

STAND. COM. REP. NO.

989

Honolulu, Hawaii

MAR 27 2009

RE: H.B. No. 1503  
H.D. 1  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Madam:

Your Committee on Economic Development and Technology, to which was referred H.B. No. 1503, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LIMITED LIABILITY COMPANIES,"

begs leave to report as follows:

The purpose of this measure is to allow the goals of job creation, labor rights, and environmental protection to be supported by the State's business laws through the establishment of a special class of limited liability companies called "public purpose companies" that would use patent rights to:

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

Testimony in support of this measure was submitted by one concerned individual. Testimony in opposition of this measure was submitted by the Department of Commerce and Consumer Affairs and Char Sakamoto Ishii Lum & Ching. Written testimony presented to the Committee may be reviewed on the Legislature's website.



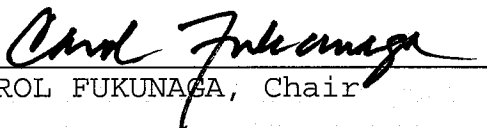
Your Committee finds that the creation of a public purpose company under the protections afforded to limited liability companies in the State of Hawaii will provide a mechanism for individuals and entities to provide benefits to the public and society at large through various activities desired by prospective public purpose companies. Your Committee also finds that the creation of a public purpose company entity in the State of Hawaii will provide a springboard to other jurisdictions to adopt a similar legal entity to support specific public purpose endeavors.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to promote further discussions; and
- (2) Making technical, nonsubstantive amendments for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Economic Development and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1503, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1503, H.D. 1, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

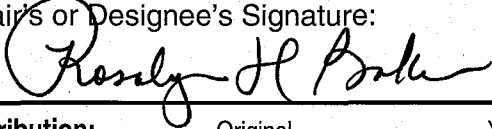
Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development and Technology,

  
CAROL FUKUNAGA, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Economic Development and Technology**  
**EDT**

Bill / Resolution No.:* <b>HB1503, HD1</b>	Committee Referral: <b>EDT, CPN</b>	Date: <b>3-23-09</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
FUKUNAGA, Carol (C)	✓			
BAKER, Rosalyn H. (VC)	✓			
HEE, Clayton				✓
IGE, David Y.	✓			
SLOM, Sam			✓	
<b>TOTAL</b>	<b>3</b>	<b>-</b>	<b>1</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes