

**SENATE . . . . . No.**

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**The Commonwealth of Massachusetts**

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PRESENTED BY:

***Mark C. Montigny***

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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 relative to public charity executive and board of directors compensation.

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PETITION OF:

NAME:

*Mark C. Montigny*

DISTRICT/ADDRESS:

*Second Bristol and Plymouth*

**SENATE . . . . . No.**

[Pin Slip]

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 1067 OF 2023-2024.]

**The Commonwealth of Massachusetts**

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

An Act relative to public charity executive and board of directors compensation.

*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 180 of the General Laws, as appearing in the 2022 Official  
2 Edition, is hereby amended by inserting after section 29 the following sections:-

3 Section 30. Any public charity with annual gross revenues in excess of \$1,000,000.00  
4 are subject to the following provisions:

5 (a) no officer, director acting in an executive capacity, or senior manager shall receive  
6 annual compensation in excess of \$500,000.00;

7 (b) compensation, as defined by this section, includes salary, bonus payments, incentive  
8 payments, deferred compensation, severance payments, below market rate loans, and the lease or  
9 rental of any vehicle.

10 Section 31. Board of director or trustees; prohibition against compensation

11           No public charity shall provide compensation as defined in subsection b of section 30 of  
12 this chapter to any member of the board of directors or trustees appointed by a public charity:  
13 provided, however, that a member of the board of directors or trustees may receive  
14 reimbursement for expenses directly related to the members duties and responsibilities as a  
15 member of the board.

16           Section 32. Waiver Hearing

17           Any public charity as defined in section 30 of this chapter seeking to compensate an  
18 officer, director, trustee, or senior manager in excess of the executive compensation cap as  
19 defined in section 30 of this chapter or compensate a member of the board of directors or trustees  
20 of the public charity shall be entitled to a public hearing before a commission comprised of the  
21 secretary of the commonwealth, inspector general, and the attorney general (“commission”).

22           Any public charity seeking said waiver shall request a hearing in writing to the  
23 commission indicating good cause for any deviation from the limits set forth in section 30 or  
24 section 31. The commission shall commence a hearing to consider whether good cause exists to  
25 issue said waiver within six months of receipt of a written request. No waiver shall be granted  
26 unless a finding of good cause is determined by the commission following the hearing.

27           Any public charity seeking a waiver from the commission shall engage an independent  
28 auditor at its own expense to provide the commission with a written report at least seven days  
29 prior to the hearing.

30           The commission shall review and consider the independent auditor’s report at the waiver  
31 hearing. The public charity and members of the general public shall be permitted to present  
32 additional evidence in support or opposition to such a waiver subject to the discretion of the

33 commission; all audit documents and any additional evidence submitted at a waiver hearing shall  
34 be deemed public records subject to section ten of chapter sixty-six of the general laws.

35         At the close of the waiver hearing, the commission shall weigh all evidence presented,  
36 the charitable purpose of the public charity, and the public interest of the commonwealth.

37         Any final determination as to whether a waiver shall be granted shall rest solely with the  
38 commission who shall make said determination in writing within thirty days of the waiver  
39 hearing. Such a waiver shall be granted only if deemed in the public interest of the  
40 commonwealth. If a waiver is granted, it shall be valid only for a period of five years from the  
41 date of the decision. A public charity may request a subsequent waiver hearing prior to the  
42 expiration of a valid waiver granted by the commission.

43         Section 33. Penalties

44         Any public charity found in violation of sections 30 or 31 and having failed to obtain a  
45 waiver pursuant to section 32, shall lose its status as a public charity under the laws of the  
46 commonwealth.