
HOUSE RESOLUTION

REQUESTING THAT THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
CONDUCT A STUDY AND SURVEY RELATING TO GENDER
REPRESENTATION ON THE BOARDS OF PUBLIC AND PRIVATE FOR-
PROFIT AND NONPROFIT CORPORATIONS IN THE STATE.

1 WHEREAS, there is a noticeable discrepancy between the
2 number of women who hold seats on corporate boards as compared
3 to men, with just 22.5 percent of Fortune 500 company board
4 members being women, even though women make up approximately 50
5 percent of the population; and

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7 WHEREAS, in 2013 the state of California passed a
8 resolution encouraging equitable and diverse gender
9 representation on corporate boards, with quota examples per
10 number of board seats; and

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12 WHEREAS, California passed a subsequent bill in 2018 that,
13 depending on the number of director seats, requires a minimum
14 number of women on every publicly held corporation; and

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16 WHEREAS, a 2019 law in the state of Illinois requires
17 public companies in the state to report information on the
18 number of minorities who serve on corporate boards and self-
19 identified genders of corporate board members, and share their
20 plans to promote and diversify their board composition; and

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22 WHEREAS, a McKinsey and Company study titled "Women Matter"
23 found that companies with three or more women in senior
24 management functions scored higher, on average, on McKinsey's
25 nine metrics of organizational performance, than companies with
26 no women at the top; and

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28 WHEREAS, a Credit Suisse report titled "The CS Gender 3000:
29 The Reward for Change" found that companies with at least one
30 woman on the board of directors had an average return on equity



1 of 12.2 percent, compared to 10.1 percent for companies with no
2 female directors; and
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4 WHEREAS, multiple states have conducted similar studies
5 regarding women on corporate boards, such as an ongoing study in
6 the state of New York and a 2019 study in the state of Colorado
7 by the Women's Leadership Foundation; and
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9 WHEREAS, a New York Law Journal study published in March of
10 2016 titled "Corporate Governance Update: Gender Diversity on
11 Boards: The Future is Almost Here" concluded that a combination
12 of regulatory, legislative, and investor-driven efforts would
13 accelerate the progress of gender diversity and, eventually,
14 gender parity on public company boards; now, therefore,
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16 BE IT RESOLVED by the House of Representatives of the
17 Thirtieth Legislature of the State of Hawaii, Regular Session of
18 2020, that the Department of Labor and Industrial Relations is
19 requested to conduct a study and survey relating to gender
20 representation on the boards of public and private for-profit
21 and nonprofit corporations in the State; and
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23 BE IT FURTHER RESOLVED that the Department of Labor and
24 Industrial Relations is requested to seek input from the
25 Department of Taxation; American Association of University Women
26 Hawaii Chapter; Hawaii Employers Council; Hawaii Business
27 Roundtable; and Hawaii Executive Collaborative; and
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29 BE IT FURTHER RESOLVED that the study should collect data,
30 through surveys or other data collection methods, and:
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- 32 (1) Identify the number of women directors who serve on
33 boards of directors of public and private for-profit
34 and nonprofit corporations authorized to do business
35 in the State, including paid and unpaid board
36 positions;
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- 38 (2) Analyze the change in number of women directors from
39 previous years;



H.R. NO. 84

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- (3) Examine the number of women directors in the State relative to other states in the United States, and globally;
- (4) Examine literature on the social and economic impact for companies who have women directors; and
- (5) Examine other laws and policy proposals across the United States related to gender diversity and parity mandates in different industries; and

BE IT FURTHER RESOLVED that the Department of Labor and Industrial Relations is requested to submit a report, including findings, recommendations, and proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2021; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Director of Labor and Industrial Relations; Director of Taxation; President of the American Association of University Women Hawaii Chapter; President of the Hawaii Employers Council; Chair of the Hawaii Business Roundtable; and Chair of the Hawaii Executive Collaborative.

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