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The Honorable Kenneth J. Donnelly, Chair
Committee on State Administration and Regulatory Oversight
State House, Room 413D
Boston, MA 02133

The Honorable Peter V. Kocot, Chair
Committee on State Administration and Regulatory Oversight
State House, Room 22
Boston, MA 02133

Dear Chairman Donnelly and Chairman Kocot,

I write in support of House 11, *An Act Relative to Chapter 30B*. The bill increases the maximum fine for violating Chapter 30B, the Uniform Procurement Act. The bill also makes technical changes to update Chapter 30B to include correct statutory references based on recently enacted amendments to other statutes. Lastly, the bill re-inserts a section of Chapter 30B that was inadvertently deleted in a previous legislative session.

The one substantive change in House 11 can be found in Section 6, which amends Chapter 30B to increase a fine. Currently, "a person who causes or conspires with another to cause a contract to be solicited or awarded in violation of" Chapter 30B can be fined not more than \$2,000 for each violation. This has been in place since Chapter 30B was enacted in 1989. House 11 increases the maximum possible fine to \$10,000 per violation. This will serve as a strong deterrent to those who would commit fraud against the taxpayers. Given that violations of Chapter 30B can cost taxpayers hundreds of thousands of dollars, the amendment will also give courts the discretion to impose a fine that is appropriate to the violation.

The remaining sections of House 11 contain technical corrections. Sections 1, 4, 5 and 18 of the bill make changes to reflect the creation of Chapter 7C, which relates to capital asset management and maintenance. Previously, Chapter 7 covered capital asset management and maintenance. Section 2 updates Chapter 30B to recognize the reorganization of the Massachusetts Department of Transportation under Transportation Reform in 2009. Section 3 of the bill corrects an inaccurate citation to a sub-clause in another statute.

Finally, Section 8 re-inserts language that was inadvertently deleted during an earlier legislative session. In 2010, the legislature made several changes to Chapter 30B. Due to some timing issues, two Section 22s were added to Chapter 30B with different language. In the attempt

to correct that problem, and create a Section 23, the wrong language was re-inserted. Currently, Sections 22 and 23 of Chapter 30B contain identical language while the intended language of Section 23 was inadvertently eliminated. The eliminated Section 23 language allowed a governmental body to adopt a Massachusetts-preference for the procurement of products or services. While the Office does not support such preferences, as they are not in the best interest of the taxpayer, the Legislature did not consciously remove this language. I have offered this section for that reason alone, and view it as a technical correction.

I strongly urge the committee to report this bill out favorably. As always, my Office stands ready to assist you and your committees. If you have questions, please feel free to contact me.

Sincerely,



Glenn A. Cunha
Inspector General