

House Concurrent Resolution No. 5034

By Representatives Murphy, Averkamp, Bergquist, Blex, Collins, Ellis, Esau, French, Garber, Helmer, Hoffman, Howell, Jacobs, Lee, Neelly, Newland, Penn, Proctor, Resman, Rhiley, Seiwert, Sutton, Tarwater, Thomas, Waggoner and Williams

3-23

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 United
8 States Constitution as the supreme law of the land that cannot be usurped
9 in any form or by any outside forces, including those that may come from
10 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 so that they can be compared, rewarded or potentially
21 punished according to such factors; 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 United States Constitution;
32 and

33 WHEREAS, Klaus Schwab, founder and executive chairman of the

1 ability to compete; and

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

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

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

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

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

26 WHEREAS, Free market capitalism requires a level playing field and
27 the S, Various states have considered legislation to address the risks of
28 ESG to their citizens; and

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

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

37 WHEREAS, Protecting those proper rights and freedoms is the
38 fundamental role of our government: Now, therefore,

39 *Be it resolved by the House of Representatives of the State of Kansas,*
40 *the Senate concurring therein:* That the Joint Committee on Fiduciary
41 Financial Institutions Oversight, the sponsors of this resolution and the
42 State Treasurer, where appropriate, at the direction of the Kansas
43 Legislature, shall work with concerned parties to study the topic of ESG

1 standards and shall draft legislation that protects the State of Kansas and
2 its citizens from the use of ESG standards; and

3 *Be it further resolved:* That the Joint Committee on Fiduciary
4 Financial Institutions Oversight shall report such committee's finding and
5 recommendations, along with proposed legislation, to the Legislative
6 Coordinating Council in November, 2022, and to the Kansas Legislature
7 on or before January 9, 2023; and

8 *Be it further resolved:* That the Chief Clerk of the House of
9 Representatives shall send an enrolled copy of this resolution to the
10 Chairperson of the Joint Committee on Fiduciary Financial Institutions
11 Oversight and the State Treasurer.