

HOUSE No. 2592

By Mr. Rushing of Boston, a petition (accompanied by bill, House, No. 2592) of Byron Rushing and others relative to investment in companies doing business in Burma. Public Service.

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 relative to investment in companies doing business in Burma.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Byron Rushing	9th Suffolk
Antonio F.D. Cabral	13th Bristol
Kay Khan	11th Middlesex
Ruth B. Balsler	12th Middlesex
Thomas P. Conroy	13th Middlesex
Kay Khan	11th Middlesex
Elizabeth A. Malia	11th Suffolk
Tom Sannicandro	7th Middlesex
Carl M. Sciortino, Jr.	34th Middlesex
Frank I. Smizik	15th Norfolk
Timothy J. Toomey, Jr.	26th Middlesex
Alice K. Wolf	25th Middlesex
Susan C. Fargo	Third Middlesex
Anne M. Gobi	5th Worcester
Benjamin Swan	11th Hampden
Martha M. Walz	8th Suffolk
James B. Eldridge	Middlesex and Worcester
Robert L. Hedlund	Plymouth and Norfolk

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO INVESTMENT IN COMPANIES DOING BUSINESS IN BURMA.

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

1 Subdivision (2) of Section 23 of Chapter 32 of the General Laws, as amended by Chapter 119 of
2 the Acts of 1997 first annual session, is hereby amended by inserting after the word "products",
3 the following:

4 and no new investment funds shall be made in stocks, securities, or other obligations of any
5 company doing business in or with the country of Burma (Myanmar). For the purposes of
6 Section 23, the following words shall, unless the context indicates otherwise, have the following
7 meanings:

8 Sec. 1 DEFINITIONS

9 (1) "Company": any partnership, firm, association, corporation or other entity, or their
10 subsidiaries.

11 (2) "Doing business with Burma":

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

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

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

24 Sec. 2. SUPPORT FOR SHAREHOLDER RESOLUTIONS

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

- 31 (1) to report on company activities in Burma;
- 32 (2) to report on the full costs of doing business in Burma;
- 33 (3) to address human rights or drug trafficking conditions in Burma; or
- 34 (4) to establish human rights guidelines.

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

42 Sec. 3. 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 Sec. 4 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 act.

51 Sec. 5 EFFECTIVE DATE; SUNSET

52 (a) This act shall take effect upon passage.

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