

HOUSE No. 2960

By Mr. Jones of North Reading, petition of Bradley H. Jones, Jr., and others for legislation to establish a bureau of special investigations within the Department of Revenue. Revenue.

The Commonwealth of Massachusetts

PETITION OF:

Bradley H. Jones, Jr.	Karyn E. Polito
Mary S. Rogeness	Susan Williams Gifford
George N. Peterson, Jr.	Richard J. Ross
John A. Lepper	Jeffrey Davis Perry
Viriato Manuel deMacedo	Paul J. P. Loscocco
Paul K. Frost	Donald F. Humason, Jr.
Robert S. Hargraves	Todd M. Smola
Elizabeth A. Poirier	

In the Year Two Thousand and Seven.

AN ACT RELATIVE TO FAIR DEALING IN BUSINESS.

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 14 of the General Laws, as appearing in the 2004 Official
- 2 Edition, is hereby amended by inserting after Section 9 the following
- 3 new sections:—
- 4 Section 10. There shall be in the department of revenue a bureau
- 5 of special investigations, headed by a director, who shall be
- 6 appointed by the commissioner of revenue, and who shall be a
- 7 person of ability and experience and shall devote his entire time to
- 8 the duties of the office. Said commissioner may appoint such other
- 9 experts and officers as he deems necessary to carry out the work of
- 10 the bureau. Appointments to the positions of director, legal counsel
- 11 and confidential administrative secretary shall not be subject to
- 12 Chapter 31 or Section 9A of Chapter 30. The director may expend
- 13 for legal, investigative, clerical, and other assistance and expenses
- 14 such sums as may be appropriated therefore.
- 15 Section 11. The director shall initiate investigations and investi-
- 16 gate complaints which indicate the possibility of fraud being com-
- 17 mitted by businesses subject to the provisions of Chapter 63. The

18 director, in conformity with the rules and regulations of the commis-
19 sioner, shall:—

20 (1) initiate investigations in order to discover illegal acts being
21 committed by businesses subject to the provisions of Chapter 63.
22 Said illegal acts shall include, but not be limited to, the hiring of
23 aliens as promulgated under Section 19C of Chapter 149; evasion of
24 remitting taxes as promulgated under Chapter 63; and, any attempt
25 by businesses to commit fraud;

26 (2) establish a toll-free telephone hotline to facilitate anyone with
27 knowledge of a business in direct violation of the provisions of this
28 act to report such violations to the bureau;

29 (3) examine, upon written request to the commissioner of rev-
30 enue, the tax reports, papers or other documents on file with said
31 commissioner, relative to the investigation of a business in direct
32 violation of the provisions of this act. Nothing herein shall be con-
33 strued to authorize the examination or disclosure, directly or indi-
34 rectly, of any information, returns, or records received from the
35 Internal Revenue Service;

36 (4) examine any information contained on the warrant manage-
37 ment system established by Section 23A of Chapter 276;

38 (5) report to the attorney general or a district attorney, for such
39 action as they may deem proper, any case in which, after investiga-
40 tion, there is probable cause to believe a violation of this act has
41 been made;

42 (6) examine the records and accounts of any bank, as defined in
43 section 1 of chapter 167, national bank, federal savings and loan
44 association, benefit association, insurance company, safe deposit
45 company or loan company authorized to do business in the common-
46 wealth relative to businesses who are the subject matter of an inves-
47 tigation insofar as the records and accounts pertain to deposits,
48 withdrawals, loans, insurance transactions, claims settlements and
49 payments;

50 (7) a written request of the director, or of an authorized represen-
51 tative of the director, for examination of information, records or
52 accounts as provided in clause (6) shall be complied with within a
53 reasonable period of time.