

## **Diana DiZoglio for State Auditor**

### **AFSCME Council 93 2022 Massachusetts State Auditor Questionnaire**

#### **ABOUT US**

AFSCME Council 93 represents approximately 35,000 Massachusetts workers employed in a diverse array of fields ranging from public works to direct care workers in the state's human services system. Council 93 members are a vital component of the essential public services that keep our state, municipalities and public facilities safe, clean, and running smoothly.

The more than 6,000 AFSCME members working on 27 public university, state and community college campuses in Massachusetts make up the backbone of one of the most respected and effective public higher education systems in the world. Thousands of individuals and families rely on Council 93's more than 6,500 human services workers to deliver skilled and compassionate care in state-run hospitals and group homes. Our Suffolk County Corrections Officers put their lives on the line every day guarding dangerous inmates in an unpredictable environment and our Department of Youth Services workers are the unsung heroes of a juvenile justice system that seeks to rehabilitate youthful and young adult offenders, many of whom have a history of violent crimes. Our public works members maintain vital public infrastructure and keep our roads clear of snow and ice in the harsh New England winters, while our Department of Conservation and Recreation (DCR) members maintain and preserve the ninth largest state parks system in the country. Our public health nurses, health inspectors and code enforcement officers are an integral component of our public health system and have served courageously in vital roles throughout the COVID-19 Pandemic.

In addition to these and thousands of other dedicated Massachusetts public employees, AFSCME Council 93 also represents approximately 10,000 additional public-sector workers in Maine, New Hampshire and Vermont as well as thousands of private-sector employees working for the Boston Medical Center, McLean Hospital; the Massachusetts Institute of Technology (MIT); and other private organizations. AFSCME Council 93 is an affiliate of AFSCME International, one of the oldest and most respected labor unions in the country.

#### **ENDORSEMENT PROCESS**

The staff and elected leaders of Council 93 will be using the answers to this questionnaire as part of our process for evaluating candidates seeking our endorsement. Should we decide to make an

endorsement in this race, we will do so by a vote of our four-state executive board on Saturday June 11<sup>th</sup>. In addition to this questionnaire, candidates have the option of scheduling an in-person meeting to discuss the issues covered in the questionnaire as well as any other issues the candidate sees fit. To schedule an in-person meeting, call Jim Durkin at 978-866-2283.

**DEADLINE FOR SUBMISSION:**

To be considered for endorsement, candidates are asked to return a scanned, signed copy of this questionnaire via email to [jdurkin@afscme93.org](mailto:jdurkin@afscme93.org) **NO LATER THAN Tuesday, May 31, 2022.**

**CANDIDATE NAME: Diana DiZoglio**

**OFFICE YOU ARE SEEKING: State Auditor**

**SIGNATURE OF CANDIDATE:**



**DATE: 5/31/2022**

**IMPORTANT ISSUES AND QUESTIONS**

**YOUR TOP PRIORITIES**

As the chief accountability officer for the Commonwealth of Massachusetts, the Massachusetts State Auditor has broad powers to ensure state agencies and contractors receiving taxpayer funds spend tax dollars efficiently, legally and in a manner that provides taxpayers with quality government services.

*If elected Auditor of the Commonwealth of Massachusetts, what would be your top three priorities and what areas of government would you target first for audits?*

I'm running for Auditor to ensure that no one – no matter their background, bank balance or zip code – receives different treatment on Beacon Hill. I will use my

decade-long experience in the Legislature, where I have repeatedly demonstrated my willingness to take on the powerful Beacon Hill establishment, to fight for transparency, accountability and equity for the people of Massachusetts. To that end, my [Social Justice and Equity Audit Plan](#) – co-drafted with Senators Lydia Edwards, Julian Cyr and Adam Gomez – aims to dismantle outdated and unfair policies that continue to disproportionately harm underserved and marginalized communities. Our state government is great at making progressive promises but, too often, it fails to actually live up to those ideals. Growing up, housing insecure in Lawrence and Methuen, I saw first-hand the disproportionate impacts of unfair policies on underserved communities.

My Audit Plan lays out a number of specific priorities including greater transparency and accountability across state and local government. Three of the priorities included in the plan are:

- **Advocate for rigorous oversight of corporate tax breaks.** Our current State Auditor has consistently advocated for transparency and equity on corporate tax breaks. Right now, so-called economic development incentives are handed out with little oversight and even less transparency. I will work alongside colleagues in government to pass legislation empowering the Auditor’s office to monitor corporate tax breaks. Government needs to ensure all businesses have equal opportunity to access these incentives, which should be awarded based on need and merit — not political connections and access to power. I will continue our current Auditor’s fight for increased accountability and expanded “clawback” provisions. The Auditor’s office should have the power to analyze the tax returns of corporations receiving these incentives, in order to determine whether this is the best use of taxpayer dollars. Every dollar given away as a tax break is a dollar that could have been invested in our schools, our public transit system, our roads, and many other worthy causes. Therefore, it is essential that there is accountability to ensure these taxpayer dollars are used fairly and wisely.
- **Audit the abuse of taxpayer-funded NDAs by Beacon Hill politicians, the administration and all state agencies.** This practice silences historically marginalized workers on harassment, discrimination, and abuse in the workplace, and I will expose this potential abuse of taxpayer funds. As a Senator, I was successful in filing and passing language to help prevent the abuse of taxpayer-funded NDAs for both the Senate and victims of police brutality. However, workers across the Commonwealth continue to be silenced on workplace abuse as provisions we passed in the Senate continue to stall in the House and be actively opposed by the Administration.
- **Conduct audits to increase affordable housing.** Growing up housing insecure in Lawrence and Methuen taught me that housing is one of the most basic,

fundamental needs that distinguishes between families that easily succeed and those that struggle. My mom and I were lucky to have loved ones who could take us in to provide some stability in difficult times. Growing up, I was able to stay with friends or family, “couch surfing,” or taking a spare room depending on availability in their homes. My story is not that different from the stories of many other people here in Massachusetts who are currently struggling just to find a basic, affordable place to live. We are in a housing crisis and far too many families are facing these challenges. We need to do better by those who are working hard to make ends meet, yet still struggling. As your State Auditor, I will fight to increase housing opportunities that are affordable. I’ll actively analyze, audit, and report on the expenditure of federal stimulus, ARPA and other COVID-related funding to ensure they are used effectively and efficiently. I will work to identify the most cost-effective approaches to produce affordable housing. That will include: converting existing housing stock to affordable; preserving existing housing that is already affordable to residents; and significantly expanding transit-oriented development. We need to get more housing for our tax subsidies and to produce more housing that’s available for families in genuine need. I will analyze the cost effectiveness of building new affordable housing as compared to purchasing existing properties and converting them into affordable housing. Communities that fail to comply with affordable housing laws such as 40B are not eligible for funding under the Housing Choice Initiative, Local Capital Projects Fund or MassWorks Infrastructure Fund. I will report on whether or not the Commonwealth is actually enforcing these requirements. I will also study and report on the opportunity to increase housing opportunities, affordable to working families, on State land and on land owned by other public authorities such as MassPort and regional transit agencies.

## **IMPORTANT ISSUES AND QUESTIONS (continued)**

### **PRIVATIZATION AND THE [TAXPAYER PROTECTION ACT](#)**

The Massachusetts Taxpayer Protection Act – (commonly referred to as the Pacheco Law) provides the Massachusetts State Auditor with authority to approve or reject proposals to outsource an existing state service and replace state workers with privately contracted workers. The law sets series of fair and balanced standards that proponents of privatization of state services must meet before they can proceed with awarding a contract to a private company. All proposed contracts valued at \$603,833.00 (indexed to inflation) or higher are subject to the provisions of the law. If proponents of privatization can prove the proposal will save a minimum

of just one dollar under existing costs while maintaining equal or better services, the proposal can proceed and the contract can be awarded.

Considered the gold standard of such laws in the country, the law roots out hidden costs to the taxpayers and sets very modest wage and benefit levels for the private employees working for the private vendor. Under the law, contractors are required to pay workers the starting wage of the state employee currently performing the job or the average private sector wage – whichever is LESS. They are also required to pay the same percentage (20%-25%) of health insurance costs paid by the state, but they are NOT required to offer the same health insurance plan. Despite the law being wrongfully portrayed as an impassible roadblock to privatization, approximately 80% of the proposals formally submitted to the auditor for review are ultimately approved and privatization is allowed to proceed.

However, the financial due-diligence required by the law has saved taxpayers hundreds of millions of dollars and helped to maintain high-quality public services because many plans are abandoned after proponents realize their proposal will not result in savings to the taxpayer and/or maintain the same level of service.

***What is your opinion of privatization of public services in general?***

I will bring to the Auditor's office a great deal of skepticism when it comes to the privatization of public services. We cannot view the value of education through its cost. We cannot understand the human cost of failed private prisons through the dollar cost of service delivery. When it comes to privatization, I believe the bar must be high, with rigorous, comprehensive analysis of the costs, benefits, and value. Before all of this, however, we must ensure that any potential privatization is consistent with our values as a Commonwealth, including fair pay and fair benefits for a day's service to the public.

I also think it is critical that the next Auditor uses all the powers of the office when it comes to privatization – including the subpoena authority available under the Taxpayer Protection Act – to obtain documents and testimony if needed to shine a light on state contracting.

I remain the only candidate in this race who has recognized these authorities and publicly announced a willingness to use them.

Billions of tax dollars are spent on state contracting, including many which are privatized where we may have seen significant cost savings by instead providing those same services in-house. As someone who grew up housing insecure, attended community college and was raised in environmental justice communities, I understand the huge and positive impact public investments can have on working families. Every tax dollar the Auditor can save by routing out waste, fraud and abuse in the billions of dollars the state spends contracting out public services is incredibly important and can be used to support educating our children, providing more affordable housing, and addressing climate change. These are hugely important issues where the Auditor, by using the full authority granted under the Taxpayer Protection Act, can make a significant and positive difference for many struggling families across our state.

***What is your opinion of the Taxpayer Protection Act?***

Senator Marc Pacheco, the author of the Taxpayer Protection Act, has endorsed my candidacy for State Auditor partly because of my work alongside him on this issue and in the Senate demanding transparency around privatization. This is a crucial statute for our Commonwealth. It ensures a transparent, open cost analysis of public and private bids through the Auditor's Office and requires contractors to prove cost savings before they are considered as service providers. I would uphold this responsibility by making high-quality service with taxpayer accountability my main priority. My stance is clear: a public process allows for the proper vetting of contracts and prevents unfettered privatization. As Auditor, I have pledged to conduct regular audits to ensure we are fulfilling our commitments made through legislative efforts.

***If elected Massachusetts State Auditor, do you pledge to actively and vocally defend the law and publicly oppose and attempts to weaken any provisions of the law?***

Yes, on all counts. This law protects the Commonwealth, our residents, and taxpayers. In fact, the law should be strengthened to improve the analytical framework to increase fairness further. Statute says that "the state auditor or his designee may require by summons the attendance and testimony under oath of witnesses and the production of books, papers and other records" in privatization reviews. While it unfortunately may have not been utilized to its full potential in the past, this tool needs to be highlighted more often as a way to help save tax dollars wastefully spent on privatization of services that could be kept in-house potentially at a much lower cost.

***Given that the law does not apply to municipalities and billions in state funds are awarded to cities and towns every year, would you support efforts to mandate that municipalities follow the provisions of the law?***

The Act helps ensure fairness and is therefore something that should apply to all levels of government. There are a variety of legal issues that would need to be addressed surrounding unfunded mandates, but taxpayer dollars spent on contracts should yes and most certainly be scrutinized at every level possible and employees should be treated fairly, regardless of where they work.

*If you do not support a mandate on municipalities, would you support requiring cities and towns to seek an advisory opinion from the auditor before taking a formal vote to proceed with privatization?*

I support this as well.

*As an elected leader or government official, have you ever initiated and/or voted for a proposal to replace government services and public employees with a private or non-profit company?*

No.

*If so, please provide the details of the privatization initiative, including the services that were outsourced, and your reasons for supporting privatization.*

n/a

### **IMPORTANT ISSUES AND QUESTIONS (continued)**

#### **PRIVATE CONTRACTORS IN THE STATE HUMAN SERVICES SYSTEM**

Despite the aforementioned Taxpayer Protection Act, the commonwealth's reliance on private human services providers is extensive and continues to expand every year. Every year, the state allocates billions of dollars to hundreds of for-profit and non-profit providers to deliver these services, with little or no oversight. According to publicly available 990 federal tax forms, executive pay alone within this provider community numbers in the tens of millions of dollars. For example, David Jordan, the President of the Seven Hills Foundation, earned \$923,266 in compensation according to 2019 tax returns for the organization, while Seven Hills CEO Kathleen Jordan earned \$380,421 in the same year. Andrew Pond, the President and CEO of the Justice Resource Institute earned \$453,327 in 2019. Meanwhile, the leaders of these hundreds of non-profits turn to the taxpayers every year for increases in so-called Chapter 257 funding, claiming they cannot afford to provide their front-line workers with decent pay increases. It is also important to note that because of the low-wages paid to these workers, there is additional cost to the taxpayers in the form of subsidized healthcare and food assistance. While the billions in money allocated every year to these providers is mostly buried deep within general appropriations to the human services agencies, there are two line items in the Department of Developmental Disability Services (DDS) section of the budget alone that provide a snapshot of these expenditures.

Line Item 5920-2000 allocated \$1,408,349,244 in the current fiscal year budget for “vendor-operated, community-based residential adult services....”

In contrast, a subsequent line item (5920-2010) which supports state-operated DDS community services is funded at \$240,637,466 in the current year – 82% LESS than the private providers.

***Were you aware of the scope of the state’s reliance on these vendors and the exorbitant salaries paid to the top executives of these providers?***

It is unacceptable that these disparities exist, and I will use the full powers of the office to shine a light on these salaries and beyond.

***If elected Massachusetts State Auditor, do you pledge to initiate an audit in your first year in office that will include but not necessarily be limited to identification and public disclosure the following?***

***The amount of funds allocated in the current and previous two fiscal years to all private non-profit and for-profit human services providers through all agencies under the Executive Office of Health and Human Services.***

***The total amount of this funding for each fiscal year used by these providers for executive compensation.***

***The total amount of this funding for each fiscal year used by these providers for other overhead costs such as rent and utilities.***

***The total amount of funding for each fiscal year used to pay wages and benefits to direct care workers employed by these providers.***

***A calculation of the total cost of care in the provider system versus the state-run system across all agencies under the Executive Office of Health and Human Services.***

***Identification of any trends or internal documents indicating plans to phase out state-operated human services programs under any agency under the Executive Office of Health and Human Services.***

Yes, I commit to this audit.

### **WHAT ELSE WOULD YOU LIKE TO TELL US?**

While this questionnaire covers our top priorities, it does not represent a comprehensive list of our priorities and concerns. As such, we invite you to share any ideas, positions on issues, or anything else you think would like us to consider during our endorsement process?



I have a long and proud history of standing up for – and alongside – organized labor in Massachusetts. I know the financial challenges that too many working families are struggling with because I have lived them. My single mom had me when she was 17 and helped raise me through the support of public assistance. We struggled to make ends meet, were victims of domestic violence and were often housing insecure. I waitressed and cleaned houses to make my way through community college. I then earned a full scholarship to Wellesley College to become the first in my family to graduate. This lived experience is why I am so passionate about supporting working families.

I've led efforts alongside marginalized State House staffers in Beacon BLOC to provide more equitable compensation, and I am also the only candidate in this race to publicly support the State House Staff Union. I'm the only candidate in this race who recognizes the full subpoena powers of the office and who has committed to use them if need be under the Taxpayer Protection Act. I've strongly supported efforts of grassroots groups such as Raise Up Mass and labor unions such as MTA, AFT, SEIU, NAGE, IBEW, LIUNA, MNA and many others to fight for social justice and ensure that workers across the Commonwealth are able to live with a standard of dignity in the communities they work so hard to serve. And my support goes beyond the doors of the State House, having stood shoulder to shoulder with many rank-and-file union members on picket lines across Massachusetts. I am the ONLY candidate in this race with a track record of supporting labor through demonstrated votes and we need a proven voice for labor in the Auditor's office.

My commitment to working families and the rights of organized labor is unmatched in this race. In fact, I am the only candidate to have been endorsed by organized labor, including but not limited to the National Association of Government Employees (NAGE), UNITE HERE 26, IBEW Local 223, Boston Carmen's Union, Iron Workers Local 7, Machinists District 15, the MBTA Inspectors Union, Operating Engineers Local 4, the Professional Fire Fighters of Massachusetts, MNA, and Teamsters Local 170 and 25. I am humbled to have received this support but can't take our collective work to the next level without your support. I respectfully ask for your vote at convention and endorsement in this race. Thank you.

**-END-**