

[REDACTED] 1988
DYER: WEEKLY REPORT

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File: Reg I
Labor Project

MEMORANDUM:

December 8, 1987

TO: George R. Minshew
FROM: Dennis M. Dyer
RE: Region One Labor Relations Project Review and Recommendation

As the end of 1987 approaches, it becomes essential to review and retain those local lobbyists and consultants that are likely to be continued in 1988. This memorandum will deal specifically with the retention of Mr. James J. Tiernan for 1988.

1987 ACTIVITIES REVIEW

The only way, in my opinion, to determine if a particular consultant is of value to the Institute is to review the concrete accomplishments of that consultant. Those accomplishments must also be reviewed in conjunction with the promised activities and goals outlined at the beginning of the year.

Project Parameters

At the beginning of the Region 1 Labor Relations Project goals were outlined (see Attachment A). Those goals included:

1. Establish contact with the locals of those unions involved in the Tobacco Industry Labor-Management Committee;
2. Establish contact with other trade unions according to a logical plan:
 - a. Greater Boston
 - b. Eastern Massachusetts
 - c. Remainder of Massachusetts
 - d. Connecticut and Rhode Island (if possible)
3. Establish contact with the State Labor Council, AFL-CIO in Massachusetts;
4. Establish, as possible, contact with the state labor councils in as many of the other five New England states as possible;
5. Solicit support, when reasonable, from state labor council and/or local unions for tobacco industry positions at the state level;

6. Solicit support, when reasonable, from state labor council and/or local unions for tobacco industry positions at the local level;
7. Develop the capacity to introduce and adopt a resolution in support of broad clean indoor air measures before the Massachusetts AFL-CIO Convention.

In order to achieve these goals, a series of activities were developed. These included:

1. TI participation at the Massachusetts AFL-CIO Gompers, Murray, Meany Educational Institute (May 20-22);
2. Systematic contact with each of a series of labor union presidents throughout the state;
3. TI participation in the Irish-American Labor Federation Dinner (June 4);
4. Scheduled periodic contact with the legislative director of the Massachusetts State Labor Council;
5. TI participation in the Massachusetts AFL-CIO Convention (October 6-9);
6. Periodic meetings with industry lobbyists to brief them on labor activities within the state.

Because there was an on-going labor program at the national level, as evidenced by the existence of the Labor-Management Committee, it was agreed that all local labor contacts, particularly those with local members of the unions involved in the Committee, would be reviewed with Susan Stuntz, Vice President, Public Relations and TI representative to the Labor-Management Committee.

Program Accomplishments

During the course of the Region 1 Labor Relations Project, each of the identified goals was achieved. This was done through scrupulous attention to the details of our agreed to activities program. Specifically, we achieved the following:

1. Successful participation in the Gompers, Murray, Meany Educational Institute.
("Success" is, in this instance, defined as accepted attendance by TI's labor counsel, James Tiernan, the TI Regional Vice President and Labor Management Committee Representative, Tom Donohue, at the full course

of the Institute. This provided an opportunity to meet with more than 100 key labor leaders in a relaxed setting. It further allowed Labor-Management Committee representative Thomas Donohue to present the industry perspective on the involvement of ETS in the overall problem of indoor air pollution to groups of one, two or three key labor leaders.)

2. Successfully met individually with each of the key leaders of the local unions involved in the Labor-Management Committee to brief them on the scope and intent of our efforts with labor in Massachusetts.
(Here "success" is defined as the establishment of on-going, comfortable contact with these union leaders.)
3. Successfully met with key union leaders throughout the state
(Here "success" is defined in the same terms as in point #2 above.)
4. Successfully established contact with the leadership of the Massachusetts State Labor Council, AFL-CIO.
(Here "success" may be measured by the development of a comfortable on-going relationship with the legislative director of the State Labor Council.)
5. We have established initial contact with the state labor councils in Connecticut and Rhode Island.
(The "success" of this contact is best exemplified by the fact that these contacts were opened for us by the Massachusetts State Labor Council. We and our program were presented as "friends of labor", not just another group of business people looking to cloak themselves in the mantle of labor.)
6. We successfully solicited organized labor's opposition to key public smoking legislation in Massachusetts (see Attachment B). Similarly, labor offered opposition to both advertising and sampling legislation. This opposition included public testimony and direct lobbying.
7. Successfully solicited local labor opposition to local smoking restriction ordinance in Waltham, Massachusetts (see Attachment C).
8. Successfully introduced before and received approval for a resolution on indoor air pollution at the Massachusetts AFL-CIO Convention (see Attachment D).

In addition to the above which respond directly to the original goals of the Project, the following were achieved which go well beyond even the highest expectations of the Project. In fact, the level of the above accomplishments, even though responsive to the original goals of the Project, well exceeded the anticipated results.

1. Adoption of the two additional tobacco-related resolutions by the State AFL-CIO Convention. The first opposed increases in state and federal excise taxes (see Attachment E). The second opposed advertising bans (see Attachment F). These, like the one adopted regarding indoor air pollution, were the first of their kind in the nation.
2. Received a special invitation from the president of the Massachusetts AFL-CIO to participate at the AFL-CIO national convention. During this event the Massachusetts president invited key leaders from Connecticut, Rhode Island and New Hampshire to a private dinner with representatives of TI and the Labor Management Committee.
3. Received substantial support from labor in our efforts to pass legislation legitimizing tobacco sampling and repealing local ordinances (see Attachment G).
4. Currently involved with International Brotherhood of Painters and Allied Trades to enact legislation repealing the current bans on advertising on the Massachusetts Bay Transportation Authority (MBTA). The legislation will be introduced and advanced by organized labor, not tobacco interests (see Attachment H).
5. Invitation to present a complete seminar on indoor air pollution at the 1988 Gompers, Murray, Meany Educational Institute.
6. Received favorable comments from key New York City and New York State labor leaders in response to our inquiries about broadening labor's opposition to the proposed New York City smoking restriction ordinance. These inquiries were made at the request of TI and some member companies. They were not pursued at the request of local counsel involved in the legislative aspects of the New York City effort. However, the inquiries were well received because of our "track record" in Massachusetts.
7. Followed up on an opportunity created through the Labor Management Committee with Service Employees International Union. This group has become very active in the area of indoor air pollution, creating the Northern New England Coalition for Clean Indoor Air and considering the active sponsorship of comprehensive indoor air quality legislation in Connecticut, Maine, Massachusetts, New Hampshire, and Vermont. We have been able to be closely involved with SEIU here in the Region 1.

The most exciting of the accomplishments of this Project may be the request from the president of the Massachusetts AFL-CIO to participate in the meeting of the Northeast AFL-CIO presidents in Hartford on January 13-15. At this meeting the Institute and Labor-Management will have an opportunity to develop a major presentation on indoor air quality for the leaders of labor in the ten states of the Northeast. Not only is it a unique opportunity but it is enhanced by the sponsorship of one of the key Northeast AFL-CIO state presidents. This program should have far ranging implications for tobacco industry labor relations in all of the Northeast.

Project Coordination

All of the Project's activities were closely monitored and directed by the TI regional vice president. As each phase of the Project was developed, it was coordinated with TI representatives of the Labor-Management Committee. This allowed us to both keep the international representatives of the Committee involved and draw on their resources and support. These contacts and resources were very helpful in establishing our credibility and commitment to the continuity of our effort among local labor leaders. Here especially the coordination of Ms. Stuntz and the "on-site" presence of Tom Donohue were invaluable. Ms. Stuntz was always willing to utilize her considerable resources and contacts to assist in the success of our local efforts. Mr. Donohue's labor credentials and willingness to make himself available for meetings, presentations and events were essential to our success.

Similarly, the legislative involvement by labor on our behalf was closely coordinated with TI state and local counsel. No action was implemented without the approval of and usually at the request of counsel.

1987 OVERVIEW

Without exception the goals of the Region 1 Labor Relations Project were achieved. The reasonable expectations were exceeded, and according to all those involved with labor on behalf of the industry, this project was an unqualified success. Not only has it achieved its aim of developing a close association between TI and labor, but it has also had significant impact on our legislative success in the state during 1987.

The program was also successful within budget limitation.

1988 RECOMMENDATIONS

It is my recommendation that TI continue its labor activities in Region 1 during 1988. The parameters of this second year of the Project will need to be articulated in detail but will certainly include the further development of our Massachusetts contacts, development of more formal presentations of our positions on indoor air pollution, and expansion of the areas of joint legislative interest and action. In addition, it will attempt to duplicate some of the successes of the 1987 Project in Massachusetts in some or all of the other New England states.

To accomplish this, I recommend the retention of Mr. James Tiernan for 1988 as TI Labor Consultant in Region 1. Few, if any, of the outstanding accomplishments of the Project could have been realized without the guidance of Mr. Tiernan. His absence from the Project would not only limit the potential for future success but also jeopardize the ability to maintain the current level of access. More than I have experienced with any other TI lobbyist or consultant, Mr. Tiernan's diligence on behalf of the client is clear in every phase of his activities. He never loses sight of either the overall goal or the day-to-day activities that are essential to attaining that goal. For this he has my highest esteem and thanks. We should, therefore, immediately conclude a service contract with Mr. Tiernan for 1988.

Further, I recommend that a normal operating budget of \$60,000.00 be approved to accomplish the 1988 Project. This budget will include a \$50,000.00 retainer for Mr. Tiernan and a \$10,000.00 expense budget to cover reasonable travel away from Massachusetts. Extraordinary travel expenses such as activities at the AFL-CIO national convention can be reviewed for appropriateness on a case by case basis.

CONCLUSION

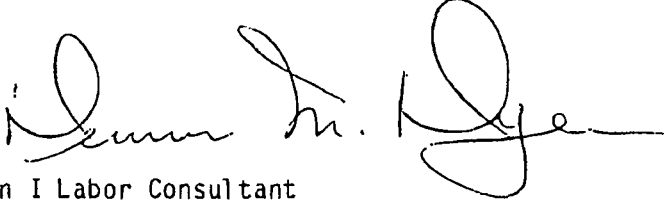
I hope this report has provided you with a solid understanding of our outstanding labor effort in Region 1. The Labor Relations Project in Region 1 was not a success because of the efforts of any single individual or event. It was the result of a commitment to a goal by TI State Activities field staff, our consultant, TI Public Relations headquarters staff, their consultants, the members of the Labor Management Committee, and our lobbyists. There is certainly enough credit for all to share in as a result of this year-long effort.

DMD/spg
Attachments

cc: E. Barclay Jackson
Walter N. Woodson

MEMORANDUM

March 10, 1987

TO: Roger L. Mozingo
FROM: Dennis M. Dyer 
RE: Idea # 4 - Region I Labor Consultant

This memorandum will provide you with my recommendation that TI retain an individual to assist in the development of a strong base of support among the states' labor communities.

BACKGROUND

Traditionally, the labor/tobacco connection here in New England has been very tenuous. We have been able to develop labor support in some instances, but those are rare. They tend to be built on immediate need and political expediency rather than perceived interest.

At the federal level, we have begun to develop a good rapport with the national staffs of the various labor organizations. However, this good work is not filtering down to the locals in New England. As a result, we continue to have the labor unions "duck" our issues because of more important local concerns.

PROPOSAL

I request permission to retain a labor consultant for the region. The retention of this individual would allow us to develop a broad program to secure union support for our positions.

The general program would include a series of year-long meetings with a broad range of locals. The purpose of the meetings would be multiple and cumulative. First, we would seek to educate the leadership on the merits of our case. Second, we would attempt to introduce and pass resolutions opposing various anti-tobacco proposals. Third, we would attempt to translate the various "local" resolutions into a statewide resolution by the AFL-CIO. This process could occur first in Massachusetts and then in the other five New England states. Fourth, we would attempt to secure labor opposition to the specific pieces of legislation of interest to us.

While this pattern of growing union contact could be repeated in each of the other states, we would also seek their immediate support on current legislative matters.

Mr. Roger L. Mazingo
Page Two
March 10, 1987

During the course of the year, I have identified Mr. James Tiernan as a potential consultant on this project. Mr. Tiernan's credentials and a brief synopsis of the proposed plan are attached. It is likely that the program would cost approximately \$30,000.00 during the first year.

REVIEW

There is a tremendous need to involve labor in these issues on our behalf. If we can develop a successful program, we may be able to utilize labor to not only defeat newly-proposed legislation but also possibly attempt the repeal of some currently-enacted legislation.

This is a clear opportunity for us to expand our influence. I hope we can move forward quickly. If you have any questions, please give me a call.

wss
Enclosure

cc: George Minshew

VIA FEDERAL EXPRESS

TI24110402

URBAN RESOURCES

Consultants, REAL ESTATE GOVERNMENT RELATIONS

February 20, 1987

Mr. Dennis Dyer
Regional Vice President
The Tobacco Institute
81 Hale Street
Beverly, MA 01915

Dear Mr. Dyer:

Unions are most sensitive to employment issues. It is a necessary element in our overall strategy to address issues pertaining to union jobs in the tobacco industry.

Therefore, I purpose to you that efforts be concentrated in opening the lines of communication between the union's representing the tobacco industry and the Massachusetts' AFL-CIO.

This can be accomplished by arranging meetings and introductions, both here and in Virginia, between the concerned parties. Examples of opportunities which would be conducive to these introductions are as follows: The Gompers Murray Meany Educational Institute which will be held this year in Falmouth on May 20 - 22; the Massachusetts' AFL-CIO Convention will be held October 6 - 9 in Boston; and, the Centennial Celebration Parade of the establishment of Labor Day as a holiday.

As an addendum, I have enclosed a list of key labor leaders. Over the course of the next 12 months, I will arrange meetings between the Tobacco Institute and individual Union leaders. The desired results of these introductions would be to have resolutions presented before union locals which represent our mutual interests.

Following the passage of these resolutions our efforts should be concentrated on the Central Labor Councils of Massachusetts. The purpose of this expanded effort is to educate leadership at this level as to the grassroots support we are encountering at the local level. I have attached a list of Central Labor Council Members who will be most sensitive to this effort.

The third step in our strategy will be to address our concerns at the Massachusetts' AFL-CIO Convention in October. By passing a resolution at this level, labor will be committed to its support both in collective bargaining agreements and purposed legislation.

Page 2
J. Tiernan
Proposal Tobacco Inst.

My labor contacts in the five other New England states are extensive; I feel that they are strong, with most located in executive leadership roles. By coupling the Regional network with that of the Massachusetts Union Leaders the result will be support for our program and resolutions throughout all of the New England states.

The key to the success of this strategy is to have someone capable of eliciting an enthusiastic response from labor at all the aforementioned levels.

I am confident that I can accomplish this for you based on my success with labor in a similar effort involving the Coalition of Reliable Energy and several other clients. I have also successfully represented labor in many legislative efforts. I feel my abilities and level of integrity are well known.

I would expect upon approval of this proposal that a retainer of \$6,000.00 be paid to Urban Resources, Two Park Plaza, Suite 514, Boston, MA 02116. The balance should be paid by installments of \$2,500.00 per month, by the first of each month.

I will anxiously await further communication from you regarding this exciting project.

Sincerely,


James J. Tiernan

Labor flexes its muscle for tobacco industry

By Chris Black
Globe Staff

Tobacco industry efforts to quash anti-smoking legislation on Beacon Hill are being strengthened by the separate but compatible concerns of organized labor.

Organized labor opposes legislation that would restrict smoking in the workplace and ban tobacco advertising on billboards because it prefers that workplace conditions be negotiated in collective bargaining and fears a tobacco ad ban would cost some of its members their jobs.

At a time when public opinion is swinging toward smoking restrictions,

the posture of labor, a highly influential lobbying force in the State House, is giving the tobacco industry an unexpected boost.

Rep. Marilyn L. Travinski (D-Southbridge), House chairman of the Committee on Commerce and Labor, said labor's concern had injected a new element into the debate over billboards.

William R. Delaney, a tobacco industry lobbyist, said the industry had not solicited labor's support but welcomed it because labor support makes a difference in the State House.

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■ SMOKING

Continued from Page 19

"This Legislature does consider carefully when labor speaks up," said Rep. Lucile P. Hicks (R-Wayland), sponsor of many of the anti-smoking bills. "It will certainly have an impact."

Despite statistics that show smoking kills 8,000 Massachusetts residents each year, with residents of blue-collar neighborhoods suffering disproportionately higher rates of smoking-related illnesses, labor officials said they were acting in the best interests of their members.

"We are against anything that will cause a loss of work opportunities for our members, which the cigarette legislation proposed this year does," said William Murphy, an organizer for Painters District Council 35.

Murphy said that the billboard industry, which relies upon tobacco advertisements for much of its revenue, employed about 1,000 members of sign painter, sheet metal worker, electrician and iron worker unions.

"If the industry were to lose cigarette advertising suddenly overnight without the ability to go after different advertisers, obviously it would raise havoc with a number of people employed in the industry," Murphy said. He also said a ban on advertisements of a legal product raised First Amendment freedom of expression issues.

Martin Foley, lobbyist for the Massachusetts State Labor Council, AFL-CIO, said labor believes workplace conditions are more appropriately dealt with in the collective bargaining process.

Rep. John C. McNeil (D-Mal-

Attachment B

Boston Globe

April 6, 1987

p. 19

den), House chairman of the Health Care Committee and long-time smoking opponent, said labor's position on anti-smoking legislation was an example of the leadership being at odds with the membership. "Labor is not comfortable being in that position but I'm not sure it has any choice," he said.

"Their membership is overwhelmingly in favor of the restrictions they are testifying against," said Richard Daynard, president of the Group Against Smoking Pollution. "It suggests that they are making some kind of short-term political deal at the cost of the health and welfare of their membership and their members' children."

Dr. Gregory Connolly of the Department of Public Health described labor's position as shortsighted because the tobacco industry is systematically targeting advertising toward blue-collar and ethnic neighborhoods to recruit adolescent new smokers to replace those who die or quit. He said that 40,000 adults stop smoking - 8,000 because of death - in Massachusetts each year but 35,000 teenagers pick up the habit.

National Center for Health Statistics data show a significantly higher percentage of smokers among blue-collar than white collar workers. State public health studies show smoking-related illnesses, including lung cancer, are significantly higher in blue-collar neighborhoods like South Boston. Critics of the tobacco industry charge that the industry is targeting its marketing to young women, minorities and blue-collar workers.

01864

International Brotherhood of Electrical Workers

LOCAL 1505, AFL-CIO

545 MAIN STREET, WALTHAM, MASS. 02154

TELEPHONE TWINBROOK 4-7900

VICE-PRESIDENT
MARY BARRETT

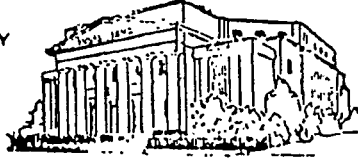
RECORDING SECRETARY
MARTHA BARRY

TREASURER
JOSEPH R. KELLEHER

PRESIDENT
DONALD J. LEAHY

CHAIRMAN EXECUTIVE BOARD
KENNETH MELANSON

FINANCIAL SECRETARY
JAMES KILROY, JR.



JAMES F. MULLONEY, BUSINESS MANAGER

July 29, 1987

Councillor James E. Regan
100 Hammond Street
Waltham, Massachusetts

Dear Councillor Regan:

Our Local Union 1505, I.B.E.W. represents over 11,000 maintenance and production workers at the Raytheon Company's plants throughout the State. Over 3500 members of our Local Union work at the Waltham plants located at Seyon and Willow Streets. Obviously we have an interest in our community.

Local 1505, I.B.E.W. is vehemently opposed to the passage of the proposed smoking ordinance. We are currently negotiating with the Raytheon Company for a new contract. An ordinance of this type is most distressful. Possibly a study should be made of this matter. Our Local Union is willing to serve on any committee that is appointed.

Please avoid allowing the Goo-Goo's of the world to prevail.

Fraternally yours,

James F. Mulloney
Business Manager

JFM/kea

RESOLUTION NO. 4
Support For Indoor Air Quality

Whereas: The work environment is paramount to the quality of work life; and

Whereas: Air quality is a most important part of that environment; and

Whereas: Recent surveys show that a retrofit of the air handling system of a building can eliminate indoor pollution thus improving air quality which improves the work environment; now

Therefore Be It Resolved: That the convention of AFL-CIO go on record as in favor of improving the indoor air quality in the workplace by promoting the use of Union HVAC contractors who have expertise in applying this new technology to make our work environment healthier and safer.

(Respectfully submitted by Sheet Metal Workers Local #17)

RESOLUTION NO. 5
Support of Advertising Rights

Whereas: There have been attempts at the local, state, and federal level to prohibit the advertising and promotion of legal products, and

Whereas: a ban on advertisements of a legal product threatens the First Amendment guarantee of free speech, and

Whereas: The Supreme Court has accorded advertising and other forms of commercial speech significant protection under the First Amendment, and

Whereas: The constitutional guarantee of free speech allows the individual consumer to make an informed, rational and free choice among all lawful courses of action, and

Whereas: Any ban on advertising would result in a loss of jobs for those unions who represent members in the advertising, printing and other affected industries,

Therefore, Be It Resolved: That the Massachusetts AFL-CIO recognizes the need for First Amendment protection as basic to the fundamental values of our political and economic systems, and

Be It Further Resolved: That the Massachusetts AFL-CIO go on record as opposing all government prohibitions on the advertising and promotion of legal products.

(Submitted by Joseph C. Faherty, Executive Vice President, Massachusetts AFL-CIO)

RESOLUTION NO. 6
Excise Tax Resolution

Whereas: Increases in excise taxes on gasoline, beer and tobacco products are frequently considered as sources of additional revenue to fund State programs, and

Whereas: Excise taxes are by nature regressive and put an unfair burden on low and moderate-income American working families, and

Whereas: Opposition to excise taxes is entirely consistent with the AFL-CIO's support of progressive taxation based on the ability to pay,

Therefore, Be It Resolved: That the Massachusetts AFL-CIO opposes any increase in excise taxes because of the unfair burden these taxes place on American Workers and their families, and

Be It Further Resolved: That the Massachusetts AFL-CIO support the belief that any new taxes being considered should be progressive and based on the ability to pay.

(Submitted by Bakery, Confectionery and Tobacco Workers' International Union, Local 348, AFL-CIO)

SECTION 1: Legislative intent

In order to assure that the promotional distribution of tobacco products shall be subject to one uniform system of regulation and control in the Commonwealth, this legislation shall provide the exclusive system of regulation of promotional distribution of tobacco products within the Commonwealth.

SECTION 2: Definitions

(a) "centers of youth activities" means any playground, school, high school or other facility used primarily by persons under eighteen years of age for recreational, educational, or entertainment purposes; this definition excludes facilities open to and regularly used by the general public, except when such facilities are being used by persons under eighteen years of age for such purposes;

(b) "person" means any individual, partnership, association or corporation;

(c) "public place" means any street, sidewalk, park, public ground, public plaza, public mall, and the areas of shopping centers, office buildings, and public buildings within the Commonwealth open to and regularly used by the general public;

(d) "sample" means a tobacco product or a package or carton of tobacco products given or distributed for no cost or at nominal cost to any person for purposes of promoting that product;

(e) "sampling" means the giving or distributing, for no cost or at nominal cost, of samples of tobacco products in any public place;

(f) "sampling" does not refer to the giving or distribution of samples by a manufacturer, wholesaler, retailer, or other distributor of tobacco products, to persons engaged in sampling.

(g) "tobacco product" means any product containing tobacco.

SECTION 3: Sampling Activities

A. Sampling Restrictions

(1) No person shall engage in sampling within five hundred feet of any center of youth activities;

(2) No person shall give or distribute a sample to any person under eighteen years of age;

(3) Proof of age shall be required if a reasonable person could conclude on the basis of outward appearance that a prospective recipient of a sample may be under eighteen years of age;

(4) No person shall urge any person to accept a sample after the person has declined or refused to accept same;

(5) Persons engaged in sampling shall secure stocks of samples in safe locations in order to avoid inadvertent distribution of samples contrary to the provisions of this section.

(6) Sampling shall cease at a particular location when circumstances arise such that make it apparent that sampling cannot continue in a manner consistent with the provisions of this statute. Sampling may resume at that location when such circumstances abate.

B. Traffic and Litter Control

(1) No person shall give or distribute any sample to any person in a vehicle.

(2) Persons who engage in sampling shall use reasonable means to avoid blocking or otherwise significantly impairing the flow of pedestrian traffic.

(3) Persons who engage in sampling shall use reasonable means to dispose of empty sample boxes and insure that no litter remains in the immediate area of sampling as a result of sampling.

SECTION 4: Remedies

The Attorney General may initiate a civil action in the name of the Commonwealth of Massachusetts in any court of competent jurisdiction for an injunction prohibiting any violation of this statute. The court, upon notice to the defendant of not less than five business days, and upon proof that the defendant has violated this statute, may enjoin future violations. The court may impose a civil penalty in an amount not to exceed \$250.00 for the first violation and \$500.00 for each subsequent violation.

SECTION 5: Preemption

No county, city, town, municipality, or other political subdivision of the Commonwealth shall enact, adopt, promulgate, or otherwise establish any law, rule, ordinance, by-law or other measure concerning sampling. For purposes of this statute, the term "political subdivision" includes all agencies, whether public or private, of the Commonwealth.

SECTION 6: Non-severability

No provision of this statute shall be deemed severable, and if any part of this statute shall be adjudged unconstitutional or invalid, the entire statute shall cease to be of any force or effect.

Attachment H

Section 1. Chapter 161A of the General Laws of the Commonwealth is hereby amended by inserting after section 29 the following section:

Section 30A. The following definitions shall apply when used in this section:

Non-transportation revenues: All MBTA revenue sources resulting from sources other than state or local taxes, state or authority bonds, federal mass transportation assistance and fares. These shall include but are not limited to real estate and advertising contract revenues.

Maximize: Increase to the highest level possible within the bounds of sound financial planning and accepted transportation practice.

Section 30B. The board of directors is instructed to establish policies that provide an opportunity to maximize non-transportation revenues from all legal sources without discrimination.

Section 30C. The board of directors shall report to the legislature and the advisory board 60 days prior to approval of the annual budget on their effort to maximize non-transportation revenues.

Section 30D. The legislature or the advisory board may, upon review of the report of the board of directors, suggest additional policies to maximize non-transportation revenues and may withhold approval of a portion of the next fiscal year's proposed budget, not to exceed 10%, in an amount based upon the board's finding that section 30B has been disregarded.

Section 2: Section 30 A-D will take effect on January 1, 1981.