

HOUSE No. 2025

The Commonwealth of Massachusetts

PRESENTED BY:

James J. Lyons, Jr. and Marc T. Lombardo

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act to reform non-profits doing business with the Department of Public Health.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>James J. Lyons, Jr.</i>	<i>18th Essex</i>
<i>Marc T. Lombardo</i>	<i>22nd Middlesex</i>
<i>Paul A. Schmid, III</i>	<i>8th Bristol</i>
<i>Keiko M. Orrall</i>	<i>12th Bristol</i>

HOUSE No. 2025

By Messrs. Lyons of Andover and Lombardo of Billerica, a petition (accompanied by bill, House, No. 2025) of James J. Lyons, Jr. and others for an investigation to by an independent commission on the compensation paid to officers, employees, and independent contractors by non-profit corporations that receive grants from or have contracts with the Department of Public Health. Public Health.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act to reform non-profits doing business with the Department of Public Health.

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. Chapter 17 of the General Laws is hereby amended by inserting, after
2 section 19, the following section:-
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4 Section 20. (a)Notwithstanding any general or special law to the contrary, there shall be an
5 independent commission to study and report on compensation paid to officers, directors, trustees,
6 key employees, executives, highest paid employees, and independent contractors by non-profit
7 corporations that receive grants from or have contracts with, the Department of Public Health.
8 The commission shall consist of : the inspector general, or a designee; the attorney general, or a
9 designee; the state auditor, or a designee; 2 members of the house of representatives, 1 of whom
10 shall be appointed by the minority leader, and shall act as chair; and 2 members of the senate, 1
11 of whom shall be appointed by the minority leader. The commission shall research, assess and
12 develop recommendations regarding limiting compensation to officers, directors, trustees, key
13 employees, executives, highest paid employees, and independent contractors at non-profits that
14 receive grants from or have contracts with the Department of Public Health based on
15 comparisons with prevailing standards for similar grants and contracts to determine whether or
16 not such compensation is excessive in terms of the benefits bestowed upon the citizens of the
17 Commonwealth. The commission shall specifically report on whether excessive compensation is
18 awarded to executives at non-profits, as compared to managers and administrators employed in
19 state government and to make recommendations to minimize or eliminate from eligibility for
20 contractor status with the Commonwealth those non-profits with excessive payrolls or

21 accumulated assets.

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23 (b) Said report shall be filed with to the chair and ranking minority member of the house
24 committee on ways and means, the chair and ranking minority member of the senate committee
25 on ways and means, and the clerks of the House of Representatives and senate no later than
26 October 15, 2013.”

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