

HOUSE No. 1208

The Commonwealth of Massachusetts

PRESENTED BY:

Kevin J. Murphy

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act calling for accountability of the Commissioner of Insurance by converting the position to an elected office.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Kevin J. Murphy</i>	<i>18th Middlesex</i>	<i>1/20/2011</i>
<i>Thomas A. Golden, Jr.</i>	<i>16th Middlesex</i>	<i>2/4/2011</i>

HOUSE No. 1208

By Mr. Murphy of Lowell, a petition (accompanied by bill, House, No. 1208) of Kevin J. Murphy and Thomas A. Golden, Jr. for legislation to establish the office of Commissioner of Insurance as an elected position. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 995 OF 2009-2010.]

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act calling for accountability of the Commissioner of Insurance by converting the position to an elected office.

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

1 SECTION 1. Chapter 175 of the General Laws is hereby amended by adding after
2 Section 3B the following new sections:—

3 Section 3C. Election of Insurance Commissioner.

4 (a) “Commissioner”, as used in this section, is the commissioner of the division of
5 insurance.

6 (b) The commissioner shall be elected by the people in the same time, place, and
7 manner, and for the same term, as the Governor.

8 (c) The commissioner in office on the effective date of this section shall continue in
9 office for the remainder of the term for which the commissioner was appointed and until a
10 successor is duly elected and qualified.

11 (d) The commissioner of insurance shall be a person having experience with
12 insurance and matters relating thereto; and shall give personal presence and attention to the
13 duties of the office; but in no case shall such commissioner be in the employment of any
14 insurance company or have any official connection with any insurance company or insurance
15 agency, or have any financial interest in any insurance company or insurance agency other than
16 as policyholder.

17 (e) The commissioner may be removed from office for just cause, as provided by the
18 impeachment provisions of the constitution of the commonwealth.

19 (f) A vacancy in the office of commissioner shall be filled by appointment by the
20 Governor.

21 Section 3D. Contributions to Insurance Commissioner.

22 (a) Definitions. As used in this section, the following terms shall have the following
23 meanings:

24 “Bundling” means the process by which campaign contributions are gathered from
25 more than one individual or committees that gather funds and provide them in a coordinated
26 fashion to a candidate, a campaign committee or an entity thereof.

27 “Campaign committee” means the candidate, person, or committee which accepts
28 contributions to bring about the nomination for elections of an individual to the office of
29 insurance commissioner.

30 “Contribution” means a gift, subscription, membership, loan, forgiveness of debt,
31 advance or deposit of money, or anything of value conveyed or transferred for the purpose of
32 influencing the nomination for election or election of an individual to the office of insurance
33 commissioner or encouraging the holder of such office to seek reelection.

34 The term “contribution” shall include the payment of a qualifying fee for and on
35 behalf of a candidate for the office of insurance commissioner and any other payment or
36 purchase made for and on behalf of the holder of the office of insurance commissioner or for or
37 on behalf of a candidate for that office when such payment or purchase is made for the purpose
38 of influencing the nomination for election or election of the candidate and is made pursuant to
39 the request or authority of the holder of such office, the candidate, the campaign committee of
40 the candidate, or any other agent of the holder of such office or candidate. The term
41 “contribution” shall not include the value of personal services performed by persons who serve
42 on a voluntary basis without compensation from any source.

43 “Insurance Commissioner” means the commissioner of the division of insurance.

44 “Political action committee” means any committee, club, association, partnership,
45 corporation, labor union, or other group of persons which receives donations aggregating in
46 excess of one thousand dollars during a calendar year from persons who are members or
47 supporters of the committee and which distributes these funds as contributions to one or more

48 campaign committees of candidates for public office. Such term does not mean a campaign
49 committee.

50 “Regulated entity” means any person who is required by law to be licensed by or
51 subject to the jurisdiction of the insurance commissioner or a board under the jurisdiction of the
52 insurance commissioner, any person who leases property owned by or for a state department, or
53 any person who engages in a business or profession which is regulated by an elected executive
54 officer.

55 (b) No regulated entity and no person or political action committee acting on behalf
56 of a regulated entity shall make a contribution to or on behalf of a person holding office as
57 insurance commissioner regulating such entity or to or on behalf of a candidate for the office of
58 insurance commissioner regulating such entity or to or on behalf of a campaign committee of any
59 such candidate.

60 (c) No person holding office as insurance commissioner and no candidate for the
61 office of insurance commissioner and no campaign committee of a candidate for the office of
62 insurance commissioner shall accept a contribution in violation of subsection (b) of this section.

63 (d) No person who is a present employee, director, consultant, or attorney of, or who
64 is affiliated with, any regulated entity shall participate in the bundling of contributions to a
65 candidate for the office of insurance commissioner. Violation of this section shall be punished by
66 a fine of not less than ten thousand dollars nor more than fifty thousand dollars.

67 (e) It shall be unlawful and a violation of this section for any regulated entity or other
68 person to require another by coercive action to make any contribution to a candidate or the

69 campaign committee of a candidate. Violation of this section shall be punished by a fine of not
70 less than ten thousand dollars nor more than fifty thousand dollars.

71 (f) All candidates for insurance commissioner shall disclose the following
72 information to the secretary of state in computerized form: the contributor's full name, home
73 address, the date of the contribution, and the amount of the contribution.

74 (g) Candidates for insurance commissioner are prohibited from accepting any
75 donation or contribution unless all of the information required in section (2) subsection (f) is
76 provided.