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June 7, 2011

Senator Juan Vargas
Chairman Senate Banking and Financial Institutions
Committee
State Capitol, Room 3092
Sacramento, CA 94248-0001

Senator Noreen Evans
Chair Senate Judiciary Committee
State Capitol
1303 10th Street
Sacramento, CA 95814

RE: AB 361 (Huffman) – SUPPORT

Chairpersons Vargas and Evans and Committee Members:

On behalf of Build It Green, a California state-wide 501(c)3 non-profit corporation, representing over 1,000 business and professional members around the state, I am pleased to write in support of Assemblymember Huffman's AB 361.

The State of California has shown national and international leadership in promoting sustainability both by the groundbreaking legislation of AB 32, as well as passing the first Green Building Code at the state level. California's continued commitment to the clean technology field has made our state a magnet for investors and entrepreneurs who understand the future and need a conducive environment, enforced by policy, to support businesses dedicated to furthering work in the field of sustainability.

Passing legislation that will allow for the formation of Benefit Corporations is consistent with the leadership shown by California heretofore. Benefit Corporations will allow corporate leaders to shape business models that will serve both the shareholder and society, and will allow for the consideration of their decisions on multiple stakeholders. Benefit Corporations would be able to respond to investors, employees and customers, who increasingly are asking that corporations include environmental stewardship and community development as part of their companies' mission.

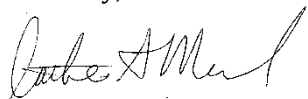
This legislation would allow for corporations to have as their purpose to create a material positive impact on society and the environment, while they are still being able to make a financial profit. It would expand the definition of fiduciary responsibilities of the boards of directors governing these corporations allowing them to consider the non-financial interests, such as environmental, and requires that the corporation reports on its overall social and environmental performance as assessed against a third party standard.

In short, this legislation would allow businesses to legally adopt higher standards of corporate purpose, accountability, and transparency.

Build It Green believes this to be important legislation for the State of California to adopt. It's the right thing to do at the right time. More and more calls for corporate accountability and responsibility as it relates to the environment and to our communities are happening, and AB 361 would give corporations a way to do the right thing, legally and protected by law.

Please do not hesitate to contact Build It Green for further clarification of our position.

Sincerely,

A handwritten signature in black ink, appearing to read "Catherine A. Merschel". The signature is fluid and cursive, with the first name being the most prominent.

Catherine A. Merschel
Executive Director