## The Commonwealth of Massachusetts

House of Representatives, November 7, 2016.

The committee on Ways and Means to whom was referred the Bill reconciling inconsistent statutory audit schedules (House, No. 4, changed), reports recommending that the same ought to pass with an amendment substituting therefor the accompanying bill (House, No. 4720).

For the committee,

BRIAN S. DEMPSEY

## The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court (2015-2016)

An Act reconciling inconsistent statutory audit schedules.

*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. Section 182C of chapter 6 of the General Laws, as appearing in the 2014
2	Official Edition, is hereby amended by striking out the second sentence and inserting in place
3	thereof the following sentence:- The state auditor shall conduct an audit of the commission's
4	books and accounts, in accordance with generally accepted government auditing standards, as
5	often as the auditor determines is necessary. Any audit conducted pursuant to this section shall
6	be available on the website of the state auditor and submitted to the department of conservation
7	and recreation, the department of revenue and the house and senate committees on ways and
8	means.

9 SECTION 2. The second paragraph of section 192 of said chapter 6, as so appearing, is 10 hereby amended by striking out the last sentence and inserting in place thereof the following 11 sentence:- The special trust account shall be subject to an audit by the state auditor conducted, in 12 accordance with generally accepted government auditing standards as often as the auditor 13 determines is necessary. SECTION 3. The second paragraph of section 196 of said chapter 6, as so appearing, is hereby amended by striking out the last sentence and inserting in place thereof the following sentence:- Any fund established pursuant to this section shall be subject to an audit by the state auditor, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary.

SECTION 4. Section 197 of said chapter 6, as so appearing, is hereby amended by striking out the last sentence and inserting in place thereof the following sentence:- Any fund established pursuant to this section shall be subject to an audit, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary.

SECTION 5. Section 17 of chapter 6D of the General Laws, as so appearing, is hereby
amended by striking out the last sentence and inserting in place thereof the following sentence:The commission shall be subject to an audit by the state auditor, in accordance with generally
accepted government auditing standards, once every 3 years or as often as the auditor determines
is necessary.

SECTION 6. Chapter 10 of the General Laws, as so appearing, is hereby amended by striking out section 36 and inserting in place thereof the following section:- Section 36. The state auditor shall conduct an audit of all accounts and transactions of the state lottery commission in accordance with generally accepted government auditing standards, once every 3 years and as often as the auditor determines is necessary.

33 SECTION 7. Section 50 of said chapter 10, as so appearing, is hereby amended by
34 striking out the third paragraph and inserting in place thereof the following paragraph:- The
35 books and records of the Children's Trust Fund shall be subject to an audit by the state auditor,

in accordance with generally accepted government auditing standards, as often as the auditordetermines is necessary.

38 SECTION 8. Section 22 of chapter 15A of the General Laws, as so appearing, is hereby 39 amended by striking out, in line 25, the words "annual audit by the state auditor" and inserting in 40 place thereof the following words:- an audit by the state auditor, in accordance with generally 41 accepted government auditing standards, as often as the auditor determines is necessary 42 SECTION 9. Section 22A of said chapter 15A, as so appearing, is hereby amended by 43 striking, in line 47, the words "biennially by the state auditor" and inserting in place thereof the 44 following words:- by the state auditor, in accordance with generally accepted government 45 auditing standards, as often as the auditor determines is necessary. 46 SECTION 10. Section 20 of chapter 15C of the General Laws, as so appearing, is hereby 47 amended by striking out the last sentence and inserting in place thereof the following sentence:-48 The Authority shall be subject to audit by the state auditor, in accordance with generally 49 accepted government auditing standards, once every 3 years and as often as the auditor

50 determines is necessary.

51 SECTION 11. Section 29 of chapter 20 of the General Laws, as so appearing, is hereby 52 amended by striking out the last sentence and inserting in place thereof the following sentence:-53 The books and records of the Farm Preservation Linked Loan Fund shall be subject to an audit 54 by the state auditor, in accordance with generally accepted government auditing standards, as 55 often as the auditor determines is necessary.

56 SECTION 12. Subsection (f) of section 30 of said chapter 20, as so appearing, is hereby 57 amended by striking out the second sentence and replacing it with the following sentence:- The books and records of the board shall be subject to an audit by the state auditor, in accordance
with generally accepted government auditing standards, as often as the auditor determines is
necessary.

61 SECTION 13. Section 31 of said chapter 20, as so appearing, is hereby amended by 62 striking out the last sentence and replacing it with the following sentence:- The books and 63 records of the Dairy Promotion Trust Fund shall be subject to an audit by the state auditor, in 64 accordance with generally accepted government auditing standards, as often as the auditor 65 determines is necessary.

66 SECTION 14. Subsection (b) of section 3J of chapter 23A of the General Laws, as so 67 appearing, is hereby amended by striking out the last sentence and inserting in place thereof the 68 following sentence:- The contracting organization shall submit its audited financial statements 69 annually to the state auditor, and shall be subject to an audit by the state auditor, in accordance 70 with generally accepted government auditing standards, as often as the auditor determines is 71 necessary.

SECTION 15. Chapter 23D of the General Laws, as so appearing, is hereby amended by striking out section 32 and inserting in place thereof the following section:- Section 32. The books and records of the industrial service program shall be subject to an audit by the state auditor, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary.

SECTION 16. Chapter 23G of the General Laws, as so appearing, is hereby amended by
striking out section 10 and inserting in place thereof the following section:- Section 10. The
books and records of the Agency shall be subject to an audit by the state auditor, in accordance

with generally accepted government auditing standards, as often as the auditor determines isnecessary.

82 SECTION 17. Chapter 23I of the General Laws, as so appearing, is hereby amended by 83 striking out section 16 and inserting in place thereof the following section:- Section 16. The 84 books and records of the center shall be subject to a an audit by the state auditor, in accordance 85 with generally accepted government auditing standards, as often as the auditor determines is 86 necessary.

87 SECTION 18. Subsection (f) of section 2 of chapter 23J of the General Laws, as so 88 appearing, is hereby amended by striking the last sentence and inserting in place thereof the 89 following sentence:- The books and records of the center shall be subject to an audit by the state 90 auditor, in accordance with generally accepted government auditing standards, as often as the 91 auditor determines is necessary.

92 SECTION 19. Said chapter 23J, as so appearing, is hereby amended by striking section 93 11 and inserting in place thereof the following section:- Section 11. The books and records of 94 the center and board relative to expenditures and investments of monies from the fund and the 95 trust fund shall be subject to an audit by the state auditor, in accordance with generally accepted 96 government auditing standards, as often as the auditor determines is necessary.

97 SECTION 20. Section 2III of chapter 29 of the General Laws, as so appearing, is hereby
98 amended by striking out the fourth sentence and inserting in place thereof the following
99 sentence:- The books and records of the fund shall be subject to an audit by the state auditor, in
100 accordance with generally accepted government auditing standards, as often as the auditor
101 determines is necessary.

SECTION 21. Section 4 of chapter 29A of the General Laws, as so appearing, is hereby amended by striking the last sentence of the fourth paragraph and inserting in place thereof the following sentence:- The court administrator shall monitor compliance with these accounting and expenditure requirements, and the state auditor shall audit said court facilities rental accounts and related accounts of such county, city, or town, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary.

SECTION 22. Chapter 40G of the General Laws, as so appearing, is hereby amended by striking section 7 and inserting in place thereof the following section:- Section 7. The books and records of the MTDC shall be subject to an audit by the state auditor, in accordance with generally accepted government auditing standards, once every 3 years and as often as the auditor determines is necessary, and an annual audit by an independent auditor.

SECTION 23. Chapter 40H of the General Laws, as so appearing, is hereby amended by striking section 7 and inserting in place thereof the following section:- Section 7. The books and records of the CEDAC shall be subject to an audit by the state auditor, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary.

SECTION 24. Chapter 40J of the General Laws, as so appearing, is hereby amended by
striking out section 9 and inserting in place thereof the following section:-

Section 9. The books and records of the corporation shall be subject to an audit by the state auditor, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary. SECTION 25. Section 12 of chapter 40J, as so appearing, is hereby amended by striking
out subsection (g) and inserting in place thereof the following subsection:-

(g) Audit. The books and records of the corporation shall be subject to an audit by the
state auditor, in accordance with generally accepted government auditing standards, as often as
the auditor determines is necessary.

SECTION 26. Section 1B of chapter 73 of the General Laws, as so appearing, is hereby
amended by striking the last sentence and inserting in place thereof the following sentence:-

The said fund or funds shall be subject to an audit by the state auditor, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary.

SECTION 27. Section 10 of said chapter 73, as so appearing, is hereby amended by striking, in line 6, the words "biennially by the state auditor" and inserting in place thereof the following words:- by the state auditor, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary

SECTION 28. Section 42H of chapter 74 of the General Laws, as so appearing, is hereby
amended by striking, in line 5, the words "biennially by the state auditor" and inserting in place
thereof the following words:- by the state auditor, in accordance with generally accepted
government auditing standards, as often as the auditor determines is necessary.

SECTION 29. Section 46B of said chapter 74, as so appearing, is hereby amended by
striking, in lines 31-32, the words "biennial audit by the state auditor" and inserting in place

thereof the following words:- audit by the state auditor, in accordance with generally acceptedgovernment auditing standards, as often as the auditor determines is necessary.

145	SECTION 30. Section 1A of chapter 75 of the General Laws, as so appearing, is hereby
146	amended by striking, in line 79, the words "annual audit by the state auditor" and inserting in
147	place thereof the following words:- audit by the state auditor, in accordance with generally
148	accepted government auditing standards, as often as the auditor determines is necessary.
149	SECTION 31. Section 6 of said chapter 75, as so appearing, is hereby amended by
150	striking, in line 4, the words "annually by the state auditor" and inserting in place thereof the
151	following words:- by the state auditor, in accordance with generally accepted government
152	auditing standards, as often as the auditor determines is necessary.
153	SECTION 32. Section 14C of said chapter 75, as so appearing, is hereby amended by
154	striking, in line 31, the words "annual audit by the state auditor" and inserting in place thereof
155	the following words:- audit by the state auditor, in accordance with generally accepted
156	government auditing standards, as often as the auditor determines is necessary.
157	SECTION 33. Section 43 of said chapter 75, as so appearing, is hereby amended by
158	striking, in lines 65 and 66, the words "no less than once every two years" and inserting in place
159	thereof the following words:- in accordance with generally accepted government auditing
160	standards as often as the auditor determines is necessary.
161	SECTION 34. Section 2 of chapter 128 of the General Laws, as so appearing, is hereby
162	amended by striking the last sentence of subsection (g) and inserting in place thereof the

163 following sentence:-

164	The state auditor shall audit the books of the Massachusetts Thoroughbred Breeders
165	Association, Inc., to insure compliance with this section, in accordance with generally accepted
166	government auditing standards, as often as the auditor determines is necessary.
167	SECTION 35. Said section 2 of said chapter 128, as so appearing, is hereby further
168	amended by striking the last sentence of subsection (j) and inserting in place thereof the
169	following sentence:-
170	The state auditor shall audit the books of the qualified organization, in accordance with
171	generally accepted government auditing standards, as often as the auditor determines is
172	necessary, to ensure compliance with this section.
173	SECTION 36. Section 38B of said chapter 128, as so appearing, is hereby amended by
174	striking section (c) and inserting in place thereof the following section:-
175	(c) The books and records of the Massachusetts State Exposition Building Maintenance
176	Fund shall be subject to an audit by the state auditor, in accordance with generally accepted
177	government auditing standards, as often as the auditor determines is necessary.
178	SECTION 37. Section 113 of said chapter 128, as so appearing, is hereby amended by
179	striking, in line 39, the words "a biennial audit by the auditor of the commonwealth" and
180	inserting in place thereof the following words:- an audit by the state auditor, in accordance with
181	generally accepted government auditing standards, as often as the auditor determines is
182	necessary
183	SECTION 38. Section 65 of chapter 152 of the General Laws, as so appearing, is hereby
184	amended by striking subsection (10) and inserting in place thereof the following section:- (10)

185 The books and records of the special fund and trust fund shall be subject to an audit by the state 186 auditor, in accordance with generally accepted government auditing standards, as often as the 187 auditor determines is necessary.

188 SECTION 39. Section 12 of chapter 161B of the General Laws, as so appearing, is 189 hereby amended by striking, in lines 1-2, the words "biennially make an audit of the accounts of 190 each authority" and inserting in place thereof the following words:- make an audit of the 191 accounts of each authority, in accordance with generally accepted government auditing 192 standards, once every 3 years and as often as the auditor determines is necessary,

SECTION 40. Section 2 of chapter 175G of the General Laws, as so appearing, is hereby amended by striking, in lines 98-99, the words "annual audit by the auditor of the commonwealth" and inserting in place thereof the following words:- audit by the state auditor, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary,

SECTION 41. Section 14 of chapter 176Q of the General Laws, as so appearing, is hereby amended by striking the last sentence and replacing it with the following sentence:- The connector shall be subject to audit by the state auditor, in accordance with generally accepted government auditing standards, once every three years and as often as the auditor determines is necessary.

SECTION 42. Chapter 221A of the General Laws, as so appearing, is hereby amended by striking section 11 and inserting in place thereof the following section:- Section 11. The books and records of the corporation shall be subject to an audit by the state auditor, in accordance with generally accepted government auditing standards, once every three years andas often as the auditor determines is necessary.

SECTION 43. Section 21 of chapter 465 of the acts of 1956, as amended by section 1 of chapter 384 of the acts of 1961, is hereby further amended by striking, in the fourth sentence, the words "at least once in each fiscal year" and inserting in place thereof the following words:- , in accordance with generally accepted government auditing standards, once every 3 years and as often as the auditor determines is necessary

SECTION 44. Section 13 of chapter 701 of the acts of 1960, as amended by chapter 575 of the acts of 1967, is hereby further amended by striking the third sentence and inserting in place thereof the following sentence:- The state auditor shall cause an audit of the books of the Authority, in accordance with generally accepted government auditing standards, once every 3 years and as often as the auditor determines is necessary.

SECTION 45. Section 15 of chapter 708 of the acts of 1966, is hereby amended by striking the words "annual audit by the auditor of the commonwealth" and inserting in place thereof the following words:- audit by the state auditor, in accordance with generally accepted government auditing standards, once every 3 years and as often as the auditor determines is necessary

SECTION 46. Section 16 of chapter 846 of the acts of 1974, is hereby amended by striking the words "annual audit by the auditor of the commonwealth" and inserting in place thereof the following words:- audit by the state auditor, in accordance with generally accepted government auditing standards, as often as the auditor determines is necessary

227 SECTION 47. Section 41 of chapter 190 of the acts of 1982 is hereby amended by 228 striking the words "annual audit by the auditor of the commonwealth" and inserting in place 229 thereof the following words:- audit by the state auditor, in accordance with generally accepted 230 government auditing standards, once every 3 years and as often as the auditor determines is 231 necessary 232 SECTION 48. Section 7 of chapter 560 of the acts of 1982 is hereby amended by striking 233 the words "annual audit by the auditor of the commonwealth" and inserting in place thereof the 234 following words:- audit by the state auditor, in accordance with generally accepted government 235 auditing standards, as often as the auditor determines is necessary 236 SECTION 49. Section 1 of chapter 240 of the acts of 1984 is hereby amended by striking, 237 in the last sentence of subsection (o), the words "annual audit by the state auditor" and inserting 238 in place thereof the following:- audit by the state auditor, in accordance with generally accepted 239 government auditing standards, as often as the auditor determines is necessary, 240 SECTION 50. Chapter 763 of the acts of 1985 is hereby amended by striking the words 241 "annual audit by the state auditor" and inserting in place thereof the following words:- audit by 242 the state auditor, in accordance with generally accepted government auditing standards, as often 243 as the auditor determines is necessary 244 SECTION 51. Section 21 of chapter 78 of the acts of 1988 is hereby repealed. 245 SECTION 52. Section 22 of chapter 78 of the acts of 1988 is hereby repealed. 246 SECTION 53. Section 23 of chapter 78 of the acts of 1988 is hereby repealed. 247 SECTION 54. Section 24 of chapter 78 of the acts of 1988 is hereby repealed.

## 248 SECTION 55. Section 10 of chapter 506 of the acts of 1990 is hereby repealed.