

# HOUSE . . . . No. 2326

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## The Commonwealth of Massachusetts.

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HOUSE OF REPRESENTATIVES, May 22, 1912.

The joint committee on Ways and Means, to whom were referred the petition (accompanied by bill, Senate, No. 73) of George Holden Tinkham that a commission for economy and efficiency for the Commonwealth be established;

The petition (accompanied by bill, House, No. 263) of Courtenay Crocker for legislation to provide for supervising the management and finances of state departments, boards and institutions by permanent trained officials;

The petition (accompanied by bill, House, No. 264) of Courtenay Crocker for an amendment of the law relative to the supervision by the Governor of expenditures and other financial operations of the Commonwealth;

The petition (accompanied by bill, House, No. 340) of Grafton D. Cushing for legislation relative to the supervision of the financial operations of the Commonwealth and the counties and municipalities; and

The petition (accompanied by bill, House, No. 424) of Thomas W. White for legislation to provide for the supervision of expenditures and other financial operations of its Commonwealth, report the accompanying bill.

For the committee,

COURTENAY CROCKER.

## The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Twelve.

### AN ACT

To establish a Commission on Economy and Efficiency for the Commonwealth.

*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. The governor, with the advice and consent  
2 of the council, shall appoint a commission on economy and  
3 efficiency for the commonwealth, to consist of three persons,  
4 qualified voters of the commonwealth, one of whom shall  
5 be the auditor of the commonwealth. The chairman shall  
6 be designated by the governor, shall be appointed for the  
7 term of two years from January one, nineteen hundred and  
8 twelve, and shall receive a salary at the rate of five thousand  
9 dollars per annum. The other member shall be appointed  
10 for a term of one year from January one, nineteen hundred  
11 and twelve, and shall receive a salary at the rate of twenty-  
12 five hundred dollars per annum. Annually thereafter the  
13 governor, with the advice and consent of the council, shall  
14 appoint one member to serve for two years. Any vacancy  
15 shall be filled by the governor, with the advice and consent  
16 of the council, for the unexpired term, and at the expira-  
17 tion or other determination of the term of the person desig-

18 nated as chairman the governor shall designate a person to  
19 serve as chairman. In all cases a member shall continue  
20 to serve until his successor is appointed and qualified. The  
21 members of said commission may be removed by the gov-  
22 ernor, with the advice and consent of the council.

1 SECTION 2. Said commission may employ a secretary  
2 and such experts, clerks and other assistants, and may pay  
3 them such salaries, and may incur such other expenses as  
4 it may deem necessary and proper not exceeding the sum  
5 of ten thousand dollars in the year nineteen hundred and  
6 twelve, and not exceeding thereafter such sum as may be  
7 appropriated for that purpose by the general court.

1 SECTION 3. Every officer or board having charge of any  
2 department, institution or undertaking which receives an  
3 annual appropriation of money from the treasury of the  
4 commonwealth, including annual appropriations to be met  
5 by assessments, shall, annually, on or before the fifteenth  
6 day of November, submit to the auditor of the common-  
7 wealth, statements showing in detail the amounts appro-  
8 priated for the current fiscal year, estimates of the amounts  
9 required for the ensuing fiscal year, with an explanation  
10 of the reason for any increased appropriation, and with  
11 citations of the statutes relating thereto, and the expendi-  
12 tures for the current year and for each of the two years  
13 next preceding. The said estimates shall not include any  
14 estimates for special purposes or objects. The auditor,  
15 on or before the fifteenth day of December, shall submit  
16 to the governor-elect and to the commission on economy  
17 and efficiency copies of the amounts so required by such  
18 departments, institutions or undertakings, together with  
19 a statement of the general appropriations for said depart-  
20 ments, institutions or undertakings of the preceding fiscal

21 year and the expenditures for the same and the unexpended  
22 balance as of the preceding thirtieth of November. The  
23 auditor shall further embody the statements received from  
24 those in charge of such departments, institutions or under-  
25 takings, together with his estimates for the ensuing fiscal  
26 year for the ordinary and other revenue of the common-  
27 wealth, in one document, and shall have the document  
28 printed and shall transmit the same to the general court for  
29 its action on or before the first Thursday of January of each  
30 year. Copies of this document shall be distributed to the  
31 members of the general court.

1 SECTION 4. Officers, heads of departments, boards, com-  
2 missions and trustees of institutions, who, in their annual  
3 reports, or otherwise, recommend appropriations from the  
4 State treasury for special purposes or objects, including  
5 appropriations to be met by assessments, in addition to the  
6 ordinary running expenses, shall submit estimates thereof  
7 in detail to the auditor of the commonwealth on or before  
8 the fifteenth day of November in each year, and he shall  
9 classify and submit them to the governor-elect and to the  
10 commission on economy and efficiency for their examination  
11 on or before the fifteenth day of December, and shall have  
12 them printed in a public document, and shall transmit the  
13 same to the general court for its action on or before the  
14 first Thursday of January of each year.

1 SECTION 5. The commission on economy and efficiency  
2 shall examine the statements submitted to it by the auditor,  
3 showing the general and special appropriations asked for by  
4 those in charge of the various departments, institutions,  
5 boards and undertakings, mentioned in sections three and  
6 four, and shall report thereon to the Legislature on or before  
7 the first Thursday in January, and at such other times as it

8 may see fit, together with such facts, suggestions or recom-  
9 mendations as to any or all of the appropriations requested  
10 or the method of raising money for the same as it may deem  
11 expedient.

1 SECTION 6. On request of either branch of the legislature  
2 or of the ways and means committee of either branch, or of  
3 the governor, or of the committee on finance of the governor's  
4 council the commission shall make a special examination of  
5 any matter affecting the management or finances of any  
6 department, institution, board, undertaking or commission,  
7 mentioned in section three, and on request shall give any in-  
8 formation in its possession to either branch of the legislature,  
9 or to the ways and means committee of either branch or to  
10 the governor.

1 SECTION 7. The commission may make a special exam-  
2 ination of the management or finances of any of the depart-  
3 ments, institutions, boards, undertakings or commissions  
4 mentioned in section three and may report thereon from  
5 time to time to the governor and council and to the legisla-  
6 ture if it is in session.

1 SECTION 8. It shall be the duty of the commission to  
2 inquire into the laws governing the financial transactions of  
3 the commonwealth and to study into the possibility of pro-  
4 moting greater economy and efficiency and utility in the  
5 transaction of the business of the commonwealth by any  
6 changes in such laws, by the reorganization, consolidation or  
7 co-ordination of departments and institutions, by different  
8 methods of administration, by classification of employees,  
9 by fixing maximum and minimum salaries, by standardizing  
10 vacations, by organizing a central purchasing agency or  
11 department, by the substitution of the budget method of

12 appropriating money or by any other means, and it shall  
13 report thereon from time to time to the governor and coun-  
14 cil and to the legislature, if it is in session.

1 SECTION 9. For the purpose of this act and in order to  
2 provide information which shall serve as a basis for legis-  
3 lation, the commission shall have the power to require the  
4 attendance and testimony of witnesses and the production  
5 of all books, papers, contracts and documents relating to  
6 any matter within the scope of any investigation authorized  
7 by this act. Witnesses shall be summoned in the same man-  
8 ner and shall be paid the same fees as witnesses before the  
9 superior court. The chairman of the commission or any  
10 member thereof may administer oaths to or take the affirma-  
11 tion of witnesses and may prescribe rules and regulations  
12 for the conduct of hearings and the giving of testimony.  
13 If any person summoned and paid shall refuse to attend,  
14 or to be sworn, or to affirm, or to answer any question, or  
15 to produce any book, contract, document or paper pertinent  
16 to the matter of inquiry in consideration before the com-  
17 mission, a justice of the supreme judicial court or of the  
18 superior court, in his discretion, upon application by the  
19 commission or any member thereof authorized thereto by  
20 vote of the commission, may issue an order requiring such  
21 person to appear before the commission, and to produce  
22 his books, contracts, documents and papers and to give  
23 evidence touching the matter in question, and failure to  
24 obey such order of the court may be punished by such court  
25 as a contempt thereof. Any person summoned and paid  
26 who shall refuse to attend, or to be sworn, or to affirm, or  
27 to answer any question, or to produce any book, contract,  
28 document or paper pertinent to the matter in consideration  
29 by the commission, and any person who wilfully interrupts

30 or disturbs any hearing of the commission, or who is dis-  
31 orderly thereat, shall be punished by a fine not exceeding  
32 fifty dollars, or by imprisonment for not more than thirty  
33 days, or by both such fine and imprisonment. Any person who  
34 wilfully swears or affirms falsely before the commission upon  
35 any point material to the matter of inquiry shall be guilty  
36 of perjury, and shall be subject to the provisions of chapter  
37 two hundred and ten of the Revised Laws and amendments  
38 thereof. Upon application by the commission to any justice  
39 of the supreme judicial court, or of the superior court, the  
40 justice may issue a commission to one or more competent  
41 persons in another state for the examination of a person  
42 without this commonwealth relative to any matter within  
43 the scope of any investigation under this act. The testi-  
44 mony of such person may be taken by open commission, or  
45 otherwise under the procedure, so far as the same may be  
46 applicable, provided by section forty-three of chapter one  
47 hundred and seventy-five of the Revised Laws, and the said  
48 justice may issue letters rogatory in support of said com-  
49 mission. Nothing in this act shall be construed to compel  
50 any person to give any testimony or to produce any evi-  
51 dence, documentary or otherwise, which may tend to in-  
52 criminate him.

1 SECTION 10. The commission shall make a report to  
2 the governor and council and to the legislature in January  
3 of each year, showing the work done by it during the pre-  
4 ceding year, together with such facts, suggestions or recom-  
5 mendations as to the finances or management of any or all  
6 of the departments, institutions, boards, undertakings or  
7 commissions of the commonwealth, as it may see fit, and  
8 shall report on or before the first Thursday in January, nine-  
9 teen hundred and thirteen, what changes if any in the laws  
10 it deems advisable in relation to its existence, organization,

11 powers or duties. Any suggestions for legislation shall be  
12 accompanied with drafts of the bills recommended.

1 SECTION 11. Section twenty-six of chapter six of the  
2 Revised Laws, as amended by section six of chapter two  
3 hundred and eleven of the acts of the year nineteen hundred  
4 and five and section five of chapter five hundred ninety-  
5 seven of the acts of the year nineteen hundred and eight  
6 and chapter two hundred and twenty of the acts of the year  
7 nineteen hundred and ten, and all acts and parts of acts  
8 inconsistent herewith are hereby repealed.

1 SECTION 12. This act shall take effect upon its passage.