

ASSEMBLY, No. 5695

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 12, 2021

Sponsored by:

Assemblywoman ANNETTE QUIJANO

District 20 (Union)

Co-Sponsored by:

Assemblywomen Vainieri Huttle and Lopez

SYNOPSIS

Requires State Treasurer to collect and study certain demographic information on corporate boards and in senior management.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/20/2021)

1 **AN ACT** requiring a study of certain demographic information of
2 corporate boards, amending N.J.S.14A:4-5 and N.J.S.15A:4-5,
3 and supplementing P.L.1982, c.150 (C.52:16A-35 et seq.).
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7

8 1. N.J.S.14A:4-5 is amended to read as follows:

9 14A:4-5. (1) Every domestic corporation and every foreign
10 corporation authorized to transact business in this State shall file in
11 the Department of the Treasury, within the time prescribed by this
12 section, an annual report, executed on behalf of the corporation, or
13 executed by the registered agent, setting forth:

14 (a) The name of the corporation and, in the case of a foreign
15 corporation, the jurisdiction of its incorporation;

16 (b) The address of the registered office of the corporation in this
17 State, and the name of its registered agent in this State at such
18 address;

19 (c) The names and addresses of the directors and officers of the
20 corporation;

21 (d) (Deleted by amendment, P.L.1988, c.94.)

22 (e) The address of its main business or headquarters office; **[and]**

23 (f) The address of its principal business office in New Jersey, if
24 any ; and

25 (g) Demographic information statistics for directors and officers
26 of the corporation, including race, ethnicity, sexual orientation,
27 gender identity or expression, disability status, and veteran status .

28 (2) The State Treasurer shall designate a date for filing annual
29 reports for each corporation required to submit a report pursuant to
30 this section and shall annually notify the corporation of the date so
31 designated not less than 60 days prior to such date. The corporation
32 shall file the report within 30 days before or 30 days after the date so
33 designated. If the date so designated is not more than six months
34 after the date on which an annual report pursuant to the provisions of
35 prior law was filed or on which the certificate of incorporation
36 became effective, the corporation shall not be required to file an
37 annual report until one year after the first occurrence of the date so
38 designated.

39 (3) (Deleted by amendment, P.L.1997, c.139.)

40 (4) The State Treasurer shall furnish annual report forms, shall
41 keep in his office all such reports and shall prepare an alphabetical
42 index thereof, which reports and index shall be open to public
43 inspection at proper hours.

44 (5) In the event a domestic corporation fails to file an annual
45 report for two consecutive years with the State Treasurer, then, after

EXPLANATION – Matter enclosed in bold-faced brackets **[thus] in the above bill is not enacted and is intended to be omitted in the law.**

Matter underlined thus is new matter.

1 written notice by certified mail to the corporation at its last known
2 main business or headquarters office or at the address of its registered
3 agent, the State Treasurer may issue a proclamation declaring that the
4 certificate of incorporation of the corporation has been revoked and
5 that all powers conferred by law upon it shall thereafter be
6 inoperative and void. The proclamation of the State Treasurer shall
7 be filed in the office of the State Treasurer. No corporation's
8 certificate of incorporation shall be revoked pursuant to this
9 subsection if, within 30 days after the giving of notice, it files the
10 reports required by law and pays to the State Treasurer all of the fees
11 due for the filing of the reports.

12 (6) In the event a foreign corporation fails to file an annual report
13 for two consecutive years with the State Treasurer, then, after written
14 notice by certified mail to the corporation at its last known main
15 business or headquarters office or at the address of its registered
16 agent, the State Treasurer may issue a proclamation declaring that the
17 certificate of authority to do business of the corporation and the
18 powers conferred by law upon it shall be revoked. The proclamation
19 of the State Treasurer shall be filed in the office of the State
20 Treasurer. No corporation's certificate of authority shall be revoked
21 pursuant to this paragraph if, within 30 days after the giving of notice,
22 it files the reports required by law and pays to the State Treasurer all
23 of the fees due for the filing of the reports.

24 (7) If the certificate of incorporation of a domestic corporation or
25 a certificate of authority of a foreign corporation has been revoked
26 by proclamation, the certificate shall be reinstated by proclamation
27 of the State Treasurer upon: (a) payment by the corporation of all fees
28 due to the State Treasurer, consisting of a reinstatement filing fee of
29 \$75.00, tax clearance filing fee of \$20, current annual report fee, and
30 all delinquent annual report fees; and (b) certification of the Director
31 of the Division of Taxation that no cause exists for revocation of the
32 corporation's certificate of incorporation or certificate of authority
33 pursuant to R.S.54:11-2 if the reinstatement request is filed two or
34 more years after the revocation action. The reinstatement relates
35 back to the date of issuance of the proclamation revoking the
36 certificate of incorporation or the certificate of authority and shall
37 validate all actions taken in the interim. In the event that in the
38 interim the corporate name has become unavailable, the State
39 Treasurer shall issue the certificate upon, in the case of a domestic
40 corporation, the filing of an amendment to its certificate of
41 incorporation to change the corporate name to an available name,
42 and, in the case of a foreign corporation, the filing of an amended
43 certificate of authority adopting an assumed name. The State
44 Treasurer shall provide the forms necessary to effect annual report
45 reinstatements.

46 (cf: P.L.2019, c.149, s.2)

1 2. N.J.S.15A:4-5 is amended to read as follows:

2 15A:5-5. a. Every domestic corporation and every foreign
3 corporation authorized to conduct activities in this State shall file in
4 the office of the State Treasurer, within the time prescribed by this
5 section, an annual report, executed on behalf of the corporation,
6 setting forth:

7 (1) the name of the corporation and, in the case of a foreign
8 corporation, the jurisdiction of its incorporation;

9 (2) the address, including the actual location as well as postal
10 designation, if different, of the registered office of the corporation in
11 this State, and the name of its registered agent in this State at that
12 address, and, if a foreign corporation, the address of its main or
13 headquarters office; **[and]**

14 (3) the names and addresses of the trustees and the officers of the
15 corporation, which addresses shall be either the residence address of
16 that person or other address where that person regularly receives mail
17 and which is not the address of the corporation ; and

18 (4) Demographic information statistics for the trustees and
19 officers of the corporation, including race, ethnicity, sexual
20 orientation, gender identity or expression, disability status, and
21 veteran status .

22 b. The State Treasurer shall designate a date for filing annual
23 reports for each corporation required to submit a report pursuant to
24 this section and shall annually notify the corporation of the date so
25 designated not less than 60 days prior to that date. The corporation
26 shall file the report within 30 days before or within 30 days after the
27 date so designated. If the date so designated is not more than six
28 months after the date on which an annual report pursuant to the
29 provisions of prior law was filed or on which the certificate of
30 incorporation became effective, the corporation shall not be required
31 to file an annual report until one year after the first occurrence of the
32 date so designated.

33 c. If the report is not filed for two consecutive years, the
34 certificate of incorporation of the corporation or the certificate of
35 authority of a foreign corporation shall, after written demand for the
36 reports by the State Treasurer by certified mail addressed to the
37 corporation at the last address appearing of record in the office of the
38 State Treasurer, be revoked for the failure to file reports. No
39 corporation shall be subject to the revocation of its certificate of
40 incorporation or its certificate of authority if it shall, within 60 days
41 after the written demand, file the reports required by law and pay to
42 the State Treasurer the fee provided by law for the filing of each
43 report. Any corporation having its certificate of incorporation or its
44 certificate of authority revoked may cause a reinstatement of the
45 certificate upon payment to the State Treasurer of: the fee then
46 payable upon the filing of the certificate of incorporation; a current
47 annual report fee; and payment of a reinstatement filing assessment

1 as set forth in N.J.S. 15A:15-1. The reinstatement relates back to the
2 date of issuance of the proclamation revoking the certificate of
3 incorporation or the certificate of authority and shall validate all
4 actions taken in the interim. In the event that in the interim the
5 corporate name has become unavailable, the State Treasurer shall
6 issue the certificate upon, in the case of a domestic corporation, the
7 filing of an amendment to its certificate of incorporation to change
8 the corporate name to an available name, and, in the case of a foreign
9 corporation, the filing of an amended certificate of authority adopting
10 an alternate name. The State Treasurer shall provide the forms
11 necessary to effect annual report reinstatements.

12 d. The State Treasurer shall furnish annual report forms, shall
13 keep all the reports and shall prepare an alphabetical index thereof.
14 The reports and index shall be open to public inspection at proper
15 hours.

16 (cf: P.L.2019, c.149, s.4)

17

18 3. (New section) By February 1, 2024, and every four years
19 thereafter, the State Treasurer shall prepare and submit a report to the
20 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
21 19.1), to the Legislature, and publish the report on the Department of
22 the Treasury Internet website documenting the number of publicly
23 held domestic and foreign corporations whose principal executive
24 office is located in this State, and the demographic information for
25 the officers of the corporation and the directors or trustees on each
26 corporation's board, based on the information submitted pursuant to
27 N.J.S.14A:4-5 and N.J.S.15A:4-5. The report shall include, but not
28 be limited to:

29 a. The race, ethnicity, sexual orientation, gender identity or
30 expression, disability status, and veteran status of the officers of the
31 corporation and the directors or trustees and the total number of
32 directors or trustees that constitute the board of each corporation;

33 b. The change in these demographics from previous years; and

34 c. The aggregate demographics of all such corporate officers and
35 boards of directors or trustees.

36

37 4. This act shall take effect immediately.

38

39

40 STATEMENT

41

42 This bill requires corporations and nonprofit corporations to
43 include in their annual report, filed in the Department of the Treasury,
44 demographic information statistics for the members of its corporate
45 board and senior management, including race, ethnicity, sexual
46 orientation, gender identity or expression, disability status, and
47 veteran status.

1 The bill requires the State Treasurer to publish quadrennial
2 reports, starting on February 1st, 2024, documenting the number of
3 publicly held domestic and foreign corporations whose principal
4 executive office is located in this State, and the demographic
5 information for the officers of the corporation and the directors or
6 trustees on each corporation's board. The report shall include, but not
7 be limited to, the race, ethnicity, sexual orientation, gender identity
8 or expression, disability status, and veteran status of the officers of
9 the corporation and the directors or trustees and the total number of
10 directors or trustees that constitute the board of each corporation, the
11 change in these demographics from previous years; and the aggregate
12 demographics of all such corporate officers and boards of directors
13 or trustees.