

116TH CONGRESS
2D SESSION

H. R. 8880

To establish the Compassionate Capitalist Award to recognize organizations that substantially benefit the well-being of their employees, stakeholders, and communities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 4, 2020

Mr. PHILLIPS (for himself, Mr. EVANS, Mr. CASE, and Ms. CRAIG) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To establish the Compassionate Capitalist Award to recognize organizations that substantially benefit the well-being of their employees, stakeholders, and communities, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Honoring Organiza-
5 tions Nationally for Ethics, Sustainability, and Trust Act”
6 or the “HONEST Enterprise Act”.

1 **SEC. 2. ESTABLISHMENT OF THE COMPASSIONATE CAPI-**
2 **TALIST AWARD.**

3 (a) IN GENERAL.—There is established the Compas-
4 sionate Capitalist Award (in this section referred to as the
5 “award”), which shall be evidenced by a certificate and
6 a medal that—

7 (1) bear the inscriptions the “Compassionate
8 Capitalist Award” and “Doing Business Better”;
9 and

10 (2) incorporate such design and materials, and
11 bears such additional inscriptions, as the Secretary
12 of Commerce (in this section referred to as the “Sec-
13 retary”) determines appropriate.

14 (b) PRESENTATION OF AWARD.—The President or
15 the Secretary shall annually present, with such ceremonies
16 as the President or Secretary determines appropriate, the
17 award to organizations nominated under subsection (d)
18 that the Secretary determines are deserving of recognition
19 for substantially benefitting the well-being of their employ-
20 ees, stakeholders, and communities with respect to the fol-
21 lowing areas:

22 (1) ENVIRONMENTAL STEWARDSHIP.—The de-
23 gree to which an organization has in place practices
24 to manage the environmental impact of its oper-
25 ations, supply chain, and distribution channels, in-

cluding with respect to air, water, land, biodiversity,
and climate effects.

(2) GOVERNANCE.—The mission, ethics, and
transparency of an organization, including, if appli-
cable, the organization’s corporate leadership struc-
ture and executive compensation.

(3) SOCIAL RESPONSIBILITY.—The degree to
which an organization contributes to the commu-
nities in which it operates and obtains resources
from, including the organization’s practices with re-
spect to diversity, equity, inclusion, civic engage-
ment, charitable giving, and refraining from doing
business with exploitative countries.

(4) WORKER EMPOWERMENT.—The degree to
which an organization contributes to the financial
security, workplace safety, healthcare coverage,
wellness, engagement, satisfaction, and career devel-
opment of employees, and the degree to which an or-
ganization provides a fair and living wage.

(c) ELIGIBLE ORGANIZATIONS.—

(1) IN GENERAL.—The President or the Sec-
retary shall present the award to at least one organi-
zation each year in each of the following categories:

(A) Small businesses (at least 10 and
fewer than 50 employees).

1 (B) Midsized businesses (at least 50 and
2 fewer than 250 employees).

3 (C) Large businesses (at least 250 employ-
4 ees and fewer than 1,000 employees).

5 (D) Very large businesses (at least 1,000
6 employees).

7 (2) TOTAL NUMBER OF AWARDS.—Not more
8 than 18 awards may be awarded each year.

9 (3) EXCEPTION.—Notwithstanding paragraph
10 (1), no award shall be awarded in a given category
11 if the Secretary determines that no organization
12 qualifies for the award with respect to such cat-
13 egory.

14 (d) ESTABLISHMENT OF BOARD OF DIRECTORS.—

15 (1) IN GENERAL.—The Secretary shall establish
16 a board of directors to nominate organizations for
17 the award and assist with administration of the
18 award.

19 (2) COMPOSITION.—The board shall be com-
20 posed of the following:

21 (A) The Assistant Secretary of Commerce
22 for Economic Development, who shall serve as
23 chairperson of the board.

1 (B) The Administrator of the Wage and
2 Hour Division of the Department of Labor, who
3 shall serve as vice chairperson of the board.

4 (C) At least 6 individuals appointed by the
5 Secretary of Commerce, who shall include—

6 (i) 2 individuals representing inde-
7 pendent nonprofit entities that have dem-
8 onstrated leadership and excellence in the
9 field of standard setting and measurement
10 with respect to stakeholder impact;

11 (ii) 2 individuals representing cor-
12 porate business entities that have dem-
13 onstrated a history of service to society;
14 and

15 (iii) 2 individuals representing orga-
16 nized labor entities.

17 (3) DIVERSITY.—In making appointments to
18 the board, the Secretary shall take actions to ensure
19 the diversity of the membership with respect to race,
20 ethnicity, and gender.

21 (4) EVALUATION TOOL.—The board shall seek
22 to enter into contracts with appropriate entities to
23 develop an online evaluation tool that—

24 (A) is based on standards specific to the
25 category of business an organization qualifies as

1 under subsection (c)(1) that are developed in
 2 consultation with such entities;

3 (B) provides for each organization consid-
 4 ered for an award a numerical score with re-
 5 spect to each of the areas specified in sub-
 6 section (b), using the standards described in
 7 subparagraph (A);

8 (C) provides for each organization consid-
 9 ered for an award a total numerical score; and

10 (D) assists the board in making nomina-
 11 tions under paragraph (1).

12 (5) ADDITIONAL VERIFICATION.—The board
 13 shall take actions to verify the accuracy of the facts
 14 presented by organizations seeking nomination for
 15 the award, including by soliciting employee feedback.

16 (6) ANNUAL REPORT.—The board shall annu-
 17 ally submit to the Secretary a report that includes—

18 (A) nominations for the award; and

19 (B) an assessment of the process for pre-
 20 senting awards under this section, including
 21 recommendations for improving such process.

22 (e) AWARD ELIGIBILITY REQUIREMENTS.—

23 (1) APPLICATION.—An organization may be
 24 considered for an award upon submitting to the Sec-
 25 retary an application in such form, at such time,

1 and containing such information as the Secretary
2 determines appropriate, including information nec-
3 essary for purposes of the evaluation tool described
4 in subsection (d)(4).

5 (2) PRIOR RECIPIENT QUALIFICATION.—An or-
6 ganization that has previously received the award is
7 eligible to receive an additional award if at least 5
8 years have elapsed from the date such organization
9 previously received the award.

10 (f) MODIFICATION OF AREAS.—The Secretary may,
11 on the basis of recommendations made by the board, make
12 modifications to the areas specified in subsection (b),
13 which shall be effective 30 days after the date on which
14 the Secretary submits a detailed description of such modi-
15 fications to Congress.

16 (g) INFORMATION TRANSFER.—The Secretary shall
17 issue to each organization that applies for the award—

18 (1) the results of the evaluation with respect to
19 such organization; and

20 (2) information with respect to the organiza-
21 tions to whom the award was presented and the
22 practices that the Secretary used as a basis to
23 present such award to such organizations.

24 (h) FUNDING.—

1 (1) IN GENERAL.—The Secretary may solicit
2 and accept gifts from public and private entities,
3 and may use such gifts without further appropria-
4 tion, to carry out this section.

5 (2) DONOR AWARD INELIGIBILITY.—An entity
6 that makes a gift under this subsection shall not be
7 eligible to receive the award after such gift has been
8 made.

9 (i) REPORT.—Not later than 1 year after the date
10 of enactment of this Act, the Secretary shall submit to
11 the President and Congress a report on the progress made
12 with respect to the award and any recommendations relat-
13 ing to the process of presenting such award.

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