

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 527 Session of 2017

INTRODUCED BY AUMENT, REGAN, SCARNATI, McGARRIGLE, ARGALL, VOGEL, GORDNER, RESCHENTHALER, VULAKOVICH, FOLMER, MARTIN, DISANTO, WARD, YUDICHAK, RAFFERTY, MENSCH, STEFANO, SCAVELLO, BARTOLOTTA AND BROWNE, MARCH 20, 2017

REFERRED TO STATE GOVERNMENT, MARCH 20, 2017

AN ACT

1 Amending the act of April 9, 1929 (P.L.177, No.175), entitled,
 2 "An act providing for and reorganizing the conduct of the
 3 executive and administrative work of the Commonwealth by the
 4 Executive Department thereof and the administrative
 5 departments, boards, commissions, and officers thereof,
 6 including the boards of trustees of State Normal Schools, or
 7 Teachers Colleges; abolishing, creating, reorganizing or
 8 authorizing the reorganization of certain administrative
 9 departments, boards, and commissions; defining the powers and
 10 duties of the Governor and other executive and administrative
 11 officers, and of the several administrative departments,
 12 boards, commissions, and officers; fixing the salaries of the
 13 Governor, Lieutenant Governor, and certain other executive
 14 and administrative officers; providing for the appointment of
 15 certain administrative officers, and of all deputies and
 16 other assistants and employes in certain departments, boards,
 17 and commissions; and prescribing the manner in which the
 18 number and compensation of the deputies and all other
 19 assistants and employes of certain departments, boards and
 20 commissions shall be determined," establishing the Office of
 21 State Inspector General.

22 The General Assembly finds and declares that:

23 (1) The prevention of fraud, waste, abuse and corruption
 24 of the agencies of State government is an important
 25 responsibility of the Commonwealth.

26 (2) The prevention of waste, fraud, abuse and corruption

1 in State agencies depends in part on the development,
2 implementation and enforcement of sound policies and
3 procedures to that end.

4 (3) Each State agency should exercise constant vigilance
5 and firmly commit to the implementation and enforcement of
6 such policies and procedures.

7 (4) The establishment of a full-time program of
8 investigation and performance review to provide increased
9 accountability and oversight over State agencies best helps
10 deter and identify waste, fraud, abuse and illegal acts.

11 (5) The statutory creation of a wholly independent
12 office of Inspector General to conduct investigations,
13 inspections and other reviews in accordance with those
14 professional standards that relate to the fields of
15 investigation in governmental environments is necessary to
16 achieve these goals.

17 The General Assembly of the Commonwealth of Pennsylvania
18 hereby enacts as follows:

19 Section 1. The act of April 9, 1929 (P.L.177, No.175), known
20 as The Administrative Code of 1929, is amended by adding an
21 article to read:

22 ARTICLE V-A

23 OFFICE OF STATE INSPECTOR GENERAL

24 Section 501-A. Definitions.

25 The following words and phrases when used in this article
26 shall have the meanings given to them in this section unless the
27 context clearly indicates otherwise:

28 "Executive agency." As defined in section 102 of the act of
29 act of October 15, 1980 (P.L.950, No.164), known as the
30 Commonwealth Attorneys Act.

1 "Office." The Office of State Inspector General.

2 Section 502-A. Office of State Inspector General.

3 (a) Establishment.--The Office of State Inspector General is
4 established.

5 (b) Appointment.--Within 90 days of the effective date of
6 this section, the Governor shall nominate a State Inspector
7 General who shall serve for a term of six years. The nomination
8 of the State Inspector General shall be confirmed by the Senate
9 by two-thirds of all the members of the Senate. Compensation
10 shall be set by the Executive Board established under section
11 204. The State Inspector General may not serve more than two
12 terms.

13 (c) Limitation.--The State Inspector General may not seek
14 election nor accept appointment to a political office during his
15 or her tenure as State Inspector General and for one year
16 thereafter.

17 (d) Removal.--The State Inspector General may be removed by
18 the Governor for cause.

19 Section 503-A. Powers, purpose and duties.

20 (a) Powers.--The State Inspector General shall have the
21 power to:

22 (1) Make an investigation and report relating to the
23 administration of a program and operation of an executive
24 agency that the State Inspector General determines is
25 necessary. If the State Inspector General determines that a
26 report should be issued, the State Inspector General may
27 consult with the Office of General Counsel or the Attorney
28 General before issuing the report to insure against an
29 adverse impact on a grand jury proceeding or prosecution
30 being conducted by a law enforcement agency.

1 (2) Request information or assistance necessary for
2 carrying out the duties and responsibilities under this
3 article from a Federal, State or local government agency or a
4 unit of a Federal, State or local government agency.

5 (3) Require and obtain, by written notice from an
6 officer and employee of an executive agency and the Executive
7 Department, information, documents, reports, answers,
8 records, accounts, papers and other necessary data and
9 documentary evidence.

10 (4) Have direct and prompt access to the heads of
11 executive agencies if necessary for a purpose pertaining to
12 the performance of functions and responsibilities under this
13 article.

14 (5) Select, appoint and employ officers and employees
15 necessary for carrying out the functions, powers and duties
16 of the office. The officers and employees shall be employed
17 in accordance with current procedures of the Office of
18 Administration and may be assigned by the State Inspector
19 General to a designated executive agency.

20 (b) Purpose.--The purpose of the Office of State Inspector
21 General is as follows:

22 (1) To deter, detect, prevent and eradicate fraud,
23 waste, misconduct and abuse in a program, operation and
24 contracting of an executive agency.

25 (2) To keep the head of an executive agency, the
26 Governor and the President pro tempore of the Senate and the
27 Speaker of the House of Representatives fully informed about
28 a problem and deficiency relating to the administration of a
29 program, operation and contracting of an executive agency.

30 (3) To provide leadership, coordination and control over

1 satellite Inspector General Offices in a designated executive
2 agency to insure a coordinated and efficient administration
3 of duties and use of staff. The existing Office of Inspector
4 General in the Department of Transportation shall continue as
5 a satellite Inspector General Office. Each satellite
6 Inspector General Office in an executive agency shall report
7 to and follow the direction of the State Inspector General.

8 (c) Duties.--The State Inspector General shall:

9 (1) Inspect, evaluate, investigate and review the
10 activities, records and individuals with contracts,
11 procurements, grants, agreements and other financial
12 arrangements undertaken by an executive agency for the
13 purposes of identifying fraud, waste, misconduct or abuse.

14 (2) Conduct criminal, civil and administrative
15 investigations.

16 (3) Make referrals to the Auditor General for the audit
17 of the economy, efficiency and effectiveness of an executive
18 agency's operations and functions and conduct reviews of the
19 executive agency's performance measurement system.

20 (4) Review the reliability and validity of the
21 information provided by an executive agency's performance
22 measures and standards.

23 (5) Provide information and evidence that relates to
24 criminal acts to appropriate law enforcement officials.

25 (6) Receive and investigate complaints from a source or
26 upon the State Inspector General's own initiative concerning
27 alleged abuses, frauds and service deficiencies, including
28 deficiencies in the operation and maintenance of a facility.

29 (7) Engage in prevention activities, including, but not
30 limited to, review of legislation, rules, regulations,

1 policies, procedures and transactions, training and
2 education.

3 (8) Refer matters for further civil, criminal and
4 administrative action to appropriate administrative and
5 prosecutorial agencies.

6 (9) Conduct joint investigations and projects with other
7 oversight or law enforcement agencies.

8 (10) Recommend remedial actions to be taken by an
9 executive agency to overcome or correct operating or
10 maintenance deficiencies and inefficiencies that were
11 identified by the State Inspector General.

12 (11) Issue public reports.

13 (12) Monitor implementation of recommendations made by
14 the State Inspector General and other audit agencies.

15 (13) Maintain information regarding the cost of
16 investigations and cooperate with appropriate administrative
17 and prosecutorial agencies in recovering the costs from
18 nongovernmental entities involved in willful misconduct.

19 (14) Perform other functions necessary to effectuate
20 this article.

21 Section 504-A. Request for information.

22 (a) Duty.--Upon request of the State Inspector General for
23 information or assistance, an executive agency must within 10
24 days furnish the information and assistance to the State
25 Inspector General or an authorized designee.

26 (b) Report.--If information or assistance requested under
27 subsection (a) is, in the judgment of the State Inspector
28 General, unreasonably refused or not provided, the State
29 Inspector General may report the circumstances to the head of
30 the agency, the Office of General Counsel, the President pro

1 tempore of the Senate and the Speaker of the House of
2 Representatives for appropriate action.

3 Section 505-A. Complaint, disclosure and reprisal.

4 (a) Complaint.--The State Inspector General may receive and
5 investigate a complaint or information concerning the possible
6 existence of an activity in an executive agency constituting any
7 of the following:

8 (1) A violation of a law, rule or regulation.

9 (2) Mismanagement, fraud, waste of funds, abuse of
10 authority, malfeasance, misfeasance and nonfeasance.

11 (3) A substantial and specific danger to the public
12 health and safety.

13 (b) Disclosure.--No person may take or threaten to take
14 action against an employee as a reprisal for making a complaint
15 or disclosing information to the State Inspector General, except
16 if the complaint was made or the information was disclosed with
17 the knowledge that the complaint or information was false or
18 with willful disregard for the truth or falsity of the complaint
19 or information.

20 (c) Protection.--The protections in this article for
21 employees who report, in good faith, fraud, waste, misconduct,
22 malfeasance, misfeasance, nonfeasance or abuse shall be in
23 addition and supplementary to each protection provided by the
24 act of December 12, 1986 (P.L.1559, No.169), known as the
25 Whistleblower Law.

26 Section 506-A. Appropriation.

27 The appropriation for the office shall be in a separate line
28 item and shall be under the jurisdiction of the State Inspector
29 General.

30 Section 2. Except as otherwise provided in Article V-A of

1 the act:

2 (1) All activities initiated by the Office of Inspector
3 General in existence on the effective date of this section
4 shall continue and remain in full force and effect and may be
5 completed under Article V-A of the act.

6 (2) Orders, regulations, rules and decisions which were
7 made by the Office of Inspector General in existence on the
8 effective date of this section and which are in effect on the
9 effective date of this section shall remain in full force and
10 effect until revoked, vacated or modified under Article V-A
11 of the act.

12 (3) Contracts, obligations and collective bargaining
13 agreements entered into by the Office of Inspector General in
14 existence on the effective date of this section are not
15 affected nor impaired by the addition of Article V-A of the
16 act.

17 Section 3. This act shall take effect in 60 days.