

By Mr. Bly of Saugus, petition of Belden G. Bly, Jr., that the Director of the Bureau of Welfare Auditing be authorized to require the production of certain bank and insurance records. State Administration.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty.

AN ACT ALLOWING THE DIRECTOR OF THE BUREAU OF WELFARE AUDITING TO REQUIRE THE PRODUCTION OF CERTAIN BANK AND INSURANCE RECORDS.

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 7 of the General Laws is hereby amended by inserting
2 after Section 30T the following section:
3 *Section 30U.* A treasurer, or any other person having custody of
4 the records hereinafter described, of a savings bank, national bank,
5 trust company, cooperative bank, benefit association, insurance
6 company, safe deposit company or loan company authorized to do
7 business in the Commonwealth who, upon written request signed by
8 the Director or such employees of the Bureau as he may designate,
9 refuses after a reasonable period of time to disclose to him the
10 records, book documents, and any other papers relative to any
11 health plan, insurance policy, insurance transaction, claim, settle-
12 ment, payment or any deposit, or withdrawal, or loan transaction
13 concerning the corporation, person, firm, association or trust
14 named in such request, or who willfully renders false information in
15 reply to such a request, shall forfeit one hundred dollars to the use of
16 the Commonwealth. Upon such request, a treasurer, or any other
17 person having custody of the records, as aforesaid, shall furnish the
18 records, books, documents and any other papers, or copies thereof,
19 on deposits, withdrawals, loans, or insurance transactions, claims,
20 settlements, payments made during the past six (6) years concerning
21 the corporation, person, firm, association or trust named in such
22 request.

23 Requests made under this section shall be directly related to the
24 criminal prosecution or investigation of fraud under any assistance
25 program administered by the department of public welfare.

26 The disclosure by the Director, or by any employees of the
27 Bureau, of information obtained by such request, is prohibited
28 except for purposes directly related to the investigation and criminal
29 prosecution arising out of fraud or the wrongful receipt of money
30 under any assistance program administered by the department of
31 public welfare or other violations of state or federal laws. Willful
32 violation of the provisions of this paragraph shall be punished by a
33 fine of not more than three hundred dollars.