

HOUSE No. 4470

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, February 27, 2020.

The committee on Revenue, to whom was referred the petition (accompanied by bill, House, No. 2414) of Antonio F. D. Cabral, Tram T. Nguyen and others for legislation to authorize voluntary contributions on income tax returns for a separate fund to be known as the Massachusetts fund for vulnerable countries most affected by climate change, reports recommending that the accompanying bill (House, No. 4470) ought to pass.

For the committee,

MARK J. CUSACK.

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**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act to allow individual donations to countries vulnerable to climate change.

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 10 of the General Laws, as so appearing in the 2018 Official
2 Edition, is hereby amended by inserting after section 35LLL the following section:

3 35MMM: Massachusetts Fund for Vulnerable Countries Most Affected by Climate
4 Change

5 Section35MMM. There shall be established and set up on the books of the
6 commonwealth a separate fund to be known as the Massachusetts Fund for Vulnerable Countries
7 Most Affected by Climate Change, hereinafter the MFVC, to further the mission of the United
8 Nations Least Developed Countries Fund, hereafter referred to as the UN LDCF, established by
9 the United Nations Framework Convention on Climate Change to help under-developed nations
10 adapt to climate change.

11 Said MFVC shall be a tax return-enabled contribution option for the purposes of chapter
12 62 and shall be authorized to receive and hold for transfer to the UN LCDF all monies (i)

13 received by the commonwealth pursuant to section 6O of chapter 62, and (ii) received from
14 public and private sources as gifts, grants, and donations to the UN LDCF.

15 The state treasurer shall deposit monies in said MFVC in accord with state law and in
16 such manner as will secure the highest interest rate available consistent with the safety of the
17 fund; provided, that all amounts on deposit shall thereafter be available for transfer to (i) the UN
18 LDCF upon request by a UN LDCF Trustee pursuant to a UN LDCF Contribution Agreement or
19 (ii) a not-for-profit organization that is tax-exempt under section 501(c)(3) of the Internal
20 Revenue Code and whose work furthers the mission of the UN LDCF by providing it financial
21 support.

22 SECTION 2. Chapter 62 of the General Laws as so appearing in the 2018 official edition
23 is hereby amended by inserting in section 1 the following definition:

24 “Tax return-enabled contribution option”, any account or fund appearing on a personal
25 income tax return form prescribed and furnished by the commissioner, and to which a person
26 filing a personal income tax return individually, or a couple filing a personal income tax return
27 jointly, may voluntarily contribute all or part of a refund due from the commonwealth or an
28 amount of money over and above any tax owed to the commonwealth.

29 SECTION 3. Chapter 62 of the General Laws as so appearing in the 2018 official edition
30 is hereby amended by inserting after section 6N the following sections:

31 Massachusetts Fund for Vulnerable Countries Most Affected by Climate Change,
32 voluntary contributions.

33 Section 6O. (a) A person filing a personal income tax return individually, or a couple
34 filing a personal income tax return jointly, may voluntarily contribute all or part of a refund due
35 from the commonwealth, or an amount of money over and above any tax owed to the
36 commonwealth, to the Massachusetts Fund for Vulnerable Countries Most Affected by Climate
37 Change, hereinafter the MFVC, established in section 35MMM of chapter 10.

38 (b) A person filing a personal income tax return individually, or a couple filing a personal
39 income tax return jointly, may make a voluntary contribution to the MFVC with respect to any
40 tax year at the time of the filing of a return of a tax established by this chapter for such year. All
41 personal income tax forms prescribed by and furnished by the commissioner shall include a clear
42 indication of, and a convenient opportunity to exercise, the option to contribute to the MFVC;
43 provided, further, that said forms and public materials and documents related thereto shall refer
44 to the MFVC contribution option as the “Massachusetts Fund for Vulnerable Countries Most
45 Affected by Climate Change”.

46 (c) The commissioner shall annually report total monies contributed pursuant to this
47 section to the state treasurer, who shall deposit said monies in the Massachusetts Fund for
48 Vulnerable Countries Most Affected by Climate Change established in section 35MMM of
49 chapter 10.

50 Section 6P (a) Notwithstanding any statute or administrative action to the contrary, no tax
51 return-enabled contribution option shall appear on a personal income tax return form prescribed
52 and furnished by the commissioner without express legislative authorization.

53 (b) Notwithstanding any statute or administrative action to the contrary, each tax return-
54 enabled contribution option appearing on the personal income tax return form for the immediate

55 past year and for five or more total years to which total dollar contributions have not, in any of
56 the five most recent years, equaled or exceeded eighty percent of the average of total dollar
57 contributions made in the respective tax year to all tax return-enabled contribution options
58 included on said form for said year, shall not appear on personal income tax return forms for a
59 minimum of five tax years thereafter; provided, further, that each tax return-enabled contribution
60 option appearing on the personal income tax return form for a total of four or fewer years shall,
61 as a condition of continuing to appear on the form after the fifth year of so appearing, have
62 received, in at least one of the initial five years, total dollar contributions equal to, or in excess
63 of, eighty percent of the average of total dollar contributions made in the respective tax year to
64 all tax return-enabled contribution options included on said form for said year; provided, further,
65 that in the event of the failure of a tax return-enabled contribution option to satisfy said
66 condition, said contribution option shall not appear on personal income tax return forms for a
67 minimum of five tax years thereafter; and, provided, further, that the commissioner may depart
68 from the requirements of this paragraph only to the extent of ensuring that no fewer than three
69 tax return-enabled contribution options, consisting of any combination of (i) new contribution
70 options and (ii) contribution options previously authorized and receiving the highest total dollar
71 contributions for the five most recent years, shall appear on the personal income tax return forms
72 of the commonwealth for each tax year.

73 (c) Notwithstanding any other provisions of this section, no more than nine, and no fewer
74 than three, tax return-enabled contribution options shall appear on personal income tax return
75 forms of the commonwealth for any one tax year.

76 (d) The text of each tax return-enabled contribution option printed on a personal income
77 tax return form shall indicate the principal entity or entities authorized to assume possession of,
78 or expend or disburse, monies in the account or fund associated with said contribution option.

79 (e) The administrator of each entity that assumes possession of, or disburses, monies
80 maintained in an account or fund associated with a tax return-enabled contribution option shall
81 compile an annual report on the account's or fund's expenditures and disbursements during the
82 previous tax year. Said annual report shall include, except as is necessary to comply with privacy
83 laws: (i) the identity of each individual, organization, agency or program in receipt of
84 expenditures or disbursements of two thousand dollars or more from the fund together with the
85 dollar amount received; and (ii) a description of the process or criteria according to which said
86 recipients were identified and selected. Said report shall be submitted to the commissioner, joint
87 house and senate committee on revenue, and house and senate committees on ways and means.

88 (f) The administrator of each entity that assumes possession of, or disburses, monies
89 maintained in an account or fund associated with a tax return-enabled contribution option shall
90 provide, except as is necessary to comply with privacy laws, any information requested by the
91 attorney general, state auditor, inspector general, senate or house committees on post audit and
92 oversight, the commissioner, or any department, agency or law enforcement body investigating
93 suspected financial abuse. The superior court shall have jurisdiction over disputed requests for
94 information.

95 (g) The state auditor, pursuant to section 12 of chapter 11, shall audit any accounts or
96 funds associated with each tax return-enabled contribution option once every 5 years at a
97 minimum and more often as the state auditor determines necessary. Following an audit, the

98 auditor shall make recommendations to the commissioner, the senate and house committees on
99 ways and means and the joint committee on revenue about changes in law or regulation that may
100 improve the efficiency and effectiveness of tax return-enabled contribution options and any
101 associated accounts or funds, decrease their costs, or prevent waste, fraud or abuse. If the auditor
102 finds substantial waste, fraud or abuse on the part of an administrator of any entity that assumes
103 possession of, or disburses, monies maintained in an account or fund associated with a tax
104 return-enabled contribution option, the auditor may recommend to the commissioner, in a writing
105 that shall include such findings, that said contribution option be removed from the tax form for a
106 number of tax years or that said administrator be barred from future involvement with said
107 contribution option. Upon receipt of such a recommendation, the commissioner may,
108 notwithstanding any general or special law to the contrary, remove said tax return-enabled
109 contribution option from the tax form for a number of tax years or bar said administrator from
110 future involvement with the contribution option.

111 (h) The attorney general or the commissioner may independently investigate allegations
112 of waste, fraud or abuse by an administrator of any entity authorized to assume possession of, or
113 expend or disburse, monies contributed to an account or fund associated with a tax return-
114 enabled contribution option, including allegations referred by the auditor. The attorney general
115 may initiate an action in superior court to enjoin the deposit of monies by the state treasurer in
116 any such account or fund or the expenditure of monies by said administrator. The attorney
117 general or the commissioner may initiate an action in superior court to recover any monies
118 alleged to have been lost because of said waste, fraud or abuse.