

HOUSE No. 02483

The Commonwealth of Massachusetts

PRESENTED BY:

Byron Rushing

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 passage of the accompanying bill:

An Act relating to shareholder advocacy with companies doing business in Burma (Myanmar).

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Byron Rushing</i>	<i>9th Suffolk</i>
<i>Denise Provost</i>	<i>27th Middlesex</i>
<i>Jason M. Lewis</i>	<i>31st Middlesex</i>
<i>Ruth B. Balsler</i>	<i>12th Middlesex</i>
<i>Thomas P. Conroy</i>	<i>13th Middlesex</i>
<i>Tom Sannicandro</i>	<i>7th Middlesex</i>
<i>Martha M. Walz</i>	<i>8th Suffolk</i>
<i>Gloria L. Fox</i>	<i>7th Suffolk</i>
<i>Kay Khan</i>	<i>11th Middlesex</i>

HOUSE No. 02483

By Mr. Rushing of Boston, a petition (accompanied by bill, House, No. 2483) of Provost and others for legislation to regulate the investment of public service funds relative to the investment in companies doing business in or with Burma (Myanmar).

Joint Committee on Public Service.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relating to shareholder advocacy with companies doing business in Burma (Myanmar).

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 23 of Chapter 32 of the General Laws is hereby amended by adding a new subdivision:

2 (_) No new investment funds shall be made in stocks, securities, or other obligations of any
3 company doing business in or with the country of Burma (Myanmar).

4 (b) For the purposes of Section 23, the following words shall, unless the context indicates
5 otherwise, have the following meanings:

6 DEFINITIONS

7 (1) “Company”: any partnership, firm, association, corporation or other entity, or their
8 subsidiaries.

9 (2) “Doing business with Burma”:

10 (A) providing goods, commercial services or financial services to the government of Burma or
11 an enterprise in which the government of Burma has an ownership interest. For purposes of this
12 section, financial services include providing direct loans, insurance, underwriting government
13 securities, providing any consulting advice or assistance, providing brokerage services or acting
14 as a trustee or escrow agent; or

15 (B) participating in a joint venture or investment with the government of Burma or an enterprise
16 in which the government of Burma has an ownership interest.

17 (C) "Government of Burma" includes any public or quasi-public entity operating within Burma
18 (Myanmar), including, but not limited to, municipal, provincial, national or other governmental
19 and military bodies, including all departments and agencies of such bodies, public utilities,
20 public facilities, or any national corporation in which Burma has a financial interest or
21 operational responsibilities.

22 (c) SUPPORT FOR SHAREHOLDER RESOLUTIONS

23 (i) For companies doing business with the government of Burma whose securities are held in the
24 portfolios of the boards of the municipal employees' retirement system, the Massachusetts state
25 retirement system or the state teachers' retirement system, the state treasurer shall implement the
26 purposes of this act by filing shareholder resolutions and/or voting in favor of shareholder
27 resolutions filed by other shareholders when those resolutions raise concerns about doing
28 business in Burma, including requests:

29 (1) to report on company activities in Burma;

30 (2) to report on the full costs of doing business in Burma;

31 (3) to address human rights or drug trafficking conditions in Burma;

32 (4) to report on all named individuals and companies on the United States Specially

33 Designated Nationals list or;

34 (5) to establish human rights guidelines.

35 (ii) For companies doing business with the government of Burma whose securities are held in the
36 portfolios of the boards of the municipal employees' retirement system, the Massachusetts state
37 retirement system or the state teachers' retirement system, the state treasurer may co-file
38 shareholder resolutions filed by shareholders of companies that do business with the government
39 of Burma when those resolutions raise concerns about doing business in Burma.

40 (iii) This section authorizes only those actions that comply with the relevant rules of the U.S.
41 Securities and Exchange Commission.

42 (d) NOTIFICATION OF COMPANY

43 When voting for a resolution under Sec. 3 of this act, the state treasurer shall separately notify
44 the company in a letter reciting the legislative findings contained in Sec. 1 of this act and stating
45 that Massachusetts wishes to express its grave concern regarding the company's economic ties to
46 the government of Burma and its oppressive system, including the serious moral issues and the
47 potential economic risk associated with investing with the government of Burma.

48 (e) REPORTS

49 The state treasurer shall produce a written report to the General Court of Massachusetts by July
50 31st each year describing the actions that the state treasurer has taken in compliance with this
51 act.

52 (f) EFFECTIVE DATE; SUNSET

53 (i) This act shall take effect upon passage.

54 (ii) This act shall be repealed on the date the state treasurer certifies to the General Court that the
55 United States Secretary of State has determined that the democratically elected leaders of Burma
56 are exercising the powers and duties of the offices to which they were elected.