



From the Office of Secretary of State

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Changes in Nebraska business laws reflected on Secretary of State website

LINCOLN – Updates have been made to the Secretary of State’s website as the result of three new laws that are now in effect. The changes relate to the creation and obligations required, and enhance update capabilities for various business entities operating in Nebraska.

LB751 clears the way for the formation of a new business type known as a benefit corporation. “Many states have passed legislation related to this new type of corporation in recent years,” explained Sec. John Gale. “Basically, these are for-profit companies that promote social responsibility as part of their corporate purpose.”

Gale said one notable example is Greyston Bakery in New York which sells brownies and other items in stores and online. The bakery also operates various programs focused on worker training, housing, and creating community gardens. Another example is Plum Organics which sells organic baby food nationally and also operates a program that donates food to children in need.

Firespring, a company in Lincoln that provides website and marketing support to small businesses and nonprofits, announced this week that it qualified to become the first benefit corporation in Nebraska.

“This is certainly a movement that is catching on in business formation,” said Gale. “It’s slightly different in that benefit corporations must meet certain standards related to purpose, transparency and accountability. Reports are provided to shareholders annually and some of that report is posted on their website. Additionally, a portion of the report is filed with the Secretary of State’s office.”

Also going into effect is LB753 which makes it easier for registered agents of domestic and foreign limited liability companies (LLCs) to change their addresses.

“Previously, it would have been necessary to have the LLC approve and submit the change of address. This streamlines the process and allows the agent to change their address simply by notifying the LLC and then filing the necessary paperwork directly with my office.”

Gale said the new law also makes it compatible with guidelines regulating agent address changes for business corporations and nonprofit corporations.

The third law also brings uniformity in how annual and biennial reports are corrected or amended to the Secretary of State’s office. Previously, the only mechanism for doing so applied to corporations. LB774 now does the same for joint public agencies, LLCs, nonprofit corporations, limited cooperative associations, and limited liability partnerships (LLPs).

“This proposal was made based on what we heard from filers, specifically, nonprofit corporations, who expressed the desire to be able to update officer and director information on their biennial report after the reporting period was over, said Gale.

All three laws went into effect July 18. The Secretary of State’s website (www.sos.ne.gov) reflects the changes in Nebraska’s business statutes.

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