



## Office of the Inspector General Commonwealth of Massachusetts

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### **Verizon New England Inc. Agrees to Pay Over \$1.3 Million to Settle Allegations of State Contract Overbilling, December 2014**

Verizon New England Inc. (Verizon) has agreed to pay the state more than \$1.3 million to settle allegations that the firm had overcharged the Commonwealth for telecommunications services between September 2006 and October 2012. The Office of the Inspector General assisted in investigating the case.

Verizon has a state contract to provide a variety of telephone services to the state and other government entities at specific rates. The settlement resolved a lawsuit filed in Hampshire Superior Court alleging that Verizon had billed customers at rates higher than those permitted by the state contract. In addition to the \$1.3 million paid to the state, the settlement requires Verizon to offer refunds to cities and towns affected by the alleged overbilling.

This case was a follow-up to an earlier investigation by the Office of the Inspector General involving Verizon. In 2009, the Office launched an investigation into Verizon for allegedly overcharging municipalities for Centrex telephone services beginning in 2006. As a result of the investigation by the Office of the Inspector, Verizon refunded \$1.5 million to cities and towns. Under a subsequent agreement with the Attorney General's office, Verizon paid an additional \$800,000 in interest and penalties to the Commonwealth in 2011.

For additional information on the Verizon settlement, see the Massachusetts Attorney General's press release at: [Verizon Pays \\$1.3 Million to Resolve Allegations of Overbilling on State Contract](#)

Also see: Inspector General's Office Investigation Leads to Verizon New England Agreeing to Pay the Commonwealth of MA an Additional \$800,000 in Interest & Penalties to Settle a Case of Overcharging Municipalities for Centrex Telephone Service, December 2011