

HOUSE No. 2592

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act relative to investment in companies doing business in Burma..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Subdivision (2) of Section 23 of Chapter 32 of the General Laws, as amended by Chapter
2 119 of the Acts of 1997 first annual session, is hereby amended by inserting after the word
3 “products”, the following:

4 and no new investment funds shall be made in stocks, securities, or other obligations of
5 any company doing business in or with the country of Burma (Myanmar). For the purposes of
6 Section 23, the following words shall, unless the context indicates otherwise, have the following
7 meanings:

8 Sec. 1 DEFINITIONS

9 (1) “Company”: any partnership, firm, association, corporation or other entity, or their
10 subsidiaries.

11 (2) “Doing business with Burma”:

12 (A) providing goods, commercial services or financial services to the government of
13 Burma or an enterprise in which the government of Burma has an ownership interest. For

14 purposes of this section, financial services include providing direct loans, underwriting
15 government securities, providing any consulting advice or assistance, providing brokerage
16 services or acting as a trustee or escrow agent; or

17 (B) participating in a joint venture or investment with the government of Burma or an
18 enterprise in which the government of Burma has an ownership interest.

19 (C) “Government of Burma” includes any public or quasi-public entity operating within
20 Burma (Myanmar), including, but not limited to, municipal, provincial, national or other
21 governmental and military bodies, including all departments and agencies of such bodies, public
22 utilities, public facilities, or any national corporation in which Burma has a financial interest or
23 operational responsibilities.

24 Sec. 2. SUPPORT FOR SHAREHOLDER RESOLUTIONS

25 (a) For companies doing business with the government of Burma whose securities are
26 held in the portfolios of the boards of the municipal employees’ retirement system, the
27 Massachusetts state retirement system or the state teachers’ retirement system, the state treasurer
28 shall implement the purposes of this act by filing shareholder resolutions and/or voting in favor
29 of shareholder resolutions filed by other shareholders when those resolutions raise concerns
30 about doing business in Burma, including requests:

31 (1) to report on company activities in Burma;

32 (2) to report on the full costs of doing business in Burma;

33 (3) to address human rights or drug trafficking conditions in Burma; or

34 (4) to establish human rights guidelines.

35 (b) For companies doing business with the government of Burma whose securities are
36 held in the portfolios of the boards of the municipal employees' retirement system, the
37 Massachusetts state retirement system or the state teachers' retirement system, the state treasurer
38 may co-file shareholder resolutions filed by shareholders of companies that do business with the
39 government of Burma when those resolutions raise concerns about doing business in Burma.

40 (c) This section authorizes only those actions that comply with the relevant rules of the
41 U.S. Securities and Exchange Commission.

42 Sec. 3. NOTIFICATION OF COMPANY

43 When voting for a resolution under Sec. 3 of this act, the state treasurer shall separately
44 notify the company in a letter reciting the legislative findings contained in Sec. 1 of this act and
45 stating that Massachusetts wishes to express its grave concern regarding the company's
46 economic ties to the government of Burma and its oppressive system, including the serious moral
47 issues and the potential economic risk associated with investing with the government of Burma.

48 Sec. 4 REPORTS

49 The state treasurer shall produce a written report to the General Court of Massachusetts
50 by July 31st each year describing the actions that the state treasurer has taken in compliance with
51 this act.

52 Sec. 5 EFFECTIVE DATE; SUNSET

53 (a) This act shall take effect upon passage.

54 (b) This act shall be repealed on the date the state treasurer certifies to the General Court
55 that the United States Secretary of State has determined that the democratically elected leaders of
56 Burma are exercising the powers and duties of the offices to which they were elected.