

STAND. COM. REP. NO. 604

Honolulu, Hawaii

Feb 20, 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.



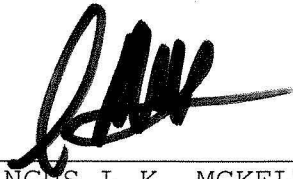
Your Committee finds that this bill attempts to give companies the ability to pursue a higher good, rather than simply to maximize profits, and to do this as an LLC. This bill reflects growing efforts in other jurisdictions to make the public good a recognizable goal under our business laws.

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



