

House Concurrent Resolution No. 5014

By Representatives Murphy, Awerkamp, Barth, Bergquist, Blew, Blex, Bloom, Bryce, Buehler, Clifford, Collins, Corbet, Croft, Droge, Ellis, Essex, Garber, Gardner, Goetz, Hill, Hoffman, Hoheisel, Howe, Howell, Howerton, Humphries, Jacobs, Johnson, Kessler, Mason, Minnix, Moser, Neelly, Owens, Penn, Pickert, Proctor, Resman, Rhiley, Roth, Sanders, Schmoie, Seiwert, C. Smith, E. Smith, Sutton, Tarwater, Thomas, Thompson, Titus, Turner, Underhill, Waggoner, Wasinger, White and K. Williams

3-29

1 A CONCURRENT RESOLUTION stating findings of the legislature and
2 directing the joint committee on fiduciary financial institutions
3 oversight to study and draft legislation relating to environmental,
4 social and governance standards.
5

6 WHEREAS, The Kansas Legislature and the people of Kansas
7 acknowledge the Constitution of the State of Kansas and the Constitution
8 of the United States as the supreme law of the land, which cannot be
9 usurped in any form or by any outside forces, including those that may
10 come from outside the United States; and

11 WHEREAS, The rights and freedoms of the people of Kansas are
12 increasingly threatened by the alliance of large corporations, banks,
13 investors and governmental entities in their efforts to impose
14 environmental, social and governance (ESG) standards; and

15 WHEREAS, ESG standards are intended to alter how businesses and
16 investments are evaluated, so that instead of focusing on the quality of
17 goods and services, profits and other traditional economic metrics,
18 businesses and investments are instead evaluated based on various
19 environmental, social justice or corporation governance causes and
20 assigned scores, upon which they can be compared, rewarded or
21 potentially punished; and

22 WHEREAS, Central banks, governments and wealthy investors have
23 invested trillions of dollars into ESG-related investments; and

24 WHEREAS, The Glasgow Financial Alliance for Net Zero (GFANZ),
25 a group supported by the Biden administration, claims to have more than
26 450 banks, insurers and other asset managers in dozens of countries as
27 members, as well as \$130 trillion in assets; and

28 WHEREAS, The widespread use of ESG standards by central banks,
29 financial institutions, corporations and governments threatens to restrict
30 individual and economic rights and to usurp legislative processes, the
31 Constitution of the State of Kansas and the Constitution of the United

1 States; and

2 WHEREAS, Klaus Schwab, founder and executive chairman of the
3 World Economic Forum, has called for a fundamental change to
4 Americanism when he said, "The world must act jointly and swiftly to
5 revamp all aspects of our societies and economies, from education to
6 social contracts and working conditions. Every country, from the United
7 States to China, must participate, and every industry, from oil and gas to
8 tech, must be transformed. In short, we need a 'Great Reset' of
9 capitalism."; and

10 WHEREAS, Larry Fink, the CEO of Blackrock, the world's largest
11 asset management company, and most powerful person on Wall Street,
12 promises to use ESG scores as a way to alter society. Fink has said,
13 "Every company and every industry will be transformed by the transition
14 to a net-zero world ... the question is, will you lead, or will you be led?";
15 and

16 WHEREAS, The threat to our individual freedoms from the use of
17 ESG standards will increase significantly if the Federal Reserve adopts a
18 digital currency, which could help banks and governments track all
19 spending across the entire United States economy; and

20 WHEREAS, According to a report by the accounting firm KMPG,
21 thousands of companies located in more than 50 countries already use
22 ESG standards, including 82% of large companies in the United States;
23 and

24 WHEREAS, ESG standards are designed to create a "great reset" of
25 capitalism and to revamp all aspects of our society and economy, from
26 education to social contracts and working conditions; and

27 WHEREAS, Free market capitalism requires a level playing field and
28 the ability for businesses to compete; and

29 WHEREAS, Various states have considered legislation to address the
30 risks of ESG to their citizens; and

31 WHEREAS, Legislative efforts to curtail the use and impact of ESG
32 standards have focused on divestment from financial institutions and
33 other businesses that discriminate against vital state sectors and the
34 elimination of ESG, social credit or similar metrics that allow
35 discrimination in the provision of goods and services to individuals and
36 businesses; and

37 WHEREAS, States, local businesses and families should be able to
38 control their rights, freedoms and choices; and

39 WHEREAS, Protecting those vital rights and freedoms is the
40 fundamental role of our government: Now, therefore,

41 *Be it resolved by the House of Representatives of the State of Kansas,*
42 *the Senate concurring therein:* That the Joint Committee on Fiduciary
43 Financial Institutions Oversight, the sponsors of this resolution and the

1 State Treasurer, where appropriate, at the direction of the Kansas
2 Legislature, shall work with concerned parties to study the topic of ESG
3 standards and shall draft legislation that protects the State of Kansas and
4 its citizens from the use of ESG standards; and

5 *Be it further resolved:* That the Joint Committee on Fiduciary
6 Financial Institutions Oversight shall report such committee's findings
7 and recommendations, along with proposed legislation, to the Legislative
8 Coordinating Council in November 2023 and to the Kansas Legislature
9 on or before January 8, 2024; and

10 *Be it further resolved:* That the Secretary of State shall send an
11 enrolled copy of this resolution to the Chairperson of the Joint Committee
12 on Fiduciary Financial Institutions Oversight and the State Treasurer.
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