

# HOUSE . . . . . No. 2241

By Mr. Curtiss of Sheffield, petition of Elliot L. Richardson, Sidney Q. Curtiss, George W. Shattuck, Donald T. Bliss, Alan Paul Danovitch and Paul J. Corriveau for defining the criminal liability of corporations and establishing criminal liability of individuals for corporate conduct. The Judiciary.

## The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Sixty-Nine.

AN ACT DEFINING THE CRIMINAL LIABILITY OF CORPORATIONS AND ESTABLISHING CRIMINAL LIABILITY OF INDIVIDUALS FOR CORPORATE CONDUCT.

*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 274 of the General Laws is hereby amended by  
2 adding after section 7 the following new section:—

3 *Section 8.* As used in this section, the following words shall  
4 have the following meanings:—

5 “Agent” means any director, officer or employee of a  
6 corporation, or any other person who is authorized to act in  
7 behalf of the corporation.

8 “High managerial agent” means an officer of a corporation  
9 or any other agent in a position of comparable authority with  
10 respect to the formulation of corporate policy or the supervi-  
11 sion in a managerial capacity of subordinate employees. A  
12 corporation is guilty of an offense if:

13 (a) The conduct constituting the offense is engaged in by  
14 an agent of the corporation while acting within the scope of  
15 his employment and in behalf of the corporation, and the  
16 offense is a misdemeanor, or the offense is one defined by a  
17 statute that clearly indicates a legislative intent to impose  
18 such criminal liability on a corporation;

19 (b) The conduct constituting the offense consists of an

20 omission to discharge a specific duty of affirmative perfor-  
21 mance imposed on corporations by law; or

22 (c) The conduct constituting the offense is engaged in,  
23 authorized, solicited, requested, commanded or knowingly  
24 tolerated by the board of directors or by a high managerial  
25 agent acting within the scope of his employment and in  
26 behalf of the corporation.

27 A person is criminally liable for conduct constituting an  
28 offense which he performs or causes to be performed in the  
29 name of or in behalf of a corporation to the same extent as if  
30 such conduct were performed in his own name or behalf.