



SENATE OF PENNSYLVANIA BILL SUMMARY

Senate Bill 527 Printer's No. 540

Prime Sponsor: Senator Folmer
Committee: State Government

SYNOPSIS:

Establishes an independent Office of Inspector General (Office).

SUMMARY:

Amends the Administrative Code to make the Office independent. The Inspector General will be nominated by the Governor and approved by a two-thirds vote of the Senate. The Inspector General will serve for six years and no more than two terms, and will be prohibited from holding a political office during and for one year after their tenure. The Inspector General can be removed by the Governor for cause.

The Inspector General will have the following powers:

- Make an investigation and report relating to the administration of a program and operation of an executive agency. If the Inspector General determines that a report should be issued, they may consult with the Office of General Counsel or the Attorney General before issuing the report to insure against an adverse impact on a grand jury proceeding or prosecution being conducted by a law enforcement agency.
- Request information or assistance necessary for carrying out the duties and responsibilities under this article from a Federal, State or local government agency.
- Require and obtain, by written notice from an officer and employee of an executive agency and the Executive Department, information, documents, reports, answers, records, accounts, papers and other necessary data and documentary evidence.
- Have access to the heads of executive agencies if necessary for a purpose pertaining to performance of functions and responsibilities under this article.
- Select, appoint and employ officers and employees necessary for carrying out the functions, powers and duties of the Office. The officers and employees must be employed through current procedures of the Office of Administration and may be assigned by the Inspector General to a designated executive agency.

In addition, the purpose of the Office is to: deter, detect, prevent and eradicate fraud, waste, misconduct and abuse in a program, operation and contracting of an executive agency; keep the head of an executive agency, the Governor, the President Pro Tempore of the Senate and the Speaker of the House of Representatives fully informed about a problem and deficiency relating to the administration of a program, operation and contracting in an executive agency; and provide leadership, coordination and control over satellite Inspector General offices in designated executive agencies to insure coordinated and efficient administration of duties and use of staff. Each satellite office shall report to and follow the direction of the Inspector General.

It also would be the duty of the State Inspector General to:

- Inspect, evaluate, investigate and review the activities, records and individuals with contracts, procurements, grants, agreements undertaken by an executive agency, to identify fraud, waste, misconduct or abuse.
- Conduct criminal, civil and administrative investigations.
- Make referrals to the Auditor General to audit the economy, efficiency and effectiveness of an executive agency's operations and functions and conduct reviews of their performance measurement system.
- Review the reliability and validity of the information from an executive agency's performance measures and standards.
- Provide information and evidence that relates to criminal acts to appropriate law enforcement officials.
- Receive and investigate complaints from any source or from the Inspector General's own initiative concerning alleged abuses, frauds and service deficiencies, including deficiencies in the operation and maintenance of a facility.
- Engage in prevention activities, including, but not limited to, review of: legislation, rules, regulations, policies, procedures and transactions, training and education.
- Refer matters for further civil, criminal and administrative action to appropriate administrative and prosecutorial agencies.
- Conduct joint investigations and projects with other oversight or law enforcement agencies.
- Recommend remedial actions to be taken by an executive agency to overcome or correct operating or maintenance deficiencies and inefficiencies that were identified by the Inspector General.
- Issue public reports.
- Monitor implementation of recommendations made by the Inspector General and other audit agencies.
- Maintain information regarding the cost of investigations and cooperate with appropriate administrative and prosecutorial agencies in recovering the costs from nongovernmental entities involved in willful misconduct.
- Perform any other functions necessary.

Upon request of the Inspector General for information or assistance, an executive agency must within 10 days furnish the information and assistance to the Inspector General or an authorized designee. If information or assistance requested is unreasonably refused or not provided, the Inspector General may report the circumstances to the head of the agency, the Office of General Counsel, the President Pro Tempore of the Senate and the Speaker of the House of Representatives for appropriate action.

The Inspector General may receive and investigate a complaint or information concerning the possible existence of an activity in an executive agency constituting a violation of a law, rule or regulation, as well as mismanagement, fraud, waste of funds, abuse of authority, malfeasance, misfeasance, nonfeasance or a substantial and specific danger to public health and safety.

The appropriation for the Office shall be in a separate line item under the jurisdiction of the Inspector General.

Effective Date: 60 days.

*AMENDMENT A0**

Includes changes in the following areas:

- Changes the Inspector General's term from six years to concurrent with the Governor's term of office without Senate confirmation.
- Adds qualifications for selection as Inspector General.
- Requires Governor to notify the General Assembly upon appointment of an Inspector General, and include information on how the appointee meets the requisite qualifications.
- Allows Inspector General to conduct civil and administrative investigations, but ensures that criminal activities discovered will be referred to the appropriate law enforcement officials.
- Provides the Inspector General with the power to issue subpoenas relating to any matter pertinent to an investigation.
- Allows the Inspector General to investigate and file criminal charges for certain types of violations.
- Requires the Inspector General to issue an annual report to the Senate and the House of Representatives that includes various information concerning the Office and its investigations.
- Various technical changes to improve consistency and clarity.

**Copies of the amendment will be provided as soon as available.*

BILL HISTORY:

Referred to State Government, March 20, 2017.

On May 9, 2017, State Government held a public hearing on the bill.

Prepared by: Totino 5/18/2017