

SENATE No. 621

The Commonwealth of Massachusetts

PRESENTED BY:

Mark C. Montigny

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 executive compensation for mutual companies.

PETITION OF:

NAME:

Mark C. Montigny

DISTRICT/ADDRESS:

Second Bristol and Plymouth

SENATE No. 621

By Mr. Montigny, a petition (accompanied by bill, Senate, No. 621) of Mark C. Montigny for legislation relative to compensation of executive officers for mutual companies. Financial Services.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 561 OF 2017-2018.]

The Commonwealth of Massachusetts

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

An Act relative to executive compensation for mutual companies.

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. Section 19x of chapter 175 of the General Laws, as appearing in the 2016
2 Official Edition, is hereby amended by inserting in line 2 after the word “of” the following
3 words:- “ all conflicts of interest, whether direct or indirect; and” and;

4 By inserting at the end of subsection (a) the following words:- “At least once every 3
5 years, a proxy or consent or authorization or solicitation or notice of an annual meeting, in a
6 form of which the commissioner of insurance shall determine, of a mutual company shall include
7 a separate resolution subject to a non-binding vote to approve or disapprove the compensation of
8 the named executive officers or directors. The commissioner shall promulgate regulations with
9 the express purpose of increasing transparency in executive compensation and which are
10 necessary to carry out the provisions of this section.