

By Mr. Walsh, a petition (accompanied by bill, Senate, No. 320) of Joseph B. Walsh for legislation to establish a federal grants fund and to provide for the reimbursement of the Commonwealth for certain state costs related to federal grants and subventions. Federal Financial Assistance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-seven.

AN ACT ESTABLISHING A FEDERAL GRANTS FUND AND PROVIDING FOR THE REIMBURSEMENT OF THE COMMONWEALTH FOR CERTAIN STATE COSTS RELATED TO FEDERAL GRANTS AND SUBVENTIONS.

Be it enacted by the Senate and House of Representatives in General Court assembled and by the authority of the same, as follows:

1 Chapter 29 of the General Laws is hereby amended by
 2 striking out section 2C and inserting in place thereof the
 3 following section: —

4 *Section 2C.* There shall be established and set up on the
 5 books of the commonwealth a separate fund, to be known as
 6 the federal grants fund. All revenues received from the federal
 7 government, other than grants for capital improvements,
 8 which are provided for in section two B of this chapter, and
 9 reimbursements for services performed, shall be credited to
 10 said fund and shall be disbursed only in accordance with the
 11 provisions of the grant contract or agreement with the fed-
 12 eral government and the provisions of this section. Revenues
 13 credited to the federal grants fund shall include a grants-in-aid
 14 and subventions received by any secretariat, department, in-
 15 stitution, board, commission, agency, officer or employee of
 16 the commonwealth from the federal government, whether
 17 received directly or through an intermediary.

18 No officer or employee of the commonwealth, directly or in-
 19 directly, shall pledge, use, or expend any state funds, property,
 20 or services, or any reimbursement from the federal government,
 21 as the commonwealth's matching portion of a federal grant ex-
 22 cept by or pursuant to an act of the general court: nor shall any
 23 said officer or employee, directly or indirectly, receive, admin-
 24 ister, or expend federal grants or subventions on half of the

25 commonwealth, other than grants or subventions received by
26 any public institution of higher learning, without prior approval
27 of the commissioner of administration and the filing by said
28 commissioner of formal notice of such approval with the legis-
29 lative committee on federal financial assistance, and the senate
30 and house ways and means committees.

31 All monies deposited in the federal grants fund, other than
32 that portion allocated for the direct purposes of a grant or
33 subvention, shall be transferred to the general fund in accord-
34 ance with rules and regulations of the commissioner of admin-
35 istration, except as provided in the following paragraph.

36 Other than for that portion which has been received as
37 reimbursement to the commonwealth for employee retirement,
38 group insurance, or workmen's compensation benefits, grants
39 received by an institution of higher learning may be trans-
40 ferred in whole or in part to separate accounts and expended
41 without appropriation for the support of a computer or com-
42 puters, of another research grant, or for faculty research or
43 research and scholarly work under the supervision of members
44 of the faculty of such institution.

45 In order that the commonwealth shall receive the maximum
46 reimbursement for the cost of providing group insurance,
47 workmen's compensation or retirement benefits provided per-
48 sons classified as employees and compensated in whole or in
49 part out of federal grants or subventions, the personnel ad-
50 ministrator in the executive office of administration and
51 finance shall file with the group insurance commission and
52 the state retirement board the names, employee identification
53 numbers, and amount of compensation of all persons receiving
54 compensation from any and all federal grants and subven-
55 tions, together with the identification of grants or subven-
56 tions from which compensation has been paid, within thirty
57 days. Additions, deletions or alterations in said list shall be
58 filed with the same agencies each calendar month thereafter.

59 Within thirty days, all secretariats, departments, boards or
60 agencies shall file with the group insurance commission a true
61 copy of all existing contracts or agreements of every nature
62 and description with the commonwealth or a political subdivi-
63 sion of federal, trust and any other non-state funds.

64 For contracts or agreements entered into on and after July

65 first, nineteen hundred and seventy-six, true copies shall be
66 filed with the group insurance commission no later than sixty
67 calendar days from the effective date thereof.

68 Where any department, board or agency fails to file a copy
69 of such contract, or fails to respond to a reasonable inquiry
70 by the commission, the commission shall provide a fair hear-
71 ing to the head of the operating agency to determine the
72 justification for non-compliance. Upon continued failure by
73 the department, board or agency head to provide the request-
74 ed data and information, the commission may vote to with-
75 hold payment of the commonwealth's share of the insurance
76 premium applicable to the insured employees of the agency
77 and all such employees only for purposes of payment of in-
78 surance premiums, shall be deemed to be absent without pay
79 and shall make payment of the required premium as provided
80 in section eight of chapter thirty-two A of the General Laws.

81 No individual, corporation or other organization utilizing
82 grants shall be permitted to occupy or use land, buildings,
83 equipment or facilities of the commonwealth or use the serv-
84 ices of any officer or employee of the commonwealth during
85 his regular working hours unless there is a written agree-
86 ment, approved by the commissioner of administration, be-
87 tween said individual, corporation or other organization and
88 said officer or employee that the commonwealth shall be reim-
89 bursed for such occupancy or use; provided, however, that
90 upon recommendation of any department, institution, board,
91 commission, agency or employee setting forth good and suf-
92 ficient reasons, this requirement may be waived in whole or
93 in part by the commissioner of administration on a particular
94 project or projects. Notice of such waiver shall be filed by the
95 commission of administration with the house and senate ways
96 and means committees, the joint committee on federal fi-
97 nancial assistance, and the state auditor. Any reimburse-
98 ments to the commonwealth resulting from said agreements
99 shall be deposited in the general fund.

100 All applications and reapplications for grants, other than
101 grants applied for or received by any public institution of
102 higher learning, shall be subject to the prior approval of the
103 commissioner of administration, and all such applications and
104 reapplications made on behalf of any department, institution,

105 board, commission, agency or employee within any of the ex-
106 ecutive offices established by chapter six A shall also be sub-
107 ject to the prior approval of the secretary having charge of
108 such executive office. Any transfer within such grants shall
109 be subject to like approval. Forthwith upon his approval of
110 each such application and reapplication; the said commis-
111 sioner shall certify to the house and senate committees on
112 ways and means and the joint legislative committee on post
113 audit and oversight and federal financial assistance such in-
114 formation regarding the proposed grant as shall be prescribed
115 from time to time by the said committees or any of them. No
116 grant in excess of one million dollars shall be received by the
117 commonwealth, or by a corporation or other organization es-
118 tablished as an affiliate of any agency or institution operated
119 by the commonwealth, or by an individual employed by the
120 commonwealth, authorized to expend such funds in conjunc-
121 tion with services rendered by the commonwealth, except
122 with the approval of the house and senate committees on
123 ways and means; but, unless otherwise provided by the said
124 committees, all grants so received may be expended without
125 specific appropriation under the terms and conditions pro-
126 vided in rules and regulations established by the commis-
127 sioner of administration and if such expenditures are other-
128 wise in accordance with law. All such grants shall be re-
129 ported in full by the head of the agency directly rendering
130 the services mentioned above to the budget director, to the
131 comptroller, to the house and senate committees on ways and
132 means, and to the joint legislative committees on post audit
133 and oversight and federal financial assistance. The report
134 shall include such itemization as required in accordance with
135 state and federal regulations. All federal subventions and
136 grants available to the commonwealth under any act of con-
137 gress and not otherwise authorized to be received shall be paid
138 into the treasury of the commonwealth. All expenditures of
139 grants shall be subject to the audit of the state auditor.

140 Grants shall not be used to supplement the regular salary
141 or compensation of any officer or employee of the common-
142 wealth for services performed during his regular working
143 hours.