

**HOUSE . . . . . No.**

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**The Commonwealth of Massachusetts**

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PRESENTED BY:

***Steven Owens and Jennifer Balinsky Armini***

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*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 prohibiting the use of ratepayer funds for utility lobbying, promotions, or perks.

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PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Steven Owens</i>	<i>29th Middlesex</i>	<i>1/3/2025</i>

**HOUSE . . . . . No.**

[Pin Slip]

**The Commonwealth of Massachusetts**

**In the One Hundred and Ninety-Fourth General Court  
(2025-2026)**

An Act prohibiting the use of ratepayer funds for utility lobbying, promotions, or perks.

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

1 Chapter 164 of the general laws is hereby amended by striking out section 33A and  
2 inserting in place thereof the following section:-

3 Section 33A. (a) No gas or electric company regulated by the department under this  
4 chapter may recover from any ratepayer of such company any direct or indirect expenditure by  
5 such company for promotional or political advertising as defined in this section.

6 For the purposes of this section, the following words and phrases shall have the following  
7 meanings:—

8 "Advertising", the commercial use by a utility of any media, including newspaper, printed  
9 matter, radio, and television, in order to transmit a message to a substantial number of members  
10 of the public or to such utility's consumers, including any costs associated with research,  
11 analysis, preparation, planning, or any other related costs identified by the department as related  
12 to public communication whose purpose is to promote the sale or consumption of natural gas,

13 electricity, or other thermal energy, unless such advertising is specifically approved or ordered  
14 by the department.

15 "Political advertising", any advertising for the purpose of influencing public opinion with  
16 respect to legislative, administrative, or electoral matters, or with respect to any controversial  
17 issue of public importance.

18 "Promotional advertising", any advertising for the purpose of encouraging any person to  
19 select or use the service or additional service of a utility regulated by the department, or the  
20 selection or installation of any appliance or equipment designed to use such utility's service.

21 For the purposes of this section, the terms "political advertising" and "promotional  
22 advertising" shall not include advertising which informs consumers of any utility on how they  
23 can conserve energy, reduce peak demand for energy, or other services, or otherwise use the  
24 services of any utility in a cost-efficient manner; is required by federal or state laws or  
25 regulations; informs consumers regarding service interruptions, safety measures, or emergency  
26 conditions; concerns employment opportunities with a utility; or relates to any explanation or  
27 justification of existing or proposed rate schedules, or notification of hearings thereon which  
28 informs consumers of and stimulates the use of products or services which are subject to direct  
29 competition from products or services of entities not regulated by the department or any other  
30 government agency. A communication shall be considered advertising, promotional advertising,  
31 or political advertising if any portion of the communication is advertising, promotional  
32 advertising, or political advertising as defined herein.

33 (b) No gas or electric company regulated by the department shall recover through rates  
34 any direct or indirect cost associated with: (i) membership, dues, sponsorships, or contributions

35 to any entity incorporated under Section 501 of the Internal Revenue Code of 1986, as amended,  
36 including business or trade associations; (ii) charitable giving expenses, including contributions  
37 in cash or other quantifiable value to organizations qualified under section 501(c)(3) or 501(c)(4)  
38 of the Internal Revenue Code of 1986, as amended; (iii) executive or legislative lobbying, as  
39 those terms are defined in section 39 of chapter 3, or soliciting others to engage in executive or  
40 legislative lobbying, including any costs for activities associated with lobbying such as policy  
41 research, analysis, preparation, and planning undertaken in support of lobbying; (iv)  
42 contributions to political candidates, campaign committees, issue committees, or independent  
43 expenditure committees or other political expenses; (v) institutional or good will advertising,  
44 which is primarily designed to improve the image of the company or the industry; (vi) litigation  
45 to influence, modify, or repeal existing federal, state or local regulations, legislation or  
46 ordinances; (vii) any costs, including marketing, administration, customer service, or other costs,  
47 for products or services not regulated by the department; (viii) tax penalties or fines issued  
48 against such company; (ix) travel, lodging, entertainment, gifts or food and beverage expenses  
49 for such company's board of directors and officers or the board of directors and officers of the  
50 parent of such company; (x) any owned, leased or chartered aircraft for such company's board of  
51 directors and officers or the board of directors and officers of the parent of such company; or (xi)  
52 investor relations.

53 (c) No gas or electric company regulated by the department shall recover through rates its  
54 direct or indirect costs associated with its attendance in, participation in, preparation for, or  
55 appeal of any contested proceeding conducted before the department. Such costs shall include,  
56 but need not be limited to, attorneys' fees, fees to engage expert witnesses or consultants, the

57 portion of employee salaries associated with such attendance, participation, preparation or appeal  
58 of a contested proceeding and related costs identified by the department.

59 (d) On or before March 1, and annually thereafter, each gas or electric company regulated  
60 by the department shall report to the department a list of expenses from the previous calendar  
61 year to ensure such company's compliance with this section. Such report shall include, but need  
62 not be limited to: (i) a list of all outside services or vendors paid by such company; (ii) an  
63 itemized list of all expenses associated with activities described in subsections (a), (b), (c) for  
64 which recovery is prohibited by this section, including expenses made to third-party vendors,  
65 affiliates of such company, subsidiaries or parent of such company, or such company's  
66 employees in the form of compensation; (iii) for each itemized expense associated with activities  
67 described in subsections (a), (b), (c), for which recovery is prohibited by this section, the billing  
68 amount, date, identity of payee, and an explanation of the expense sufficient to describe its  
69 purpose; (iv) the job title, portion of salary, and expenses of any employees of such company, or  
70 any affiliates or parent of such company, for performed work associated with the activities  
71 described in subsections (a), (b), (c), for which recovery is prohibited by this section; (v) in the  
72 case of an expense associated with activities described in subsections (a), (b), (c) for which  
73 recovery is prohibited by this section, made to a third-party vendor by a centralized service  
74 company, parent of such company, or other corporate affiliate of such company, the identity of  
75 that third-party vendor; and (vi) any other itemized information deemed relevant by the  
76 department.

77 No gas or electric company regulated by the department shall recover through rates any  
78 costs associated with the preparation of such report.

79 (e) The department and the office of ratepayer advocacy established pursuant to section  
80 11E of chapter 12 shall monitor and investigate compliance and noncompliance with this section.  
81 If the department determines that a gas or electric company regulated by the department  
82 improperly recorded an expense for which recovery is prohibited by this section, the department  
83 shall assess a non-recoverable penalty against such company in an amount that is not less than  
84 the total amount of costs improperly recorded. In addition to assessing a non-recoverable penalty  
85 against a company pursuant to this subsection, the department shall order such company to  
86 refund the amount improperly recovered, plus interest, to customers. For each penalty assessed  
87 and collected from any such company pursuant to this section, a portion of the penalty, as  
88 determined by the department, may be distributed to ratepayers through a rebate, or distributed to  
89 the department and the office of ratepayer advocacy for the purpose of increasing resources for  
90 enforcing this section.