



**GLENN A. CUNHA**  
INSPECTOR GENERAL

## The Commonwealth of Massachusetts

### Office of the Inspector General

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November 5, 2014

The Honorable Steven T. James  
Clerk of the House of Representatives  
State House, Room 145  
Boston, MA 02133

Dear Mr. James:

In compliance with Section 33 of Chapter 30 of the Massachusetts General Laws, the Inspector General respectfully submits seven legislative proposals for the 2015 session of the General Court.

1. The first proposal, An Act Relative to Fraud, would make it a crime to defraud the state or any of its political subdivisions. Currently, no such general fraud statute exists.
2. The second proposal, An Act Relative to Chapter 30B, would increase a fine and make technical corrections to Chapter 30B, the Uniform Procurement Law. The technical changes update Chapter 30B to include correct references based on recently enacted amendments to other statutes. The proposal also strikes a section of Chapter 30B that is duplicative.
3. The third proposal, An Act Relative to Disabled Persons' Parking Placards, would increase the fines for misusing a disabled person's placard and would also add language requiring the return of disabled persons' placards. The proposal would also make it a crime to display a deceased person's placard or to make counterfeit placards with the intent to distribute them.
4. The fourth proposal, An Act Relative to Tax Returns, would allow the Office of the Inspector General to have access to Department of Revenue records to carry out its mandate of preventing and detecting fraud, waste and abuse. Such records would be confidential pursuant to Chapter 12A.
5. The fifth proposal, An Act Allowing for the Appointment of Designees to the Inspector General Council, would allow the members of the Inspector General Council who are

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public officials to appoint designees to attend meetings on their behalf.

6. The sixth proposal, An Act Relative to Higher Education Boards of Trustees, would require every member of a board of trustees for an institution of higher education in Massachusetts to participate in training from the Department of Higher Education.
7. The seventh proposal, An Act Relative to the MassDOT Internal Special Audit Unit, would update the statute for the Internal Special Audit Unit at the Massachusetts Department of Transportation to ensure the unit has the tools to carry out its statutory mission.

Respectfully,



Glenn A. Cunha  
Inspector General

AN ACT RELATIVE TO FRAUD

SECTION 1. Chapter 266 of the General Laws, as appearing in the 2012 Official Edition is hereby amended by inserting after section 67C the following section:

Section 67D. Whoever:

(1) defrauds or attempts to defraud the commonwealth, any of its political subdivisions, or any authority established by the general court to serve a public purpose, of any money, property, or anything of value of more than \$500, including the wrongful withholding of said money, property or anything of substantial value from any of these entities; or

(2) obtains or attempts to obtain money, property, or anything of value of more than \$500, by means of false or fraudulent pretenses, representations, or promises;

shall be punished by a fine of not more than \$10,000, or by imprisonment in the state prison for not more than 5 years or in the house of correction for not more than 2 1/2 years, or both.

SECTION 2. Section 68 of said chapter 266, as so appearing, is hereby amended, in line 1, by striking out the word “three” and inserting in place thereof the following: 7

AN ACT RELATIVE TO CHAPTER 30B

SECTION 1. Section 1 of chapter 30B of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by striking out, in lines 9 through 10, the words “thirty-eight A1/2 to thirty-eight O, inclusive, of chapter seven” and inserting in place thereof the following words: 44 to 57, inclusive, of chapter 7C

SECTION 2. Subsection (b) of said section 1 of said chapter 30B, as so appearing, is hereby amended by striking out clause (5) and inserting in place thereof the following clause:

(5) a contract for the purchase of materials, under specifications of the Massachusetts department of transportation highway division, and at prices established by the division, pursuant to advertising and bidding for such purpose, in connection with work to be performed under the provisions of chapter 81 or chapter 90;

SECTION 3. Said section 1 of said chapter 30B, as so appearing, is hereby amended by striking out, in line 104, the words “subclause (r)” and inserting in place thereof the following words: subclause (s)

SECTION 4. Said section 1 of said chapter 30B, as so appearing, is hereby amended by striking out, in lines 128 and 129, the words “thirty-eight A1/2 to thirty-eight O, inclusive, of chapter seven” and inserting in place thereof the following: 44 to 57, inclusive, of chapter 7C

SECTION 5. Section 5 of said chapter 30B, as most recently amended by section 62 of chapter 165 of the acts of 2014, is hereby amended by striking out, in lines 58 through 60, the words “section eleven A 1/2 of chapter thirty A, section nine G of chapter thirty-four or section twenty-three B of chapter thirty-nine” and inserting in place thereof the following: sections 18 through 25 of chapter 30A

SECTION 6. Section 16 of said chapter 30B, as most recently amended by section 66 of chapter 165 of the acts of 2014, is hereby amended by striking out, in line 43, the words “forty J of chapter seven” and inserting in place thereof the following: 38 of chapter 7C

SECTION 7. Section 17 of said chapter 30B, as appearing in the 2012 Official Edition, is hereby amended by striking out, in line 12, the words “two thousand dollars” and inserting in place thereof the following figure: \$10,000

SECTION 8. Section 18 of said chapter 30B, as so appearing, is hereby amended by striking out, in lines 3 through 10, the definition of “Disadvantaged vendor” and inserting in place thereof the following definition:

“Disadvantaged vendor”, any business beneficially owned by one or more minority persons in conformity with clauses (1) to (4), inclusive, of the definition of “Minority business” set forth in section 6 of chapter 7C, and any business beneficially owned by one or more women as provided in the definition of “Women-owned business” set forth in said section 6.

SECTION 9. Section 23 of said chapter 30B, as so appearing, is hereby repealed.

AN ACT RELATIVE TO DISABLED PERSONS' PARKING PLACARDS

SECTION 1. Section 2 of chapter 90 of the General Laws, as appearing in the 2012 Official addition is hereby amended by striking, in line 312, the figures "\$500" and inserting in place thereof the following : \$1000.

SECTION 2. Said section 2 of chapter 90, as so appearing, is hereby further amended by striking, in line 312, the figures "\$1000" and inserting in place thereof the following: \$2000.

SECTION 3. Said section 2 of chapter 90, as so appearing, is hereby further amended by striking, in line 316, the figures "30" and inserting in place thereof the following: 60.

SECTION 4. Said section 2 of chapter 90, as so appearing, is hereby further amended by inserting after the word "time.", in line 305, the following: Obstruction of the placard number or date of expiration shall be subject to a fine of \$50.

SECTION 5. Said section 2 of chapter 90, as so appearing, is hereby further amended by striking, in line 317, the figures "60" and inserting in place thereof the following: 120.

SECTION 6. Said section 2 of chapter 90, as so appearing, is hereby further amended by inserting, after the word "person.", in line 324, the following:

The registrar shall require the return of any placard that has been canceled and failure to return said placard shall be subject to a fine of \$100.

SECTION 6. Section 24B of said chapter 90, as appearing in the 2012 Official Edition, is hereby amended by inserting, after the word “sticker,” in line 16, the following: or whoever displays a special parking identification disability placard belonging to a deceased person,.

SECTION 7. Said section 24B of said chapter 90, as so appearing, is hereby further amended by striking the words “five hundred dollars”, in line 24, and inserting in place thereof the following: \$1000.

SECTION 8. Said section 24B of said chapter 90, as so appearing is hereby further amended by inserting, after the word “vehicles”, in line 28, the following:  
, special parking identification disability placard.

SECTION 9. Said section 24B of said chapter 90, as so appearing is hereby further amended by inserting, after the word “vehicles”, in line 30, the following:  
, special parking identification disability placard.

SECTION 10. Said section 24B of said chapter 90, as so appearing is hereby further amended by inserting, after the word “operate”, in line 32, the following:  
, special parking identification disability placard.

## AN ACT RELATIVE TO TAX RETURNS

Section 21 of chapter 62C of the General Laws, as amended by section 16 of chapter 158 of the acts of 2014, is hereby amended by inserting in subsection (b), after paragraph (27), the following new paragraph:

(28) the inspector general's access to documents and information, including tax returns and related documents but excluding information provided to the commonwealth by other federal and state tax agencies where such access is precluded by law, necessary for the performance of the inspector general's duties as certified by the inspector general to the commissioner, provided that all such documents and information shall be deemed to be confidential and shall be maintained as confidential in accordance with chapter 12A.

AN ACT ALLOWING FOR THE APPOINTMENT OF DESIGNEES TO THE INSPECTOR

GENERAL COUNCIL

SECTION 1. Section 3 of chapter 12A of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by striking out the first sentence and inserting in place thereof the following sentence:

There shall be an inspector general council which shall consist of the attorney general or a designee, the state auditor or a designee, the secretary of public safety and security or a designee, the state comptroller or a designee, an attorney admitted to practice law within the commonwealth appointed by the attorney general from a list of 3 such attorneys submitted by the speaker of the house, a person with experience in business or accounting or on the faculty of a college of business or of accounting within the commonwealth appointed by the state auditor from a list of 3 such persons submitted by the president of the senate, a member of the public appointed by the governor from a list of 3 names submitted by the minority leader of the house of representatives, and a member of the public appointed by the governor from a list of 3 names submitted by the minority leader of the senate.

## AN ACT RELATIVE TO HIGHER EDUCATION BOARDS OF TRUSTEES

SECTION 1. Section 21 of chapter 15A of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by inserting after the second paragraph the following:

The department of higher education, in this section called the department, shall establish and implement a comprehensive training program for members. The department shall provide instruction and training to members on the proper management of an institution of higher education. The instruction and training shall include, but not be limited to, the following laws and topics: (i) the open meeting law established pursuant to sections 18 to 25, inclusive, of chapter 30A; (ii) the public records law established pursuant to chapter 66; (iii) the conflict of interest law established pursuant to chapter 268A; (iv) procurement law; (v) state finance provisions established pursuant to chapter 29; (vi) fraud prevention; and (vii) fiduciary responsibilities. The department shall consult with the attorney general and the inspector general in developing instruction and training programs pursuant to this section.

Upon appointment and reappointment, every member shall complete a training program, as developed by the department, within 6 months of assuming the member's position. Members shall complete a training program within 2 years of the date of the member's last training.

Failure to complete a training program within 6 months of assuming a position as a member or failure to complete a training program within 2 years of the date of the member's last training may be grounds for terminating the member. The chairman shall forthwith notify the governor when any vacancy exists.

SECTION 2. Section 1A of chapter 75 of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by inserting at the end thereof the following:

Upon appointment and reappointment or election and re-election, every member shall complete the training program developed by the department of higher education under section 21 of chapter 15A within 6 months of assuming the member's position. Members shall complete a training program within 2 years of the date of the member's last training. Failure to complete a training program within 6 months of assuming a position as a member or failure to complete a training program within 2 years of the date of the member's last training may be grounds for terminating the member. The chairman shall forthwith notify the governor when any vacancy exists.

## AN ACT RELATIVE TO THE MASSDOT INTERNAL SPECIAL AUDIT UNIT

Section 9 of chapter 6A of the General Laws, as most recently amended by section 5 of chapter 46 of the acts of 2013, is hereby amended by striking out paragraphs (a) through (c) and inserting in place thereof the following:

Section 9. (a) There shall be within the department, but not subject to the control of the department, an internal special audit unit. The inspector general council established in section 3 of chapter 12A shall appoint a director of the internal special audit unit, who shall serve as an assistant inspector general under the supervision of the inspector general, and who shall serve for a term of 6 years. The inspector general council may remove the director only for cause, and shall fill any vacancy for the unexpired term. The director shall devote his full time and attention to the duties of this office.

(b) Pursuant to chapter 12A, the internal special audit unit shall monitor the quality, efficiency and integrity of the department's operating and capital programs and seek to prevent, detect and correct fraud, waste and abuse in the expenditure of public or private transportation funds. In accordance with chapter 12A, the department shall cooperate with the unit in carrying out the unit's duties including granting unrestricted and immediate access to persons, documents, databases, electronic data or other materials deemed necessary by the director to conduct an investigation, audit or review.

(c) The director may appoint and remove, subject to the approval of the inspector general, such persons as he shall deem necessary to perform the functions of the internal special audit unit;

provided, however, that section 9A of chapter 30 and chapter 31 shall not apply to any such employee holding any such appointment. Employees of the internal special audit unit shall have experience with accounting, auditing, financial analysis, applicable law, business management and public administration and shall devote their full-time efforts to the unit and shall not be assigned direct operating responsibilities. Employees shall be subject to the rules and regulations established for employees of the office of the inspector general pursuant to chapter 12A. Every person so appointed to any position in the internal special audit unit shall have experience and skill in the field of such position.