

HOUSE No. 6

So much of the recommendations of the State Auditor (House, No. 3) as relates to improving government accountability. State Administration and Regulatory Oversight.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act improving government accountability.

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. Section 2 of chapter 11 of the General Laws, as appearing in the 2016
2 Official Edition, is hereby amended by deleting, in line 2, the word “him”.

3 SECTION 2. Section 2 of said chapter, as so appearing, is hereby amended by deleting,
4 in line 3, the word “him” and inserting, in line 3, after the word “by” the following words:- "the
5 state auditor".

6 SECTION 3. Section 2 of said chapter, as so appearing, is hereby amended by inserting,
7 in line 4, after the word “the” the following word:- "state".

8 SECTION 4. Section 2 of said chapter, as so appearing, is hereby amended by deleting,
9 in line 5, the word “his” and inserting, in line 5, after the word “of” the following word:- "the".

10 SECTION 5. Section 2 of said chapter, as so appearing, is hereby amended by deleting,
11 in line 10, the word “his”.

12 SECTION 6. Section 5 of said chapter, as so appearing, is hereby amended by deleting,
13 in lines 2, 3, and 4, the words “a second, third and fourth deputy auditor, administrator of field
14 operations of state audits and an administrator of field operations of authority audits” and
15 inserting, in line 2, after the word “remove” the following words:- "deputy auditors".

16 SECTION 7. Section 6 of said chapter, as so appearing, is hereby amended by deleting,
17 in lines 2, 3, 4, and 5, the words “Said employees shall be organized in five divisions, namely,
18 the division of state audits, the division of authority audits, the division of federal audits, the
19 division of contract audits and the division of local mandates.”.

20 SECTION 8. Section 6B of said chapter, as so appearing, is hereby amended by inserting
21 in line 12 after the word “C” the following words:- "and the significant financial impacts under
22 this section".

23 SECTION 9. Section 6B of said chapter, as so appearing, is hereby amended by deleting,
24 in line 19, the words “every five years”.

25 SECTION 10: Section 6B of said chapter, as so appearing, is hereby amended by
26 inserting, in line 21, after the word “towns.” the following words:- "The division shall also
27 review every five years newly enacted laws and administrative regulations which have a
28 significant financial impact upon cities and towns.".

29 SECTION 11. Section 6B of said chapter, as so appearing, is hereby amended by
30 deleting, in line 23, the word “or” and inserting, in line 24, after the word “expenditures” the
31 following words:- ", or grant or increase exemptions from local taxation".

32 SECTION 12. Section 6B of said chapter, as so appearing, is hereby amended by
33 inserting after the fourth paragraph the following paragraph:-

34 "Administrative agencies when adopting, repealing, or amending any rule or regulation
35 that may have an impact on the cities and towns of the commonwealth shall provide the division
36 with a copy of the local impact statement as described in Executive Order Number 145."

37 SECTION 13: Section 12 of said chapter, as so appearing, is hereby amended by
38 deleting, in lines 6 and 7, the words "and, for" and inserting, in line 6, following the word
39 "revenue" the following words:- ". For".

40 SECTION 14: Section 12 of said chapter, as so appearing, is hereby amended by
41 inserting, in line 9, after the word "times" the following words:- ", as determined by the state
42 auditor,".

43 SECTION 15: Section 12 of said chapter, as so appearing, is hereby amended by
44 inserting, in line 9, after the words "require the" the following word:- "timely".

45 SECTION 16: Section 12 of said chapter, as so appearing, is hereby amended by
46 inserting, in line 9, after the word "production" the following words:- ", as determined by the
47 state auditor, but not later than ten business days following any request,".

48 SECTION 17: Section 12 of said chapter, as so appearing, is hereby amended by
49 inserting, in line 10, after the word "documents," the following words:- "physical records,
50 forms,".

51 SECTION 18: Section 12 of said chapter, as so appearing, is hereby amended by
52 inserting, in line 10, after the word "records" the following words:- ", including but not limited

53 to electronic data, electronic databases, electronic applications, and electronic systems in their
54 native format, including any personally identifiable information, protected health information, or
55 other confidential information contained therein,".

56 SECTION 19: Section 12 of said chapter, as so appearing, is hereby amended by
57 deleting, in lines 10 and 11, the words "to any matter within the scope of" and inserting, in line
58 10, after the word "relating" the following words:- "in any way to".

59 SECTION 20: Section 12 of said chapter, as so appearing, is hereby amended by
60 deleting, in line 12, the words "returns. In" and inserting, in line 12, after the word "tax" the
61 following words:- "returns.

62 In".

63 SECTION 21: Section 12 of said chapter, as so appearing, is hereby amended by
64 deleting, in lines 17, 18, and 19, the words "; provided, however, that each entity shall be audited
65 at least once every 3 years and an entity shall be subject to audit as often as the state auditor
66 determines it necessary. The" and inserting, in line 17, after the word "entities" the following
67 words:- ". The state auditor shall audit each entity as often as determined by the state auditor, but
68 not less than once every five years, based upon an identification of risk in statewide processes or
69 programs or agency specific operations and activities.

70 The".

71 SECTION 22: Section 12 of said chapter, as so appearing, is hereby amended by
72 deleting, in line 23, the words "within the scope of any such" and inserting, in line 22, after the
73 word "records" the following words:- "relating in any way to an".

74 SECTION 23: Section 12 of said chapter, as so appearing, is hereby amended by
75 deleting, in line 26, the words “States. In any audit report of” and inserting, in line 26, after the
76 word “United” the following words:- "States.

77 For all audits issued by the department of the state auditor where it has identified
78 findings relative to".

79 SECTION 24: Section 12 of said chapter, as so appearing, is hereby amended by
80 deleting, in lines 30, 31, and 32, the following words “issued by the department of the state
81 auditor, wherein there appears adverse or critical audit results, the state auditor may require a
82 response, in writing, to such audit results.” and inserting, in line 30, after the word “court,” the
83 following words:- "the auditee shall provide a written response to the department of the state
84 auditor."

85 SECTION 25: Section 12 of said chapter, as so appearing, is hereby amended by
86 inserting, in line 33, after the word “shall” the following words:- "contain a detailed description
87 of the auditee’s plans to address the findings and recommendations contained in the audit report,
88 and shall".

89 SECTION 26: Section 12 of said chapter, as so appearing, is hereby amended by
90 deleting, in lines 34, 35, 36, 37, 38, 39, 40, 41, and 42, the words “A copy of the response shall
91 be filed with the appropriate secretariat, the secretary of administration and finance, the
92 cognizant executive board in the case of an authority, and the house and senate committees on
93 ways and means. The state auditor shall notify the appropriate secretariat, the secretary of
94 administration and finance, the cognizant executive board in the case of an authority, and the

95 house and senate committees on ways and means in the event of an agency’s failure to respond
96 or of the filing of unresponsive answers.”.

97 SECTION 27: Section 12 of said chapter, as so appearing, is hereby amended by
98 deleting, in lines 44 and 45, the following words “examine; provided, however, that in” and
99 inserting, in line 44, after the word “to” the following words:- "examine.

100 The department of the state auditor may require a corrective action plan. The state
101 auditor may prescribe forms and issue guidelines governing an auditee’s corrective action plan.
102 If the final audit report issued by the department of the state auditor requires a corrective action
103 plan, the head of the entity audited shall file the corrective action plan within the timeframe
104 required by the state auditor. The auditee’s corrective action plan shall be filed with the state
105 auditor, the governor, the president and minority leader of the senate, the speaker and minority
106 leader of the house of representatives, and the chairman and ranking minority members of the
107 senate committee on post audit and oversight, and the chairman and ranking minority members
108 of the house committee on post audit and oversight.

109 In".

110 SECTION 28: Section 12 of said chapter, as so appearing, is hereby amended by
111 deleting, in line 61, the following words “county. On” and inserting, in line 61, after the word
112 “or” the following words:- "county.

113 On".

114 SECTION 29: Section 12 of said chapter, as so appearing, is hereby amended by
115 deleting, in line 69, the words “fraud. The” and inserting, in line 69, after the word “involve” the
116 following words:- "fraud.

117 The".

118 SECTION 30: Section 12 of said chapter, as so appearing, is hereby amended by
119 inserting, in line 72, after the word “books,” the following word:- "physical".

120 SECTION 31: Section 12 of said chapter, as so appearing, is hereby amended by
121 inserting, in line 72, after the word “records” the following words:- ", documents, forms,".

122 SECTION 32: Section 12 of said chapter, as so appearing, is hereby amended by
123 inserting, in line 72, after the word “activities” the following words:- ", including but not limited
124 to electronic data, electronic databases, electronic applications, and electronic systems in their
125 native format, including any personally identifiable information, protected health information, or
126 other confidential information contained therein,".

127 SECTION 33: Section 12 of said chapter, as so appearing, is hereby amended by
128 inserting, in line 77, after the word “necessary” the following words:- " , as determined by the
129 state auditor,".

130 SECTION 34: Section 12 of said chapter, as so appearing, is hereby amended by
131 inserting, in line 91, after the words “activities,” the following words:- "as defined in this
132 paragraph,".

133 SECTION 35: Section 12 of said chapter, as so appearing, is hereby amended by
134 deleting, in line 92, the words "vendor. The" and inserting, in line 92, the following words:-
135 "vendor.

136 The".

137 SECTION 36: Section 12 of said chapter, as so appearing, is hereby amended by
138 inserting, in line 101, after the word "the" the following word:- "timely".

139 SECTION 37: Section 12 of said chapter, as so appearing, is hereby amended by
140 inserting, in line 101, after the word "production" the following words:- ", as determined by the
141 state auditor, but not later than ten business days following any request,".

142 SECTION 38: Section 12 of said chapter, as so appearing, is hereby amended by
143 inserting, in line 101, after the word "documents," the following words:- "physical records,
144 forms,".

145 SECTION 39: Section 12 of said chapter, as so appearing, is hereby amended by
146 inserting, in line 102, after the word "records" the following words:- ", including but not limited
147 to electronic data, electronic databases, electronic applications, and electronic systems in their
148 native format, including any personally identifiable information, protected health information, or
149 other confidential information contained therein,".

150 SECTION 40: Section 12 of said chapter, as so appearing, is hereby amended by
151 deleting, in lines 102 and 103, the words "to any matter within the scope of such" and inserting,
152 in line 102, after the word "relating" the following words:- "in any way to an".

153 SECTION 41: Section 12 of said chapter, as so appearing, is hereby amended by
154 inserting, in line 105, after the word “books,” the following word:- "physical".

155 SECTION 42: Section 12 of said chapter, as so appearing, is hereby amended by
156 deleting, in line 105, the following word:- "and".

157 SECTION 43: Section 12 of said chapter, as so appearing, is hereby amended by
158 inserting, in line 105, after the word “activities,” the following words:- "documents, and forms,
159 including but not limited to electronic data, electronic databases, electronic applications, and
160 electronic systems in their native format, including any personally identifiable information,
161 protected health information, or other confidential information contained therein,".

162 SECTION 44: Section 12 of said chapter, as so appearing, is hereby amended by
163 deleting, in lines 106 and 107, the words “to any matter within the scope of the” and inserting, in
164 line 106, after the word “relating” the following words:- "in any way to an".

165 SECTION 45. Section 16 of said chapter, as so appearing, is hereby amended by
166 deleting, in line 4, the words “and shall devote his entire time” and inserting, in line 4, after the
167 word “experience” the following words:- ". The director’s time shall be devoted entirely".

168 SECTION 46. Section 16 of said chapter, as so appearing, is hereby amended by
169 deleting, in line 5, the word “he” and inserting, in line 5, after the word “as” the following
170 words:- "the state auditor".

171 SECTION 47. Section 17 of said chapter, as so appearing, is hereby amended by
172 inserting, in line 6, after the word “assistance” the following words:- ", or any other agency or
173 department,".

174 SECTION 48. Section 17 of said chapter, as so appearing, is hereby amended by
175 inserting, in line 7, after the word "said" the following words:- "agencies or".

176 SECTION 49: Section 17 of said chapter, as so appearing, is hereby amended by
177 inserting, in line 21, after the word "services" the following words:- ", and any other agency or
178 department administering any assistance program,".

179 SECTION 50. Section 17 of said chapter, as so appearing, is hereby amended by
180 deleting, in line 22, the words "records and accounts" and inserting, in line 22, after the word
181 "such" the following words:- "physical records, forms, vouchers, and other records, including
182 but not limited to electronic data, electronic databases, electronic applications, and electronic
183 systems in their native format, including any personally identifiable information, protected health
184 information, or other confidential information contained therein".

185 SECTION 51. Section 17 of said chapter, as so appearing, is hereby amended by
186 deleting, in line 23, the words "and may require the production of books, documents and
187 vouchers".