

HOUSE No. 3694

The Commonwealth of Massachusetts

PRESENTED BY:

Robert F. Fennell, (BY REQUEST)

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:

An Act requiring nonprofits to disclose compensation information.

PETITION OF:

NAME:

Mr. James Arcand

DISTRICT/ADDRESS:

Beverly, Massachusetts

HOUSE No. 3694

By Mr. Fennell of Lynn (by request), a petition (subject to Joint Rule 12) of Mr. James Arcand for legislation to require nonprofits to disclose compensation information. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act requiring nonprofits to disclose compensation information.

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. Subsection 1 of section 26A of said chapter 180, as appearing in the 2010
2 official edition, is hereby amended by inserting after the word “meeting”, in line 12, the
3 following words:- ; the names and annual compensation of any highly compensated employees
4 as defined in section 26C.

5 SECTION 2. Said chapter 180 is hereby amended by inserting after section 26B the
6 following section:-

7 26C. (a) “Highly compensated employee”, any director, member or employee, that
8 annually receives \$100,000 or more in income or income in-kind, including the use of a
9 company car, from the corporation.

10 “Highly compensated former employee”, any former, retired or consulting director,
11 member or employee that annually receives \$100,000 or more in income or income in-kind,
12 including the use of a company car, from the corporation.

13 “Solicitations”, any mailings, including electronic mailings, postcards, fliers, pamphlets
14 or television advertisements seeking donations or compensation in exchange for services or
15 goods.

16 (b) A corporation shall display the annual compensation of any highly compensated
17 employee on its website and upon any solicitations and shall list such information in its annual
18 certificate filed pursuant to subsection 1 of section 26A. The heading of the webpage shall
19 contain in large, clearly visible letters, the words: “Highly Compensated Individuals at”,
20 followed by the name of the corporation. For any highly compensated former employees, the

21 corporation shall list the hours worked per week, where the former employee works and whether
22 or not the former employee is a relative by blood or marriage to any other highly compensated
23 individual.