STAND. COM. REP. NO. 604

Honolulu, Hawaii

Fe 520, 2009

RE: H.B. No. 1503

H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Sir:

Your Committee on Economic Revitalization, Business, & Military Affairs, to which was referred H.B. No. 1503 entitled:

"A BILL FOR AN ACT RELATING TO LIMITED LIABILITY COMPANIES," begs leave to report as follows:

The purpose of this bill is to allow the goals of job creation, labor rights, and environmental protection to be supported by our business laws by establishing a special class of limited liability companies (LLC) called "ingenuity companies" that would use patent rights to:

- (1) Create and retain good jobs within Hawaii and the United States;
- (2) Strengthen labor rights nationally and internationally; and
- (3) Enhance environmental protection nationally and internationally.

A concerned individual supported this bill. The Department of Commerce and Consumer Affairs and several concerned individuals opposed this bill.

Your Committee finds that this bill attempts to give companies the ability to pursue a higher good, rather than simply to maximize profits, and to do this as an LLC. This bill reflects growing efforts in other jurisdictions to make the public good a recognizable goal under our business laws.

Your Committee has amended this bill by:

- (1) Replacing references to "ingenuity company" with "public purpose company"; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1503, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1503, H.D. 1, and be referred to the Committee on Judiciary.

Respectfully submitted on behalf of the members of the Committee on Economic Revitalization, Business, & Military Affairs,

ANGUS L.K. MCKELVEY, Chair

State of Hawaii House of Representatives The Twenty-fifth Legislature



Record of Votes of the Committee on Economic Revitalization, Business, & Military Affairs

Bill/Resolution No.: Commit	ttee Referral:	UD Date	2/17/00	7
☐ The committee is reconsidering its previous decisi	ion on the measure.	<u> </u>	1 1	F
The recommendation is to: ☐ Pass, unamende ☐ Pass short form		ss, with amendments mmit for future publi		
EBM Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)		2 40 40 E		
2. CHOY, Isaac W. (VC)			- 10	
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3. BERG, Lyla B.				
4. EVANS, Cindy			# F	
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5. MANAHAN, Joey				
6. TAKAI, K. Mark				
7. TOKIOKA, James Kunane			建筑设置	
7. TORIOKA, James Kunane				
8. TSUJI, Clift	V			
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9. WAKAI, Glenn				
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10. WOOLEY, Jessica				
11. WARD, Gene				
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TOTAL (11)	8		-	
The recommendation is: Adopted If joint referral,	□ Not Adopt	did not suppo	ort recommendation	1.
Vice Chair's or designee's signature:) a	en well	Zoj	
Distribution: Original (White) – Committee	Duplicate (Yellow) -	- Chief Clerk's Office	Duplicate (F	Pink) – HMSO