

By Mr. Cohen of Andover (by request), petition of Karl Haartz relative to the collection, use, control and administration of certain agency fee funds. Public Service.

The Commonwealth of Massachusetts

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

AN ACT TO ENCOURAGE INTEGRITY AND EQUITY IN THE DETERMINATION, COLLECTION, USE, CONTROL AND ADMINISTRATION OF AGENCY FEE FUNDS, INVOLUNTARILY PAID BY CERTAIN EMPLOYEES OF THE COMMONWEALTH TO A PRIVATE ENTITY AS A CAPTIVE GROUP OF THAT ENTITY.

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

1 Any other law to the contrary notwithstanding, the Com-
2 monwealth shall seek the services of an established auditor for
3 investigation, overseeing and judging the worth and integrity of
4 the determination, collection, use, control and administration of
5 Agency Fee Funds, so called, that the Commonwealth shall
6 collect and then place in the control of a private entity. The
7 Commonwealth shall make its need for an auditor known by
8 means of the usual advertising that would be used in seeking
9 similar auditing services.

10 Any auditing entity in order to qualify, must have been in
11 business continuously for the past eighteen years, has done no
12 business with the Commonwealth of Massachusetts or any labor
13 entity, or for any individual elected or appointed a member of the
14 government of Massachusetts, or for any political entity, nor may
15 any of its members be associated with any elected or appointed
16 member of the government of Massachusetts.

17 The name and address of those concerns seeking the business
18 advertised and, found by the Commonwealth to be ready, willing,
19 qualified and able, shall be sealed in separate envelopes, the
20 envelopes placed in a hat collectively, and one withdrawn not
21 later than April Ten, nineteen hundred and seventy-seven.

22 The entity so determined shall be offered a beginning contract
23 of not more than two years duration at a price to be determined
24 to be in accord with the standard practices concerning similar
25 activity by the profession.

26 Among the services to be provided, but not limited to them,
27 shall be providing each employee of the Commonwealth required
28 to pay the Agency Fee, so called, a report each six months
29 concerning the adequacy, integrity, and equity of the method of
30 determining the amount of the Agency Fee, the amount of
31 interest earned by the Agency Fee Money while in possession and
32 under the control of the Agency Fee Entity, explanation of the
33 methods used by the Commonwealth to police the financial and
34 ethical integrity of the Agency Fee entity as it acts as a private
35 entity collecting money from an involuntary group of employees
36 who have no recourse but to acquiesce in meeting the demands of
37 the Agency Fee entity in order to hold their civil service protected
38 employment.

39 The Auditor shall also furnish to the Agency Fee payers, each
40 six months, its recommendation for corrections and other
41 modifications needed to improve the efficiency of the Agency Fee
42 entity to the end that its costs, as charged to the payers, shall be
43 correct and reasonable.