-level comparison through the lens of B Lab's model legislation and its key elements, including reporting and accountability requirements.

Operationalization of Industry Differences in Benefit Corporations

Several previous researchers have analyzed the existence of benefit corporations across various industries. The focus of Plerhoples's study on benefit corporations in Delaware three months after adoption of the legislation provides a frame of reference for how industries and sectors can be identified (Plerhoples 2014, p. 263). These industry categorizations included "professional services, technology, education, consumer retail product, healthcare, food and agriculture, employment, energy, and unknown," (Plerhoples 2014, p. 263). Plerhoples created the industry categories largely based on observational analyses.

Berrey, conversely, evaluated industries of benefit corporations through the lens provided by the model legislation (Berrey 2018, p. 31). The model legislation categorized benefit corporations into different industries based on the public benefit the corporation committed itself to serve (Berrey 2018, p. 32). Though this approach may offer a greater connection to the law, all states may not require a specified public benefit. Even if every state requires one, the public may not be able to find or access documents outlining the specified public benefit. As such, this method of analysis allows for discrepancies when analyzing industries across the country as a whole.

In a different part of her study, Berrey utilized the comprehensive categorizations offered by each benefit corporation's designated North American Industry Classification System (NAICS) codes and condensed them into 11 overarching categories such as Transportation, Construction, and Agriculture (Berry 2018, p. 63). Each incorporated business must receive an NAICS code, making the classification universal. This code is also often publicly available within databases or upon request.

Gaps in the Literature

Several gaps exist in the current literature that my research hopes to address. Berrey's work provides one of the most relevant pieces of literature in addressing my research question. Though comprehensive, Berrey's research excludes a detailed analysis of state legislation through a comparative, state-by-state, lens for each state that has adopted the benefit corporation form. Furthermore, the discussion of legislation is not tied to the industry composition of benefit corporations within each state.

Berrey's research followed the findings of Plerhoples, whose study provided a grounding framework for both legislation through a comparative approach and an industry evaluation of the benefit corporation landscape. However, Plerhoples's study only presents findings in Delaware three months after the adoption of the benefit corporation legislation, leaving room to expand the research nationally.

Brown's study, moreover, focuses solely on the annual reporting requirements across states with benefit corporation laws in 2016. Yet, key components of the law fall outside of the annual reporting requirements, and several states have adopted legislation in the 11 years since.

Toepler's study in 2019 highlighted nonprofit organizations' predominantly negative view of benefit corporation legislation due to the competition they bring to the sector. This research is limited in its understanding of the impact of benefit corporations once legislation is enacted. It does not address whether benefit corporations are truly a threat to nonprofit organizations and the industries they typically operate in, or how specific legislation may play a role in shaping this dynamic.

Additionally, two correlated topics are yet to be explored. First, little research has been conducted to address differences in the legislation as a result of political leaning. In a study of corporate law across the country, Eldar and Rauterberg found that substantial differences in state law can be related to political partisanship (Eldar and Rauterberg 2022). Whether the same is true of benefit corporation legislation is unclear. Second, while the roots of benefit corporation legislation lie within B Lab, a connection between B Corps and benefit corporations, studying the extent to which benefit corporations are obtaining B Corp certification, remains unexplored.

Hypotheses

There are several uncertainties regarding how differentiations in state laws pertaining to benefit corporations affect their creation in the state, along with the industries they operate in. Within my research, I hope to forge together the ideas of a legislative analysis provided by Plerhoples, coupled with an industry analysis provided by Berrey. My first hypothesis posits:

(1) More restrictive laws will steer benefit corporations toward operation in traditionally nonprofit industries, such as healthcare, education, or community services, while more permissive laws will steer benefit corporations toward operation in industries dominated by for-profits such as finance, wholesale trade, and construction (U.S. Bureau of Labor Statistics 2024).

Additionally, I will answer two related questions absent from the previous literature, including the impact of a state's political leaning on the restrictiveness of benefit corporation legislation, as well as benefit corporation ties to B Corp certification. I hypothesize that:

(2) The political orientation of a state relates to the restrictiveness benefit corporation legislation. More specifically, Democratic states will have more restrictive laws – and thus, more benefit corporations in traditionally non-profit sectors – while Republican states are anticipated to adopt more permissive legislation.
(3) In states with more restrictive laws, benefit corporations will obtain B Corp certification at a higher rate due to potential overlaps in the legislation and certification process.

I hope that this research can add to the understanding of benefit corporations, as a nascent legal structure, and showcase the impact of the law in a manner not studied before.

Main Variables of Study

Independent Variable

The independent variables of interest are the eight different components of benefit corporation legislation across the 41 states in which it has been enacted. This analysis was conducted using a comparative text analysis, which studies two or more texts for shared elements to understand how they compare in the context of one another (Harvard University n.d.). In Plerhoples's comparison of Delaware's experience against the model legislation, she found eight different components of the model legislation that could be analyzed (Plerhoples 2014, p. 258). These eight components included: a third-party standard requirement, the frequency of benefit reports required for shareholders, the availability requirements for benefit reports, requirements for a specified public benefit, a benefit director requirement, benefit enforcement proceeding specifications, fiduciary duties to create a public benefit, and a fiduciary duty to balance the interests of various stakeholders (Plerhoples 2014, p. 254). The latter two will not be included in this study.

Under the model legislation, the third-party standard calls for the benefit corporation to assess whether or not a public benefit is being pursued through the self-reporting of a third party's assessment (Berry 2018, p. 33). Often, this assessment can be taken through the nonprofit organization, B Lab, and must be reported back to the Secretary of State.

The benefit report requirements are held to ensure an impact is transparently being showcased to both shareholders and the public (Berry 2018, p. 38). The model legislation requires this report to be given to shareholders annually, as well as made available to the public (Plerhoples 2014, p. 254).

At the time of incorporation, the model legislation required benefit corporations to specify a public benefit and appoint a benefit director to oversee the fulfillment of this benefit (Plerhoples 2014, p. 254). The public benefit specification helps the government, public, and corporation itself understand what social mission the organization is working toward. A benefit director is an employee or senior staff member who can help guide the social mission aspect and internally holds benefit corporations accountable for their public benefit goals.

If a benefit corporation fails to actively pursue a public benefit, the model legislation allows for stakeholders, including board members or potential beneficiaries identified in the corporation's bylaws, to bring the company to court for a benefit enforcement proceeding (Lee 2018, p. 1099). In such a proceeding various remedies, such as reconstructing the corporation or identifying a new benefit director, can be pursued (Lee 2018, p. 1099).

The final two components regarding fiduciary duties, though important to benefit corporation law, fall outside the scope of this research. Often states did not have clear statements regarding fiduciary duties, and accurate analyses could not be drawn without a more extensive legislative background to parse out the meaning behind those sections of the law.

Dependent Variable

The dependent variables in this research are the characteristics of benefit corporations, studied by analyzing their industries and B-Corp certification statuses. As previously mentioned, the industry classifications derived in part from the sectors provided by North American Industry Classification System (NAICS) codes, as well as through educated observations.

Methods

Collection of State Law Information and Coding

The legislative analysis portion of this paper includes the population of states (excluding Washington D.C. and any territories of the United States) with enacted benefit corporation legislation. The laws of all 41 states were found in the Library of Congress: U.S. States and Territories online database. The online library provides links to each state's laws, as well as specific access to the benefit corporation laws of each state.

For each state, relevant pieces of the legislation, as outlined in the *Independent Variable* section, were coded through descriptive coding techniques. Descriptive coding refers to a type of analysis that assigns terms, or descriptors, to various components of the text (Eller et al. 2018, p. 218). The specific codes pertaining to each component are further outlined below.

Regarding the third-party assessment standard, each state was awarded a "yes," "no," or "can opt into third-party assessments, but not required" classification. For the frequency of reporting required, each state was noted with "annually", "biennially", or "not required." States were further noted with a "yes, "no," or "optional" depending on what the state required for publicizing the report. Moreover, each state in the analysis was given a designation of "required" if a benefit proceeding, or equivalent court action, was required for a shareholder to bring claims regarding the pursuit of the benefit corporation's stated benefit, and "not required" if no such proceeding was needed to bring suit.

The model legislation created by B Lab to guide states in their lawmaking was included as a basis for this comparison. Coding for this statute, as well as Delaware's, was largely informed by Plerhoples's 2014 study which drew comparisons between the two.

Minnesota was coded twice, for a total of 42 statutes, because the legislation allowed entrepreneurs to incorporate as either a general benefit corporation or a specific benefit corporation. The general benefit corporation allows entrepreneurs to incorporate if the business hopes to produce a broad net-positive impact on society, whereas the specific benefit corporation requires a stated area of focus. The two types held slightly different requirements within the law, necessitating a separate analysis for both.

To study the impacts of political parties on legislation, each state was coded as Democratic or Republican based on the party in power at the time the statute was enacted. The party in power was determined by identifying the majority party in the state House of Representatives and state Senate, as well as the political party of the Governor. A state was coded as Democratic or Republican if two out of the three categories were in the same party.

Collection of Benefit Corporation Information and Coding

Benefit corporation data was collected from all states in which lists of benefit corporations were freely available to the public (*refer to Appendix Table 9 for a comprehensive look at data availability)*. This convenience sample included Alabama, Arkansas, Delaware, Indiana, Oregon, Vermont, Virginia, and West Virginia. The data for all included states, excluding Delaware and Oregon, were retrieved through the respective Secretary of State Business Entity Search databases. Oregon's benefit corporation data was found, with the tremendous help of the state's open data initiative, through the Oregon Open Data Portal. Delaware's data was retrieved by contacting the Secretary of State's office and requesting a curated list of benefit corporations. However, Delaware and Oregon's data fell beyond the scope of this study due to the substantive amount of benefit corporations within both states and the lack of time available to comprehensively analyze them.

Once the data was collected, the Nexis Company Dossier was utilized to identify each benefit corporation's NAICS code, which revealed an industry of operation. If the corporation could not be found on the Nexis database, corporations were manually coded as informed by the company's online presence. To simplify coding, the over 600 industry codes were condensed into 11 main groupings as done in Berrey's study (Berrey 2018, p. 63). The 11 industry groups included Professional/Scientific/Technical Services, Wholesale/Retail, Education/Healthcare/Social Assistance, Information/Communications/Technology, Finance/Insurance/Real Estate, Leisure, Transportation, Administrative and Support Services, Community (Religious, Grantmaking, etc.), Construction, and Agriculture. Few corporations fell outside of the scope of the 11 categories or had no available information online. Such corporations were coded as Unknown or Other, respectively.

Each of the 11 industries were then identified to be either *Traditionally For-Profit* or *Traditionally NonProfit*. This classification was informed by the U.S. Bureau of Labor Statistics trends in employment. The for-profit sector dominated employment in the Professional/Scientific/Technical Services, Wholesale/Retail, Information/Communications/Technology, Finance/Insurance/Real Estate, Leisure, Transportation, Administrative and Support Services, Construction, and Agriculture industries. Conversely, the nonprofit sector dominated employment in the Education/Healthcare/Social Assistance and Community (Religious, Grantmaking, etc.) industries (U.S. Bureau of Labor Statistics 2024).

The B Corp directory, found through the B Lab website, was used to identify the B-Corp certification status of each benefit corporation. Each benefit corporation was noted with a "yes," or "pending," as informed by their status on the directory. If the benefit corporation could not be found, it was noted with a "no."

Data Analysis

Numerical scores were given to each statute to understand the restrictiveness of state laws. For each component that was required (i.e. third-party standard, benefit director, etc.), the statute was awarded one point. To account for the differences in frequency required for benefit reports, statutes were awarded two points for *annually* and one point for *biennially*. The most restrictive states received scores of 7/7, while the statutes with more permissive laws received lower scores.

The scores were first used to conduct an independent sample t-test, a form of significance measurement, to determine whether states with higher-scoring statutes had significantly higher percentages of benefit corporations in traditionally nonprofit industries. The industries included in this category were healthcare, education, social assistance, and community development organizations.

The scores were then used to determine whether legal restrictiveness was significantly different between Republican and Democratic states (defined by the party in power at the time benefit corporation legislation was enacted). Due to Minnesota's legislation encompassing two varying statutes, that state was counted twice in this analysis, for a total of 42 statutes. The differences between the percentage of Democratic and Republican statutes that held each requirement were further tested through a chi-square test, another form of significance measurement.

Finally, a t-test was conducted to determine whether states with more restrictive laws were associated with a higher percentage of benefit corporations obtaining B Corp certification. All three t-tests were conducted through Statcrunch, an online statistical program offered through Pearson Education. The chi-square test was conducted using SPSS V28 statistical analysis software.

Raw Data

Table 1: State's Political Leaning v. Legislation Restrictiveness Score (scores have been converted to decimals in this table)

	Republican	**Democratic**
Mean	0.77	0.86
Median	0.86	0.86
Standard Deviation	0.23	0.16
Count of States	22	20
T Stat	**-1.48**	
P-value	**0.15**	

Table 2: Legislation Restrictiveness Score v. Percentage of Benefit Corporations in Nonprofit Industries (percentages are represented as decimals in this table)

	6/7 Score	**7/7 Score**
Mean	0.23	0.20
Median	0.29	0.20
Standard Deviation	0.16	0.09
Count of States	4	2
T-Stat	**0.29**	
P-value	**0.79**	

Table 3: Legislative Restrictiveness Score v. Percentage of Benefit Corporations Obtaining B Corp Certification

	6/7 Score	**7/7 Score**
Mean	0.09	0.23
Median	0.11	0.23
Standard Deviation	0.06	0.000918
Count of States	4	2
T-stat	**-4.67**	

P-value	**0.02**

Though the laws of all 41 states with benefit corporations were analyzed and used to draw conclusions, the nonprofit industry and B Corp certification tests could only be run on the six states included in this study – Alabama, Arkansas, Indiana, Vermont, Virginia, and West Virginia – with freely and publicly available benefit corporation data.

Results

An Overarching View of Legal Restrictiveness

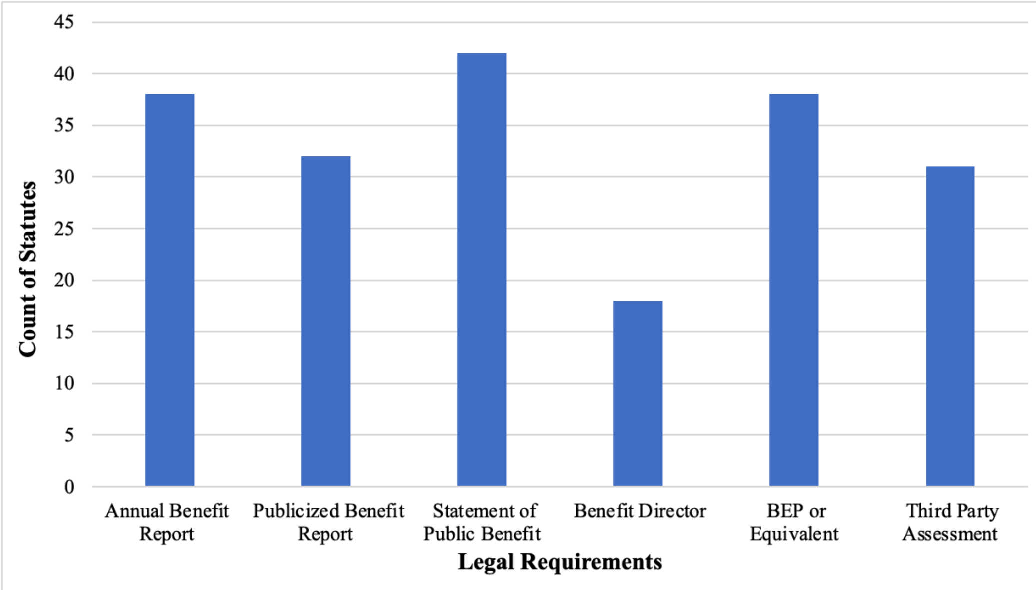
In the expansive world of benefit corporation law, statutes with relatively permissive legislation were the outliers. Of the 42 benefit corporation state statutes, only 9 received scores of 4/7 or lower regarding the count of legal expectations, whereas 33 statutes received scores of 5/7 or higher. The model legislation – created by B Lab when the organization was originally spearheading state adoption of benefit corporation legislation – received a score of 6/7. *Refer to Appendix Table 7 for an in-depth breakdown of statute scores.*

Every statute required that a benefit corporation include either a general or specific benefit within its articles of incorporation. Yet, this requirement was the only one not stated in the model legislation. Several additional findings point to the fact that the B Lab model legislation may no longer be followed as states begin to adopt benefit corporation legislation. Appointing a benefit director to oversee the fulfillment of the corporation's social mission was the most commonly absent requirement, with 24 statutes not mandating this component (Figure 1). A third-party assessment was the second most absent requirement, closely followed by publicizing the benefit report (Figure 1).

However, nearly every statute, as well as the model legislation, included a clause about a benefit enforcement proceeding or equivalent court action (Figure 1). This court action would allow shareholders to bring the benefit corporation to court for breaching their duty to provide a stated public benefit. Only four states – Georgia, Maryland, New York, and Wisconsin – made no mention of such a suit, leaving shareholders without an avenue to bring a benefit corporation to court for failure to provide public benefit.

Moreover, all 42 statutes required benefit corporations to create benefit reports outlining the work of the corporation in relation to its stated public benefits. The model legislation outlined this requirement as well. Only four states – Delaware, Iowa, Kentucky, and Texas – required a benefit report to be sent to shareholders biennially rather than annually (Figure 1). Three of the four states with the biennial reporting requirement were identified as Republican at the time benefit corporation legislation was enacted.

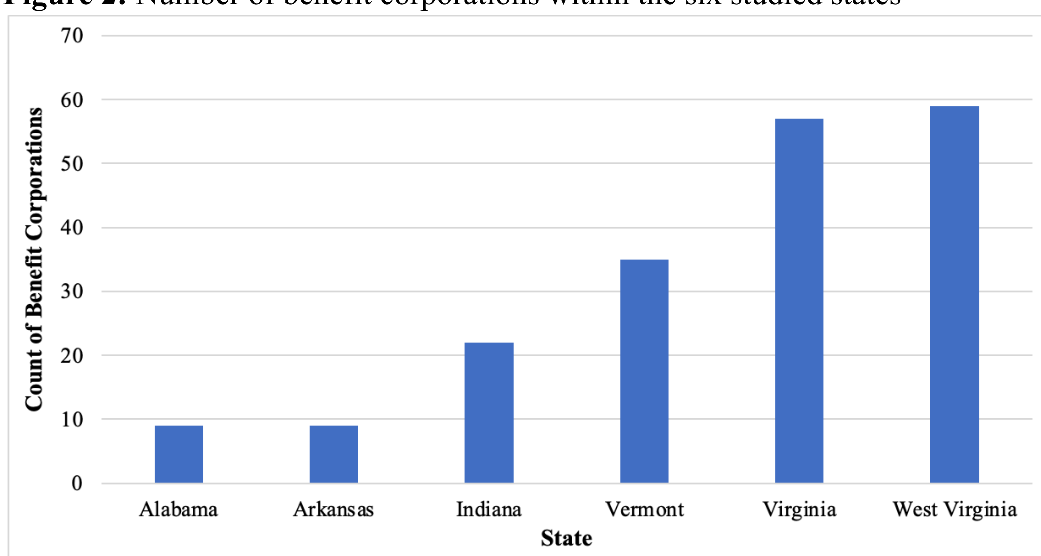
Figure 1: Count of statutes with each legal component



An Overarching View of Benefit Corporations and Industry Composition

In the six states studied, benefit corporations formed to varying degrees. West Virginia held the highest number of benefit corporations, with 59 reported to date, closely followed by Virginia, which recorded 57 (Figure 2). Vermont and Indiana had 35 and 22 benefit corporations, respectively, while Alabama and Arkansas reported nine (Figure 2). It is important to note that each state did not enact benefit corporation legislation during the same year. Vermont was the first of the six to enact legislation and did so in 2010, Virginia in 2011, Arkansas in 2013, West Virginia in 2014, and Alabama in 2021. However, the age of legislation does not appear to correlate with the number of benefit corporations. For instance, Alabama and Arkansas have the same number of benefit corporations, but legislation was enacted eight years apart.

Figure 2: Number of benefit corporations within the six studied states

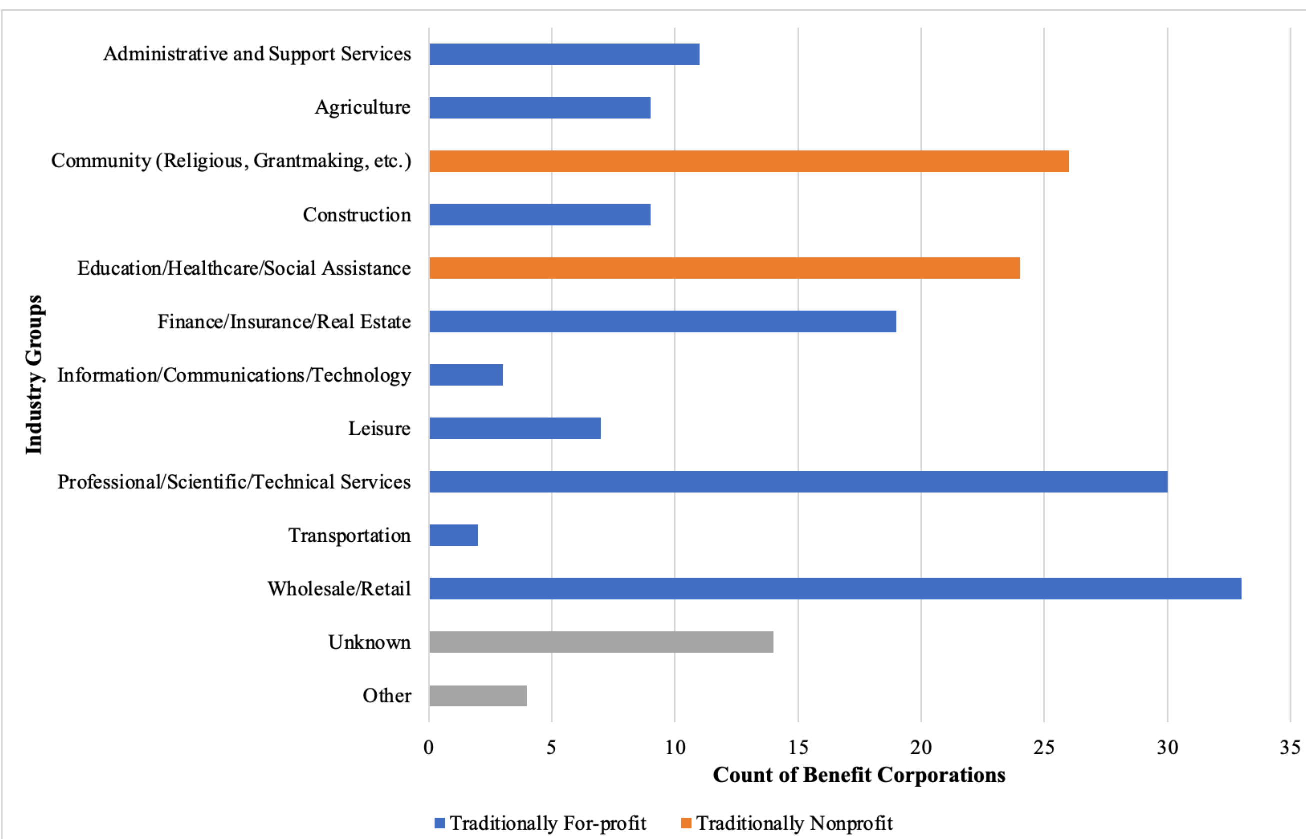


Across the six states, the most common industries were Wholesale/Retail, Professional/Technical/Scientific Services, and Community (Religious, Grantmaking, etc.). Together, these three industries accounted for 89 of the 191 studied benefit corporations (Figure 3). The top two industries fell within the traditionally for-profit sector category, whereas the third was traditionally nonprofit. The next most common industries were Education/Healthcare/Social Assistance, Finance/Insurance/Real Estate, and Administrative Support Services. These three accounted for 54 of the studied benefit corporations (Figure 3). The first fell within the traditionally nonprofit category, while the second two fell within the traditionally for-profit category. Administrative/Support Services was followed by Agriculture and Construction, which accounted for 18 of the studied benefit corporations, and fell under the traditionally for-profit category (Figure 3). The least common industries included Leisure, Information/Communications/Technology, and Transportation, accounting for only 12 benefit corporations in the dataset (Figure 3). All three fell under the traditionally for-profit category.

More broadly speaking, 50 (26%) of the benefit corporations operated in traditionally nonprofit sectors, while 123 (64%) operated in traditionally for-profit sectors.

Of the 191 studied benefit corporations, 14 (7%) cases could not be categorized under an industry due to a lack of information available regarding the company's nature of business (Figure 3). Four benefit corporations (2%), moreover, fell outside of the listed categories and took up various other industries including Petroleum Mining, Automotive Repair, Other Personal Services, and Regional Management Offices.

Figure 3: Industry Composition of Benefit Corporations



Additionally, all nine benefit corporations within the state of Alabama fell under the traditionally for-profit category and had no benefit corporations in the traditionally nonprofit category (Table 4). Roughly a quarter of benefit corporations in Virginia and Vermont, and a third in Arkansas and West Virginia, operated in traditionally nonprofit industries (Table 4). Indiana, moreover, had the lowest percentage in traditionally nonprofit industries, as well as the highest percentage of benefit corporations operating in unknown industries (Table 4). *Refer to Appendix Table 10 and Figure 5 for a more in-depth breakdown of state industry composition.*

Table 4: Composition of benefit corporations in traditionally nonprofit and for-profit industries

	Traditionally Nonprofit Industries	**Traditionally For-profit Industries**	**Unknown**
Alabama	0%	100%	0%
Arkansas	33%	67%	0%
Virginia	25%	70%	5%
Indiana	14%	68%	18%
Vermont	26%	71%	3%
West Virginia	36%	54%	10%

An Overarching View of B Corp Certification

Of the 191 studied benefit corporations, only 22 went through B Lab's certification process and got approved. Pending status was awarded to one benefit corporation, while the remaining 168 were not certified in any capacity.

Overall, benefit corporations in Indiana and Vermont had the highest B Corp certification percentage, 23% (Table 5). Conversely, West Virginia, despite a relatively large number of benefit corporations, had the lowest percentage, 0%, of B Corp certification (Table 5).

Table 5: Percent of benefit corporations with B Corp certification within each state

States	**Not Certified**	**Certification Pending**	**Certified**
Alabama	78%	11%	11%
Arkansas	89%	0%	11%
Indiana	77%	0%	23%
Vermont	77%	0%	23%
Virginia	88%	0%	12%
West Virginia	100%	0%	0%

Correlations Between Restrictiveness in the Law and Industry Composition (Hypothesis 1)

The t-test, which revealed a t-statistic of 0.29 and P-value of 0.79, showcased that states with relatively less restrictive laws – Alabama, Arkansas, Virginia, and West Virginia – did not have a significantly higher percentage of benefit corporations in traditionally nonprofit industries than their counterparts – Indiana and Vermont (Table 2). However, due to the limited data available, the less restrictive states in this analysis were only one point lower than the more restrictive states with relative scores of 6/7 and 7/7. Though not significantly different, states with scores of 6/7 had a 3 percent higher average of benefit corporations in traditionally nonprofit industries (Table 2).

Correlations Between Political Orientation and Restrictiveness in the Law (Hypothesis 2)

Overall, statutes in Republican states had a 9 percent lower average restrictiveness score than statutes in Democratic states (Table 1). Forty-five percent of statutes in Democratic states had scores of 7/7, while only 32% of the statutes in Republican states had the same. Additionally, only 5% of the statutes in Democratic states had the lowest recorded score of 3/7, while 23% of the statutes in Republican states had the same (Table 6).

Overall, Democratic statutes consistently had higher scores of 6/7 or 7/7. On the other hand, Republican statutes were concentrated on both ends of the scoring distribution, with several on the higher end, as well as a significant portion with scores of 3/7.

Table 6: Percentage of Democratic and Republican states with each legal restrictiveness score

Scores	Democratic	Republican
3/7	5%	23%
4/7	5%	9%
5/7	15%	5%
6/7	30%	32%
7/7	45%	32%
Total	**100%**	**100%**

A higher percentage of statutes in Democratic states required annual, rather than biennial, public benefit reports, as well as an appointed benefit director, in comparison to statutes in Republican states (Table 7/Figure 4). Additionally, the chi-square test revealed that third-party assessments were required in Democratic statutes at a significantly higher rate than in Republican statutes.

Though a difference in restrictiveness could be determined through descriptive statistics, the t-test, which revealed a t-statistic of -0.77 and a P-value of 0.45, showcased that restrictiveness was not significantly correlated with a state's political leaning (Table 1).

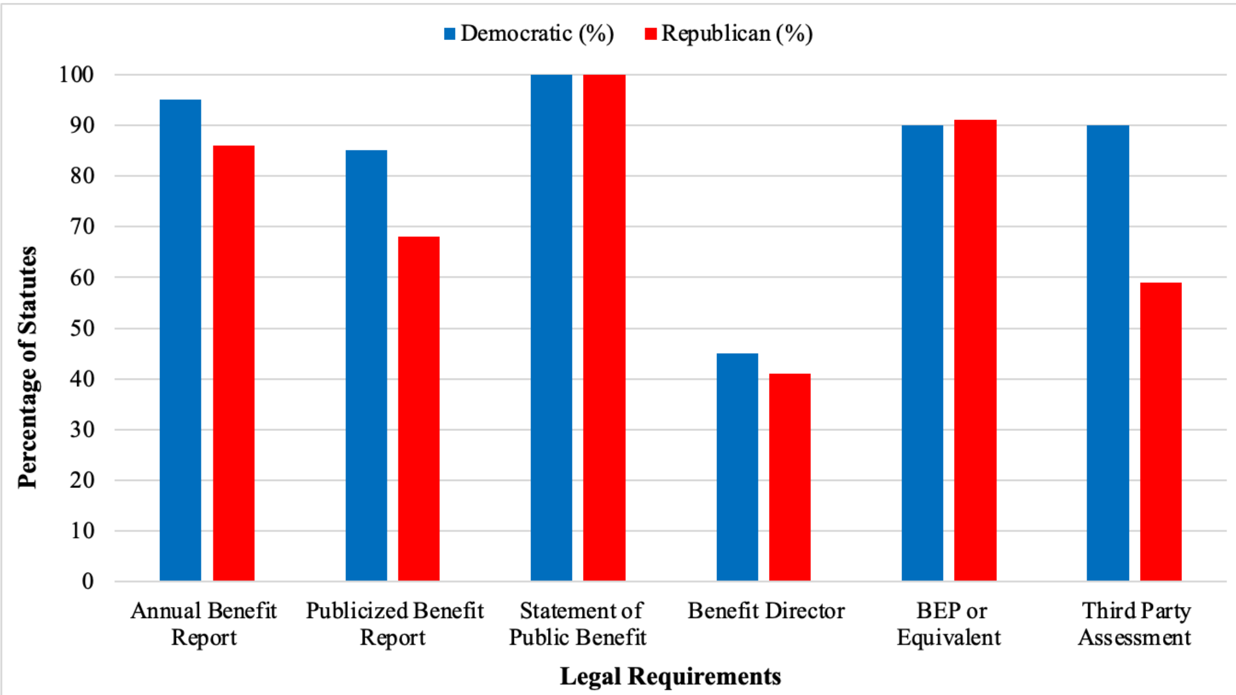
Table 7: Percentage of Democratic and Republican Statutes with Each Legal Requirement

Legal Requirements	Democratic	Republican
Annual Benefit Report	95%	86%
Publicized Benefit Report	85%	68%
Statement of Public Benefit	100%	100%
Benefit Director	45%	41%

Benefit Enforcement Proceeding or Equivalent	90%	91%
Third-party Assessment	90%	59%*

*Differences between Democratic and Republican states are statistically significant at p > 0.3

Figure 4: Percentage of statutes with each legal component, separated by political party



Correlations Restrictiveness in the Law and B Corp Certification (Hypothesis 3)

A third t-test – with a t-statistic of -4.67 and P-value of 0.02 – highlighted a significant difference in the percentage of benefit corporations with B Corp certification in states with a 6/7, compared to states with a score of 7/7 (Table 3). This finding reveals that states with more permissive statutes have significantly fewer benefit corporations with B Corp certification than their counterparts.

Discussion

Hypotheses

The data found contradicts my primary hypothesis that *more stringent laws will steer benefit corporations toward operation in traditionally nonprofit industries, such as healthcare, education, or community services, while more permissive laws will steer benefit corporations toward operation in industries dominated by for-profits such as finance, wholesale trade, and* *construction*. Though legal restrictiveness was not significantly related to the industries benefit corporations operated in, the industry composition itself offered several insights. In a previous study, Toepler (2019) highlighted the negative perceptions nonprofit professionals had toward benefit corporations as potential competitors. However, this study revealed many of the existing benefit corporations did not operate in traditionally nonprofit industries, rather placing themselves in industries typically occupied by for-profit corporations. The threat to the nonprofit sector was especially less apparent in Alabama, which had no benefit corporations in traditionally nonprofit industries. Future researchers can study how the presence of benefit corporations affects the creation of nonprofit organizations, to understand whether the corporate form is definitely infringing on the nonprofit sector.

My secondary hypothesis that *the political orientation of a state relates to the restrictiveness benefit corporation legislation* was also contradicted. In fact, a state's legislative restrictiveness score did not impact benefit corporation industries, nor did a state's political leaning significantly determine the restrictiveness of benefit corporation legislation on a broad scale. Political party did, however, significantly impact whether or not a state required benefit corporations to complete a third-party assessment.

My third hypothesis that *in states with more restrictive laws, benefit corporations will obtain B Corp certification at a higher rate due to potential overlaps in the legislation and certification process*, was supported. B Lab's certification process provides a rigorous approach to assessing corporations' impact on the environment, workers, customers, community, and governance. This study showed that more restrictive laws could result in benefit corporations meeting the high standards of B Lab. Thus, more states may consider this approach to ensure a maximization of public benefit.

Data Availability

Moreover, if the purpose of benefit corporation legislation is to provide a social good, the public should get a chance to know which corporations are meant to do so. As such, states should ensure benefit corporation data is public information through initiatives like the Oregon Data Portal which allows for the public to search for specific corporation data. Doing so would allow future researchers to study the impacts of legislative variations on benefit corporations to a greater extent, and determine whether there is truly a difference in industry composition as restrictiveness changes.

The conclusions drawn within this study were largely limited due to the restricted availability of data on benefit corporations. Only 8 out of the 41 states with benefit corporations had free or publicly available information on incorporated benefit corporations. Interestingly, out of the 8 with available data, 7 had restrictiveness scores of 6/7 or higher.

Additionally, the public database could include corporations' benefit reports to ensure a lack of online presence does not preclude them from fulfilling the public reporting requirement. In the benefit corporation sample, 14 corporations could not be found online. Though the corporations may be small and unable to form an online presence, they are also able to bypass the requirement of making a benefit report available to the public.

Model Legislation

To date, no state has followed the model legislation set forth by B Lab to the letter. Though this legislation was meant to serve as a guide for state legislators, each state followed a different path, leading to varying degrees of restrictiveness and regulatory requirements placed on benefit corporations. This variance, especially apparent in the states with scores of 3/7, highlights a vast discrepancy that can allow benefit corporations to strategically pick and choose their state of incorporation to lower their reporting burdens. Working to standardize benefit corporation laws in all 41 states, as well as those that may adopt legislation in the future, can alleviate any such concerns.

Limitations and Potential for Future Study

Though my research would ideally analyze the population of states with benefit corporations, I am limited in my scope due to the dependent variable. Relying on a convenience sample limits the generalizability for the population of states with benefit corporation laws. The sample, moreover, only includes states with relatively more restrictive laws for benefit corporations. As such, conclusive comparisons could not be made to states – like Iowa and Kentucky – with more permissive laws.

Furthermore, the external factors that may influence industries of operation beyond the law are beyond the scope of this research. Factors such as existing industry networks or the presence of industry competition within the state may also influence the industry a benefit corporation operates in. In this vein, it is difficult to draw causal conclusions between the two components of this study. However, the external factors at play could serve as the foundation for future research to understand how networks or competition influence benefit corporations.

During the scoring process for legislative restrictiveness, each component was awarded the same weight without consideration for what a benefit corporation founder/employee or state legislator may find to be the most important parts of the law. Conducting interviews with key individuals could allow for a better understanding of how legislative components could be more accurately weighted to reflect the priorities of those closest to the legislation.

Additionally, this study left out an in-depth analysis of board members' fiduciary duties. Though such an analysis was included in previous literature to draw comparisons between B Lab's model legislation and the Delaware statute, it could not be included in this study due to ambiguous legislation that could not be parsed out without a more extensive legislative background. Future researchers with a better understanding of the law could look into the nuances within this part of the legislation.

West Virginia was found to be an outlier in the percentage of benefit corporations with B Corp certifications. Though the state had the highest amount of benefit corporations, the percentage certified was zero. Future researchers could address this anomaly and study why benefit corporations in the state were either choosing not to obtain or unsuccessful in obtaining B Corp certification, and what implications this may have on the law.

Conclusion

Over the past 14 years, benefit corporations have emerged as a novel corporate form, allowing for-profit companies to embed social missions within their structures and operations. Despite their growth, our understanding of benefit corporations and their impacts remains limited.

By highlighting the nuances of state-level regulations and their impact on industry dynamics, policymakers, entrepreneurs, and stakeholders can make more informed decisions regarding the adoption and implementation of benefit corporation statutes. Moving forward, further research in this area will be crucial for refining our understanding of benefit corporations and their role in fostering creative change.

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Appendix

Table 7: Benefit corporation legislation results (organized by score)

	Third Party Assessment	Frequency of Benefit Report	Publicized Benefit Report	Statement of Public Benefit	Benefit Director	BEP or Equivalent	Score
Model Legislation	✓	Annual	✓	✗	✓	✓	**6/7**
Delaware	✗	Biennial	✗	✓	✗	✓	**3/7**
Georgia	✗	Annual	✗	✓	✗	✗	**3/7**
Iowa	✗	Biennial	✗	✓	✗	✓	**3/7**
Kentucky	✗	Biennial	✗	✓	✗	✓	**3/7**
Texas	✗	Biennial	✗	✓	✗	✓	**3/7**
Wisconsin	✗	Annual	✗	✓	✓	✗	**3/7**
Minnesota (Specific)	✗	Annual	✗	✓	✗	✓	**4/7**
Ohio	✗	Annual	✗	✓	✗	✓	**4/7**
Oklahoma	✗	Annual	✗	✓	✗	✓	**4/7**
Maryland	✓	Annual	✓	✓	✗	✗	**5/7**
Minnesota (General)	✓	Annual	✗	✓	✗	✓	**5/7**
New York	✓	Annual	✓	✓	✗	✗	**5/7**
Tennessee	✗	Annual	✓	✓	✗	✓	**5/7**
Alabama	✗	Annual	✓	✓	✓	✓	**6/7**
Arizona	✓	Annual	✓	✓	✗	✓	**6/7**
Arkansas	✓	Annual	✓	✓	✗	✓	**6/7**
California	✓	Annual	✓	✓	✗	✓	**6/7**
Colorado	✓	Annual	✓	✓	✗	✓	**6/7**
Florida	✓	Annual	✓	✓	✗	✓	**6/7**
Kansas	✓	Annual	✓	✓	✗	✓	**6/7**
Montana	✓	Annual	✓	✓	✗	✓	**6/7**
Nevada	✓	Annual	✓	✓	✗	✓	**6/7**
New Mexico	✓	Annual	✓	✓	✗	✓	**6/7**
Oregon	✓	Annual	✓	✓	✗	✓	**6/7**
Virginia	✓	Annual	✓	✓	✗	✓	**6/7**
West Virginia	✓	Annual	✓	✓	✗	✓	**6/7**

	Third Party Assessment	Frequency of Benefit Report	Publicized Benefit Report	Statement of Public Benefit	Benefit Director	BEP or Equivalent	Score
Connecticut	✓	Annual	✓	✓	✓	✓	**7/7**
Hawaii	✓	Annual	✓	✓	✓	✓	**7/7**
Idaho	✓	Annual	✓	✓	✓	✓	**7/7**
Illinois	✓	Annual	✓	✓	✓	✓	**7/7**
Indiana	✓	Annual	✓	✓	✓	✓	**7/7**
Louisiana	✓	Annual	✓	✓	✓	✓	**7/7**
Maine	✓	Annual	✓	✓	✓	✓	**7/7**
Massachusetts	✓	Annual	✓	✓	✓	✓	**7/7**
Nebraska	✓	Annual	✓	✓	✓	✓	**7/7**
New Hampshire	✓	Annual	✓	✓	✓	✓	**7/7**
New Jersey	✓	Annual	✓	✓	✓	✓	**7/7**
Pennsylvania	✓	Annual	✓	✓	✓	✓	**7/7**
Rhode Island	✓	Annual	✓	✓	✓	✓	**7/7**
South Carolina	✓	Annual	✓	✓	✓	✓	**7/7**
Utah	✓	Annual	✓	✓	✓	✓	**7/7**
Vermont	✓	Annual	✓	✓	✓	✓	**7/7**

Table 8: Benefit corporation legislation results (organized alphabetically)

	Third Party Assessment	Frequency of Benefit Report	Publicized Benefit Report	Statement of Public Benefit	Benefit Director	BEP or Equivalent	Score
Model Legislation	✓	Annual	✓	✗	✓	✓	**6/7**
Alabama	✗	Annual	✓	✓	✓	✓	**6/7**
Arizona	✓	Annual	✓	✓	✗	✓	**6/7**
Arkansas	✓	Annual	✓	✓	✗	✓	**6/7**
California	✓	Annual	✓	✓	✗	✓	**6/7**
Colorado	✓	Annual	✓	✓	✗	✓	**6/7**

	Third Party Assessment	Frequency of Benefit Report	Publicized Benefit Report	Statement of Public Benefit	Benefit Director	BEP or Equivalent	Score
Connecticut	✓	Annual	✓	✓	✓	✓	**7/7**
Delaware	✗	Biennial	✗	✓	✗	✓	**3/7**
Florida	✓	Annual	✓	✓	✗	✓	**6/7**
Georgia	✗	Annual	✗	✓	✗	✗	**3/7**
Hawaii	✓	Annual	✓	✓	✓	✓	**7/7**
Idaho	✓	Annual	✓	✓	✓	✓	**7/7**
Illinois	✓	Annual	✓	✓	✓	✓	**7/7**
Indiana	✓	Annual	✓	✓	✓	✓	**7/7**
Iowa	✗	Biennial	✗	✓	✗	✓	**3/7**
Kansas	✓	Annual	✓	✓	✗	✓	**6/7**
Kentucky	✗	Biennial	✗	✓	✗	✓	**3/7**
Louisiana	✓	Annual	✓	✓	✓	✓	**7/7**
Maine	✓	Annual	✓	✓	✓	✓	**7/7**
Maryland	✓	Annual	✓	✓	✗	✗	**5/7**
Massachusetts	✓	Annual	✓	✓	✓	✓	**7/7**
Minnesota (General)	✓	Annual	✗	✓	✗	✓	**5/7**
Minnesota (Specific)	✗	Annual	✗	✓	✗	✓	**4/7**
Montana	✓	Annual	✓	✓	✗	✓	**6/7**
Nebraska	✓	Annual	✓	✓	✓	✓	**7/7**
Nevada	✓	Annual	✓	✓	✗	✓	**6/7**
New Hampshire	✓	Annual	✓	✓	✓	✓	**7/7**
New Jersey	✓	Annual	✓	✓	✓	✓	**7/7**
New Mexico	✓	Annual	✓	✓	✗	✓	**6/7**
New York	✓	Annual	✓	✓	✗	✗	**5/7**
Ohio	✗	Annual	✗	✓	✗	✓	**4/7**
Oklahoma	✗	Annual	✗	✓	✗	✓	**4/7**
Oregon	✓	Annual	✓	✓	✗	✓	**6/7**
Pennsylvania	✓	Annual	✓	✓	✓	✓	**7/7**

	Third Party Assessment	Frequency of Benefit Report	Publicized Benefit Report	Statement of Public Benefit	Benefit Director	BEP or Equivalent	Score
Rhode Island	✓	Annual	✓	✓	✓	✓	**7/7**
South Carolina	✓	Annual	✓	✓	✓	✓	**7/7**
Tennessee	✗	Annual	✓	✓	✗	✓	**5/7**
Texas	✗	Biennial	✗	✓	✗	✓	**3/7**
Utah	✓	Annual	✓	✓	✓	✓	**7/7**
Vermont	✓	Annual	✓	✓	✓	✓	**7/7**
Virginia	✓	Annual	✓	✓	✗	✓	**6/7**
West Virginia	✓	Annual	✓	✓	✗	✓	**6/7**
Wisconsin	✗	Annual	✗	✓	✓	✗	**3/7**

Table 9: Benefit corporation legislation, data availability, and inclusion in industry study

	Benefit Corporation Law Exists?	List of Benefit Corporations Freely, Publicly Available?	Included in the Study of Industry?
Alabama	✓	✓	✓
Alaska	✗		✗
Arizona	✓	✗	✗
Arkansas	✓	✓	✓
California	✓	✗	✗
Colorado	✓	✗	✗
Connecticut	✓	✗	✗
Delaware	✓	✓	✗
Florida	✓	✗	✗
Georgia	✓	✗	✗
Hawaii	✓	✗	✗
Idaho	✓	✗	✗
Illinois	✓	✗	✗
Indiana	✓	✓	✓
Iowa	✓	✗	✗
Kansas	✓	✗	✗
Kentucky	✓	✗	✗
Louisiana	✓	✗	✗
Maine	✓	✗	✗

Maryland	✓	✗	✗
Massachusetts	✓	✗	✗
Michigan	✗		✗
Minnesota	✓	✗	✗
Mississippi	✗		✗
Missouri	✗		✗
Montana	✓	✗	✗
Nebraska	✓	✗	✗
Nevada	✓	✗	✗
New Hampshire	✓	✗	✗
New Jersey	✓	✗	✗
New Mexico	✓	✗	✗
New York	✓	✗	✗
North Carolina	✗		✗
Ohio	✓	✗	✗
Oklahoma	✓	✗	✗
Oregon	✓	✓	✗
Pennsylvania	✓	✗	✗
Rhode Island	✓	✗	✗
South Carolina	✓	✗	✗
South Dakota	✗		✗
Tennessee	✓	✗	✗
Texas	✓	✗	✗
Utah	✓	✗	✗
Vermont	✓	✓	✓
Virginia	✓	✓	✓
Washington	✗		✗
West Virginia	✓	✓	✓
Wisconsin	✓	✗	✗
Wyoming	✗		✗

Table 10: Within-state distribution of benefit corporation industries (percentages)

Industries	**Alabama**	**Arkansas**	**Indiana**	**Vermont**	**Virginia**	**West Virginia**
Administrative and Support Services	0%	0%	9%	9%	9%	2%
Agriculture	22%	11%	9%	3%	2%	3%

Community (Religious, Grantmaking, etc.)	0%	11%	9%	14%	11%	20%
Construction	11%	11%	0%	6%	5%	3%
Education/Healthcare/Social Assistance	0%	22%	5%	11%	14%	15%
Finance/Insurance/Real Estate	22%	11%	9%	9%	9%	10%
Information/Communications/Technology	0%	0%	5%	6%	0%	0%
Leisure	0%	0%	0%	0%	2%	10%
Professional/Scientific/Technical Services	33%	22%	23%	14%	16%	10%
Transportation	0%	0%	0%	3%	0%	2%
Wholesale/Retail	11%	11%	14%	23%	28%	7%
Unknown	0%	0%	18%	3%	5%	10%
Other	0%	0%	0%	0%	0%	7%

Figure 5: Benefit corporation industry counts by state