

SENATE, No. 3779

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED MARCH 13, 2021

Sponsored by:

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.



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;

23 **[and]**

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

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

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

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

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

45 (5) In the event a domestic corporation fails to file an annual

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6 been revoked and that all powers conferred by law upon it shall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

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

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

48 (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
11 in 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
15 the corporation, which addresses shall be either the residence
16 address of that person or other address where that person regularly
17 receives mail 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
31 required to file an annual report until one year after the first
32 occurrence of the 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
38 the 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
48 as set forth in N.J.S. 15A:15-1. The reinstatement relates back to

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

11 d. The State Treasurer shall furnish annual report forms, shall
12 keep all the reports and shall prepare an alphabetical index thereof.
13 The reports and index shall be open to public inspection at proper
14 hours.
15 (cf: P.L.2019, c.149, s.4)

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

- 28 a. The race, ethnicity, sexual orientation, gender identity or
29 expression, disability status, and veteran status of the officers of the
30 corporation and the directors or trustees and the total number of
31 directors or trustees that constitute the board of each corporation;
32 b. The change in these demographics from previous years; and
33 c. The aggregate demographics of all such corporate officers
34 and boards of directors or trustees.

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36 4. This act shall take effect immediately.

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STATEMENT

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

47 The bill requires the State Treasurer to publish quadrennial
48 reports, starting on February 1st, 2024, documenting the number of

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