SENATE DOCKET, NO. 1531 FILED ON: 1/21/2011

SENATE . . . . . No. 305

The Commonwealth of Massachusetts

PRESENTED BY:

James B. Eldridge

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 relative to accountability for corporate political spending.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
James B. Eldridge	
Cory Atkins	*14th Middlesex*
Kay Khan	*11th Middlesex*
Tom Sannicandro	*7th Middlesex*
George T. Ross	*2nd Bristol*
Carl M. Sciortino, Jr.	*34th Middlesex*
Jason M. Lewis	*31st Middlesex*
Jennifer E. Benson	*37th Middlesex*
William N. Brownsberger	
Sal N. DiDomenico	*Middlesex, Suffolk, and Essex*
Patricia D. Jehlen	
Sonia Chang-Diaz	
Alice K. Wolf	*25th Middlesex*
Carolyn C. Dykema	*8th Middlesex*
John V. Fernandes	*10th Worcester*
Linda Dorcena Forry	*12th Suffolk*
Kate Hogan	*3rd Middlesex*
Stephen Kulik	*1st Franklin*

Elizabeth A. Malia	*11th Suffolk*
Christopher N. Speranzo	*3rd Berkshire*
Ellen Story	*3rd Hampshire*
Charles A. Murphy	*21st Middlesex*

SENATE DOCKET, NO. 1531 FILED ON: 1/21/2011

SENATE . . . . . No. 305

By Mr. Eldridge, a petition (accompanied by bill, Senate, No. 305) of James B. Eldridge, Cory Atkins, Kay Khan, Tom Sannicandro and other members of the General Court for legislation relative to accountability for corporate political spending. Election Laws.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relative to accountability for corporate political spending.

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

SECTION 1. This Act may be cited as the "Massachusetts Corporate Accountability Act of 2011".

SECTION 2. Chapter 156B of the General Laws is hereby amended by inserting after section 8 the following new section: -

Section 8A. (a) In this section: (1) "political activity" shall mean any contribution, expenditure, independent expenditure, or electioneering communication, as defined by section 1 of chapter 55; but "political activity" does not include: (i) activity defined as lobbying under any local, state or federal law; (ii) communication by a corporation to its stockholders and executive or administrative personnel and their families; or (iii) any nonpartisan registration and get-out-the-vote campaign by a corporation aimed at its stockholders and executive or administrative personnel and their families; (2) "filing date" shall mean January 1, April 1, July 1, and October

12 1; (3) In this section, “reporting period” shall mean the period between the prior filing date and
13 15 days before the next filing date.

14 (b) Any corporation which is subject to the requirements of this chapter and is not
15 defined as a political committee by section 1 of chapter 55 that engages in political activity
16 during the reporting period shall file a written report to its shareholders on the first filing date
17 following the end of the reporting period during which the corporation engaged in political
18 activity. A copy of such written report shall be provided to the Office of Campaign and Political
19 Finance in a form prescribed by the director. The director shall develop and distribute a form for
20 filing such written reports. A report made pursuant to this subsection shall: (1) require an
21 electronic signature from the treasurer at the time of the filing of the campaign finance report; (2)
22 be made subject to the penalties for perjury; and (3) include (i) the date, amount and purpose of
23 any political activity engaged in by the corporation or a separate segregated fund affiliated with
24 the corporation and (ii) the identity of any candidate for state or local office referred to in any
25 independent expenditure or electioneering communication made by the corporation or a separate
26 segregated fund affiliated with the corporation. If this subsection requires a corporation to file
27 more than one written report during a one-year period, such reports shall be cumulative during
28 the calendar year to which they relate.

29 (c) Any corporation subject to the requirements of this chapter which is defined as a
30 political committee by section 1 of chapter 55 must file with its shareholders the report filed
31 under section 18 of Chapter 55. These reports shall be filed with the shareholders on the first
32 filing date after the report is filed with the Office of Campaign and Political Finance.

33 (d) A copy of the reports filed under this section shall be posted immediately on the
34 corporation's website, if any, and kept available for at least one year.

35 SECTION 3. Chapter 156B is hereby amended by inserting after section 54 the
36 following new section:-

37 54A. Political Expenditures:--

38 (a) Notwithstanding any general or special law to the contrary, no corporation, or trade,
39 business, or professional association nor any other entity under this title shall make any
40 campaign contribution or expenditure or combination of contributions or expenditures totaling
41 an excess of $5,000 unless specifically authorized to do so by the affirmative authorization of a
42 majority of the board of directors of the corporation, of the executive committee of the trade,
43 business, or professional association or similar body at a regular or special meeting thereof.

44 In addition, any corporation or trade, business, or professional association violating any
45 provision of this section shall be punished by a fine of not more than one $1,000 and any officer,
46 director or agent of the corporation violating any provision thereof or authorizing such violation
47 of any provision thereof, or any person who violates or in any way knowingly aids or abets the
48 violation thereof, shall be punished by a fine of not more than $1,000 or by imprisonment for not
49 more than one year, or both.