

JAN 27 2021

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# A BILL FOR AN ACT

RELATING TO CORPORATE SOCIAL RESPONSIBILITY.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the aloha spirit is  
2 expressed by the people of Hawaii in a variety of ways. For  
3 instance, Hawaii's keiki are raised with values that embody the  
4 aloha spirit by learning to care for family and are taught to  
5 appreciate the well-being of our island community at an early  
6 age. Additionally, many Hawaii corporations and their leaders  
7 share these values by engaging in business practices with care  
8 and concern, not only for Hawaii's economy, but also for the  
9 people of Hawaii.

10           The legislature further finds that the overall economic,  
11 social, environmental, and community well-being of the State is  
12 enhanced by corporations that are committed to socially  
13 responsible practices and these practices are worthy of the  
14 legislature's support and recognition.

15           Accordingly, the purpose of this Act is to:

16           (1) Establish a state policy that encourages Hawaii  
17           corporations to make a commitment to social



1 responsibility, including sustainable business  
2 corporations, consumer cooperatives, employee stock  
3 ownership plans, and other socially responsible  
4 practices;

5 (2) Establish a social responsibility corporate awards  
6 program within the department of business, economic  
7 development, and tourism to recognize corporations for  
8 socially responsible practices; and

9 (3) Commission the legislative reference bureau to conduct  
10 a study on behalf of the legislature and to make  
11 recommendations concerning the status of socially  
12 responsible corporations in the State, including  
13 sustainable business corporations, consumer  
14 cooperatives, employee stock ownership plans, and  
15 other corporations practicing social responsibility.

16 SECTION 2. Chapter 13, Hawaii Revised Statutes, is amended  
17 by adding a new section to be appropriately designated and to  
18 read as follows:

19 "§13- Corporations committed to social responsibility;  
20 state policy; awards program. (a) It shall be the policy of  
21 the State to encourage Hawaii domestic corporations to make a



1 commitment to, and practice social responsibility in their  
2 commerce activities. Corporations that have made commitments to  
3 socially responsible practices include:

- 4 (1) Sustainable business corporations;  
5 (2) Consumer cooperatives;  
6 (3) Employee stock ownership plans; and  
7 (4) Other corporations that have commitments to social  
8 responsibly in their corporate documents.

9 (b) There shall be established within the department of  
10 business, economic development, and tourism an awards program to  
11 recognize corporations that have performed sustainable and  
12 effective socially responsible practices in their business. The  
13 department of business, economic development, and tourism is  
14 authorized support the program with current resources, and may  
15 collaborate with non-governmental entities."

16 SECTION 3. The department of business, economic  
17 development, and tourism shall report to the legislature any  
18 awards presented through this program to the legislature no  
19 later than twenty days prior to the convening of the regular  
20 session of 2022.



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1 SECTION 4. The legislative reference bureau shall conduct  
2 a study on socially responsible corporations in the State,  
3 including sustainable business corporations, consumer  
4 cooperatives, employee stock ownership plans, and other  
5 corporations that have added socially responsible practices in  
6 their corporate documents. The legislative reference bureau  
7 shall submit a report to the legislature no later than twenty  
8 days prior to the convening of the regular session of 2022. The  
9 report shall include:

- 10 (1) Findings and information on socially responsible  
11 corporations in Hawaii, those participating in the  
12 study, and their business practices; and  
13 (2) Recommendations on ways to increase the number of  
14 socially responsible corporations in the State,  
15 including any proposed legislation.

16 SECTION 5. New statutory material is underscored.

17 SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY: 



# S.B. NO. 1397

**Report Title:**

Corporations; Corporate Practices; Social Responsibility; Sustainable Practices; Awards Program; Department of Business, Economic Development, and Tourism; Legislative Reference Bureau

**Description:**

Encourages Hawaii corporations to make a commitment to social responsibility. Establishes a social responsibility corporate awards program within the department of business, economic development, and tourism to recognize corporations that have performed sustainable corporate practices. Requires the legislative reference bureau to conduct a study regarding socially responsible corporations in the State.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

