DLS
DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

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Local Collections, Treasury Management and Debt

Municipal Modernization Act Changes

Workshop B
2016

Supporting a Commonwealth of Communities
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Workshop B

Local Collections, Treasury Management and Debt
Municipal Modernization Act Changes

Municipal Modernization Goals

- Streamline state oversight
- Eliminate or update obsolete laws
- Promote local independence
- Provide greater local flexibility

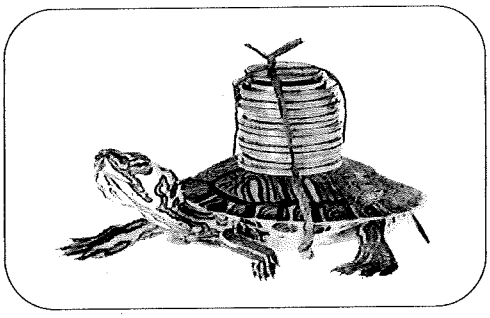
Municipal Modernization Bill

- Signed by Governor on August 9, 2016
- Act effective on November 7, 2016
  - Some sections effective for FY2017
  - Some sections effective on dates after November 7
- If local acceptance statute amended, general rule is amendments apply to city, town or district that already accepted

Municipal Tax and Finance

- DLS duties and responsibilities
- Local tax administration
- Collection procedures
- Borrowing
- Special funds and revenues
- Financial management and governance

Delinquent Interest



Interest Accrual

- §§ 138 - Amends G.L. c. 59, § 57
  - Standardizes accrual of interest on delinquent property tax bills for semi-annual and quarterly billing communities
  - Interest accrues from due date under all systems

Interest Accrual (continued)

- §§ 140-141 - Amend local acceptance G.L. c. 59, § 57A, repeal local acceptance G.L. c. 59, § 57B
  - Allows all communities to make small property tax bills of $100 or less payable in single installment
  - Changes effective beginning FY2018 (§ 251)

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Appellate Tax Board Jurisdiction

- §§ 139, 142-143 - Amend G.L. c. 59, §§ 57, 57C
  - Modifies ATB jurisdiction to hear taxpayer appeals of abatement or exemption application denials when taxes paid late and interest incurred
  - Creates new "postmark rule" for determining when interest incurred

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Appellate Tax Board Jurisdiction (continued)

- §§ 149-151 - Amend G.L. c. 59, § 64
  - Increases timely tax payment requirement for jurisdiction to appeal from $3,000 to $5,000
  - Applies interest incurred bar to jurisdiction to late preliminary taxes

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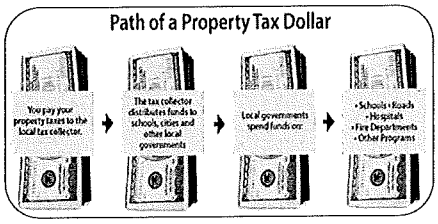
Collection Procedures



Updated Collection Remedies

- Two statutes revised to improve collection of personal property taxes, for which no lien is available
  - G.L. c. 60, § 35: Contract action
  - G.L. c. 40, § 57: License/permit denial, revocation, suspension or non-renewal

Small Claims Court Actions

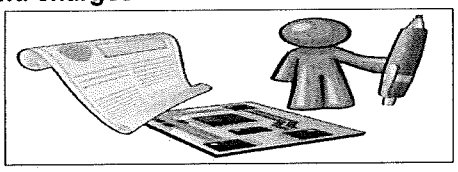
- §§ 232-233 - Amend G.L. c. 218, § 21
- Expands small claims court jurisdiction to encompass 60:35 and other municipal actions
- An informal and inexpensive forum to resolve disputes without an attorney

Small Claims Court Actions (Continued)

- New claims cognizable
  - Actions to collect personal property taxes regardless of amount
  - Other actions by municipalities with value of $15,000 or less

Leveraging Licenses & Permits

- §§ 37-38 – Amend local acceptance G.L. c. 40, § 57, which lets cities or towns deny, revoke, suspend or not renew licenses or permits for applicants not currently in "good standing" on taxes and charges



Leveraging Licenses & Permits (continued)

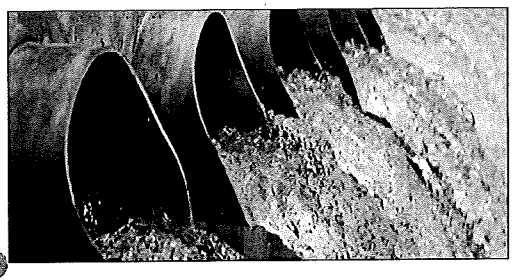
- Collector may provide delinquency lists to departments as often as implementation bylaw or ordinance specifies, not just once a year
- Eliminates requirement of one year delinquency prior to denial, suspension, revocation or non-renewal of licenses or permits

Unsafe Structures Subject to Demolition at Owner's Expense

Demolition Liens

- § 221 – Amends G.L. c. 139, § 3A
  - Makes duration of demolition liens coterminous with lien for tax to which added
    - *Provided* demolition charges are added to next fiscal year tax
  - Same as for water, sewer and light plant liens

Collecting Sewerage Charges from Residents of Neighboring Communities



Extraterritorial Sewer Liens

- § 192 - Amends local acceptance G.L. c. 83, § 16A
  - Expands utility liens to reach ratepayers outside municipal borders who are delinquent in paying sewer charges

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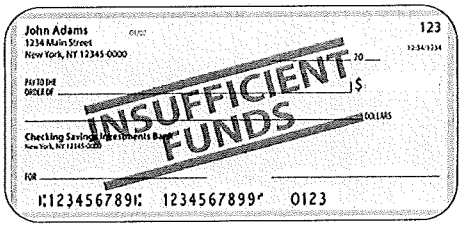
Penalties for Bounced Checks and Electronic Payments



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Dishonored Payments

- §§ 98-99, 165 - Amend G.L. c. 44, § 69 (treasurer) and G.L. c. 60, § 57A (collector)
  - Applies penalties for dishonored checks to electronic payments
  - Applies to payments to collector and treasurer for taxes, fees or charges
  - Makes appeal of penalty to official imposing penalty, not DOR

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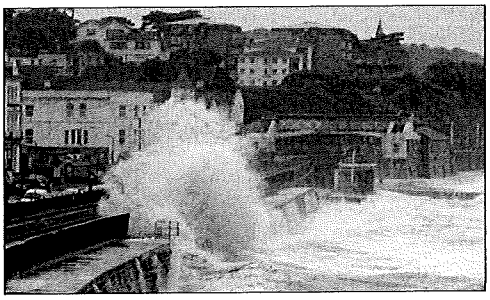
Improved Betterments



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Improved Betterments

- § 191 -Amends G.L. c. 80, § 13
  - Betterments and special assessments enable municipality to recoup costs of infrastructure improvements (e.g. water, sewer) from owners of properties specially benefitted
  - Starts interest accrual 30 days after bill mailed, not when betterment assessment committed

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Improved Betterments (continued)

- Allows interest at any rate up to 2% above rate of municipal loan financing public improvements projects, not fixed @ 2% above
- Allows annual apportioned installments to be structured:
  - For same number of years as loan,
  - As level payments or
  - On semiannual or quarterly basis like taxes

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Mailing Property Tax Bills

- § 156 – Amends G.L. c. 60, § 3 regarding collector's issuance of property tax bills
  - Modernizes current law from mailing to "town of residence" only to current practice of mailing to:
    - Residential address of taxpayer, if known
    - Address of property or
    - Other address supplied in writing by taxpayer by time and in manner collector requires

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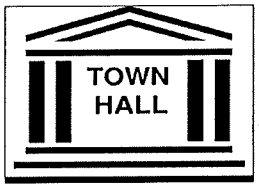
Collection Procedures Localized

- Several other sections amend statutes so as to eliminate required DOR action in connection with collection of outstanding local taxes



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Collections Procedures Localized (continued)

- §§ 106-107, 147-48 - Amend local acceptance G.L. c. 58, § 8C and G.L. c. 59, § 59A
  - Allows affordable housing abatement agreements including restructuring of outstanding amounts to be implemented at local level, as with brownfield tax deals

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Collections Procedures Localized (continued)

- § 168 – Amends G.L. c. 60, § 95
  - Lets taxes in litigation be transferred from collector's books once collector records continuation of lien and gives copy to accounting officer

Collections Procedures Localized (continued)

- § 167 - Amends G.L. c. 60, § 81A
  - Lets treasurer file expedited petition for tax title foreclosure upon building inspector's affidavit that buildings on parcels are abandoned
  - Commissioner no longer required to determine "abandonment"

Collections Procedures Localized (Continued)

- §§ 153, 155 – Amend local acceptance G.L. c. 60, § 2 and repeals G.L. c. 59, § 72
  - Lets collectors have assessors abate real estate assessments or outstanding balances
    - Too small to justify collection or
    - Under $25

Collections Procedures Localized (Continued)

- §§ 105, 164 – Amend G.L. c. 58, § 8, G.L. c. 60, § 50
  - Eliminates DLS authority to refer a collector to Attorney General, or foreclose tax titles instead of the treasurer, when officials do not collect

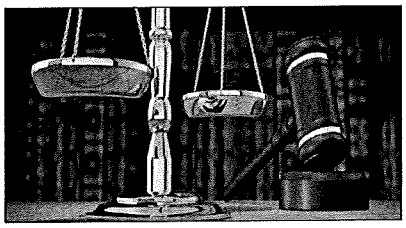
Collections Procedures Localized (continued)

- § 166 – Amends G.L. c. 60, § 77
  - Eliminates DLS authority to extend municipal exemption from covenants running with the land before tax title foreclosure to a post-foreclosure period

Independent Water & Sewer Commissions

- §§ 42-43 – Amend G.L. c. 40N, §§ 9(d) and 27
  - Clarify that existing water or sewer commissions as independent bodies politic can accept G.L. c. 40N
  - Also let commissions created under 40N have municipalities collect their charges

Collection Statutes
Technical Amendments



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Technical Amendments

- § 157 – Amends G.L. c. 60, § 3A
  - Corrects reference to wrong subsection in the statute allowing collectors to e-bill
- § 171 - Amends G.L. c. 60A, § 2A
  - Eliminates role of Joint Revenue Committee in approving forms for marking delinquent excises at RMV

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Borrowing

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Borrowing Purposes and Terms

- §§ 61, 63-64, 178, 180 – Amend borrowing under G.L. c. 44, §§ 7 and 8 (and make conforming amendments)
  - Debt limit of G.L. c. 44, § 10 retained
    - §7 borrowings - subject to debt limit
    - §8 borrowings - outside debt limit
  - §7 and §8 borrowing purposes updated and consolidated

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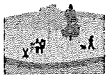
Borrowing Purposes and Terms (continued)



- § 7 Borrowing purposes
  - 34 borrowing purposes now consolidated into 11 updated purposes
  - New § 7(1) covers acquisition of interests in land and assets and broad range of capital projects:
    - ≥ 5 yr. useful life required

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Borrowing Purposes and Terms (continued)

- § 7 Borrowing purposes (continued):
  - § 7(1) includes demolition of public facilities and remediation of public land

  - New § 7(5) – Allows borrowing for repairs to private ways open to public under 40:6N

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Borrowing Purposes and Terms (continued)

- § 7 – Borrowing terms:
  - Generally:
    - Specified number of years or
    - Maximum useful life of asset ≤ 30 years consistent with DLS guidelines issued by Director of Accounts under G.L. c. 44, § 38
  - Court judgments – borrowing now allowed for > 1 year with Municipal Finance Oversight Board (MFOB) approval - 44:7(3)

Borrowing Purposes and Terms (continued)

- § 8 – Borrowing purposes consolidated and updated:
  - May now borrow to construct municipally-owned broad band without light plant (44:8(8), (8A))

  - Borrowing for municipal golf course construction broadened (44:8(15))

Borrowing Purposes and Terms (continued)

- § 8 – Borrowing term
  - Maximum term is specified year or longer term not more than 30 years as determined by Director of Accounts to be maximum useful life of asset under G.L. c. 44, § 38 guidelines

Borrowing

- § 62 - Amends G.L. c. 44, § 6A
  - Broadens borrowing in advance of grants to include any federal or state grant
    - Before amendment, could not borrow in anticipation of federal grants (unless grant for public works project & followed procedure of St. 1945, c. 74)
    - Retains requirement that grant be for purpose for which city/town can borrow for ≥ 5 years

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Borrowing

- § 65 - Amends short term borrowing - G.L. c. 44, § 17
  - Allows renewal of bond anticipation notes (BANs) for up to 10 years (increase from current 5 years)
    - Requires same pay-down of principal after 2nd year as in current law
    - If principal not fully paid by year 10, permanent bond must issue
    - Allows more flexibility in structuring debt

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Borrowing

- §§ 66, 68 - Amend G.L. c. 44, § 21A, Refunding Bonds
  - Streamlines refunding procedure for cities – allows city council approval at one meeting
  - Allows refunding if needed to maintain tax exempt status of outstanding bond issuance, even if value of P & I payments on the refunding bond is > than bonds to be refunded

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Bond Premiums and Surplus Proceeds

- § 67 – Amends G.L. c. 44, § 20
  - Bond Premiums - Changes treatment of bond premiums (net of issuance costs):
    - Apply to reduce amount borrowed or
    - Place in separate fund for appropriation for capital projects (for which loan may be incurred for equal or longer period than loan for which premiums received)
    - No longer general fund revenue

Bond Premiums and Surplus Proceeds

- § 67 – Amends G.L. c. 44, § 20
  - Surplus Bond Proceeds -
    - May still be appropriated for any purpose for which loan may be incurred for equal or longer period than original loan
    - Up to $50,000 may be applied to pay debt service without appropriation (with approval of chief executive officer)

TELPs

- § 69 – Adds G.L. c. 44, § 21C
  - Establishes process to authorize Tax Exempt Lease-Purchase (TELPs) financing agreements when acquiring equipment that could be financed by debt

TELPs (continued)

- TELPs under G.L. c. 44, § 21C:
  - Authorized by 2/3 legislative body vote on recommendation of chief executive officer
  - Term of lease ≤ useful life of property
  - Appropriation for 1st FY of lease makes TELP binding obligation as if debt issued
  - May refinance and pay off TELP with refunding bonds under G.L. c. 44, § 21A

Borrowing

- § 70 – Eliminates debt pay off report to Director of Accounts
  - Repeals G.L. c. 44, § 25

- §§ 234-235 – Eliminate requirement that Governor approve local borrowing for federally funded public works projects and substitutes MFOB
  - Amend St. 1945, c. 74, §§ 1-2

Borrowing Statutes

Technical Amendments

Borrowing

Technical amendments

- § 16 – Substitutes MFOB as board authorized to approve emergency borrowing by counties - G.L. c. 35, § 36A
- § 179 – Clarifies it is Regional School Committee that may require approval of particular RSD debt issuances by alternative voter referendum procedure - G.L. c. 71, § 14D

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Borrowing

Technical amendments (continued)

- §§ 217-218, 220 – Substitute MFOB as board authorized to approve debt issued by cities and towns over certain limits for support housing and urban renewal projects - G.L. c. 121B, §§ 22 and 24 and c. 121C, § 11

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DLS Oversight Duties

Local Tax and Finance

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Tax Form Approval

- §§ 104, 111, 136-137, 163, 169 – Update statutes related to local tax forms
  - DLS no longer required to print and distribute forms or approve electronic formats

  - DLS continues to prescribe content of forms
  - Amend G.L. c. 58, §§ 5 and 31; G.L. c. 59, §§ 45 and 50; G.L. c. 60, §§ 6 and 105

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Accounting Standards

- §§ 77-83, 182 – Update Director of Accounts powers under G.L. c. 44 regarding municipal and district audit and accounting and reporting standards in order to ensure periodic audits and uniformity in municipal and district accounting

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Accounting Standards (continued)

- Director's power to set minimum standards includes:
  - Treatment of revenues
  - Expenditures
  - Debt, including maximum useful life of assets financed with debt
  - Accounting system for financial transactions
  - Adequacy of financial records
  - Content and frequency of audits

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Accounting Standards (continued)

- Director's power to set minimum standards includes (continued):
  - Power to issue legal opinions
  - Power to visit local offices and review any and all financial documents and records
  - Power to direct municipal officials to take action as needed to comply with minimum standards
  - Power to contract for services and deduct from state aid if non-compliance

DLS Oversight Duties

- §§ 53, 55-56 – Eliminate DLS role in approval or removal of municipal finance officers (assessors, collectors, deputy collectors and treasurers) for non-performance - Repeal G.L. c. 41, §§ 27, 37 and 39B
- § 59 – Eliminates DLS role in mediating disputes arising over salaries of assessors and collectors in tax levying districts - Amends G.L. c. 41, § 108B

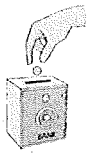
Financial Management And Governance

Schedule A Submissions

- § 110 – Changes deadline for submission of Schedule A for prior year from October 1 to November 30 to conform to current state budget practice
  - Allows withholding of all future payments regardless of fiscal year until Schedule A submitted
  - Amends G.L. c. 58, § 18F

Revenue Cash Investment

- § 94 - Permits treasurers to invest in certificates of deposit for up to 3 years giving them more flexibility in investing short-term for better rates
  - Amends G.L. c. 44, § 55



Compensating Balance Agreements

- §§ 87-90 – Eliminate DLS role in prescribing types of services and in receiving reports on municipal agreements with banking institutions for "compensating balance" arrangements
  - Treasurers must submit annual report to Inspector General and local officials
  - Amend G.L. c. 44, § 53F

Combined Collector/Treasurer

- §§ 51, 52 - Establish local procedure to combine elected town collector and treasurer positions by town meeting vote and approval at election
  - Amend G.L. c. 41, § 1B

DISCUSSION QUESTIONS

Collections

1. East Revere, MA bills its property taxes on a semi-annual basis. For FY 2017, preliminary bills were mailed out on August 1, 2016 and payment fell due on October 1. Although her name was in the commitment for the billing, Susie Smith can't recall getting her fall bill. She failed to pay until December 1, 2016, after a friend mentioned his long-running property tax dispute, prompting her to contact the tax collector. From what date will late payment interest begin to accrue? When would interest begin to accrue if the late payment were for FY2018 preliminary taxes, billed on the same schedule one year later? G.L. c. 59, § 57.

2. When she receives her actual tax bill Susie is concerned that her home is overvalued. She is careful to pay her actual tax bill for FY2017 on time. Her bill is approximately $4000, and was over $3000 for the previous two fiscal years. She files a timely application for abatement, which the assessors deny. The assessors supply notice of their decision within 10 days. She files a petition with the Appellate Tax Board within two months. Does the ATB have jurisdiction? If the three-year average tax were $6000, does the result change? G.L. c. 59, § 64.

3. In McGillicuddy, MA, the by-law implementing G.L. c. 40, § 57, providing for license or permit suspension, denial, or revocation, allows the collector to provide updates on delinquent taxpayers to licensing departments, and trigger action on denials and suspensions as frequently as allowed by law. Kelly Carfax, a restauranteur with a common victualers' license, failed to pay his May 1, 2016 tax bill. How soon can the collector give notice to the licensing department to deny the license renewal?

4. Ida Meneo lives in Ickham, MA near the border with Martinstown, MA. Her sewer service is provided by the Martinstown Water and Sewer Department. She has not paid her quarterly sewer bills which fell due May 15, and August 15, 2016. She later fails to pay her sewer bill on November 15, 2016. What remedies does the Martinstown tax collector have available? G.L. c. 83, § 16A.

5. Rosa Munde of Mullagh, MA tendered payment for her 2nd quarterly, preliminary tax bill for FY2018 by check on November 7, 2017. The collector deposited the check, but it was returned for insufficient funds on November 12, 2017. The collector assessed a penalty, and later in February Rosa applied to the Commissioner of Revenue for abatement of the penalty. What would be the Commissioner's response? G.L. c. 60, § 57A.

6. When Rosa sees her actual tax bill for FY2018 in January of 2018, she is aghast at the valuation, which put the tax due amount at over $6000 for the full Fiscal Year. That was a $500 increase over FY2017 and an $800 increase over FY2016. She pays her first actual installment by February 1, 2018. She simultaneously files an application for abatement, which is denied. She then appeals to the Appellate Tax Board, within 60 days. Does the Board have jurisdiction? G.L. c. 59, § 64.

7. Grover's Corners, MA decided to expand sewer service to reach its Thornton neighborhood and to pay for it, in part, with special assessments. Once construction is completed and the cost is known, the sewer commissioners debate whether to commit the assessments and send out notices for the first two quarters of FY2017 vs. the second two quarters, *i.e.* along with either their preliminary or actual tax bills. Would the interest be calculated differently depending on their choice? G.L. c. 80, § 13.

8. Casey Hoarder has a house in Mudville, MA that the town's building inspector has deemed structurally unsound and unsafe. Casey ignores the building inspector's order to tear down the house. After the second floor partially caves in, Casey has to move out, but he still neglects to tear the house down. So Mudville arranges to demolish the house. What has to happen to ensure Casey remains liable for the costs of the demolition? G.L. c. 139, § 3A.

9. Damien Developer owns a parcel in Naunton, MA with roughly $32,000 in back taxes, interest, and collection costs outstanding. The selectboard is willing to forgive most of the arrearages if Damien will commit to constructing affordable housing on his parcel. Damien and the Naunton selectboard reach agreement to abate 75% of the outstanding real estate tax obligations and 100% of accrued interest and costs, on the condition that Damien builds an apartment complex with residency restricted for at least 45 years to individuals and families whose income is at or below 120% of the area median income as determined by HUD. What approvals are needed for this agreement? G.L. c. 58, § 8C.

Borrowing

1. Is there a limit to the amount that a city or town can borrow? G.L. c. 44, § 10.

2. Are all municipal borrowings subject to a debt limit? G.L. c. 44, §§ 8, 8(1), 10.

3. Can a municipality borrow for the clean-up of contaminated real estate acquired by tax title foreclosure? No one will buy it in its current state. If so, what provision of the general laws provides the borrowing authority? What would be the term of the borrowing? Beforeo the municipal modernization act, could a city/town borrow for such purpose? G.L. c. 44, § 7(1).

4. If there is no statutory authority for a particular borrowing, could the municipality adopt a bylaw or ordinance permitting such borrowing? Mass. Constitution Art. 89, § 7; G.L. c. 44, § 2.

5. Can a municipality borrow for a tree planting project for the various municipally-owned properties? If so, what provision of the general laws provides the borrowing authority? What would be the term of the borrowing? G.L. c. 44, § 7(1).

6. The city/town of Often-Getting-Into-Trouble just lost another lawsuit filed against it and this time the judgment is in the amount of $2 million. Often-Getting-Into-Trouble does not have the money to pay and does not have the capacity in its levy limit to raise the cash through taxation without substantial cuts everywhere. Can

Often-Getting-Into-Trouble borrow to pay the judgment? If so, what general law provides the authority to borrow and how long will the borrowing term be? What are the differences in the law before and after the Municipal Modernization Act? G.L. c. 44, § 7(3).

7. Can a municipality borrow to construct a bridge made of titanium? If so, where is the borrowing authority? Could a community borrow for construction of such a bridge before municipal modernization? G.L. c. 44, § 7(1).

8. Can a municipality borrow for the construction and extension of water mains 15" in diameter? If so, under what authority? And for how long? Could the municipality have borrowed for such project before the Muni Mod changes? G.L. c. 44, §§ 7(1), 7(11), 8(5).

9. For what purposes may a city/town borrow in relation to municipal golf courses? Under what authority? Inside/outside debt limit? What are the differences before and after the Municipal Modernization Act? G.L. c. 44, §8(15).

10. Citytown has received a state grant to acquire a fire truck. The grant agreement has been signed and provides that Citytown will be reimbursed for 50% of the cost of the fire truck after its acquisition. Citytown does not have the cash for its matching fund share and it does not have the cash to pay up front the portion that will be reimbursed by the grant. What are the options of Citytown? What if the grant is a federal grant? Before the Municipal Modernization Act, would the municipality be able to issue grant anticipation notes (or FAANs) if the grant were a federal grant? G.L. c. 44, §6A; St. 1945, s. 74.

11. Part 1 - Anytown's legislative body has voted to borrow $100,000 under G.L. c. 44, § 7(1) to fund a public waterway dredging project having a useful life of 20 years. What is the maximum term for which Anytown can borrow? Can the treasurer issue temporary debt in advance of the permanent borrowing? If so – for how long?

    Part 2 - What about a borrowing of $100,000 to purchase 2 police cruisers and a pickup truck, each vehicle having a useful life of 5 years? What is the maximum borrowing term? Can the treasurer issue temporary debt in advance of the permanent borrowing? If so – for how long? G.L. c. 44, § 17.

12. Anytown and Anycity each issued permanent debt in the amount of $1,000,000. Interest rates have come down and are now lower than the rate on those bonds. Can Anytown and/or Anycity refinance? If so, under what authority? What is the process? What is the process if the tax-exempt status of the original debt is at risk? G.L. c. 44, § 21A.

13. The municipality of Dana will be receiving a substantial premium when it delivers its bonds to the purchaser. Before the Municipal Modernization Act, how would the municipality be required to treat the premium? After the Municipal Modernization Act? G.L. c. 44, § 20.

14. Dana has also completed another project which was funded by borrowing and there is a surplus remaining in the amount of $45,000. What are Dana's options regarding that surplus under the Municipal Modernization Act? Before?

15. Beautytown entered into a Tax Exempt Lease Purchase (TELP) Financing Agreement to finance the purchase of a new fire truck. It first procured the desired fire truck under G.L. c 30B and then assigned its purchase order for the fire truck to Fly-by-Night Financing Company which bought the truck and then leased it to Beautytown with pretty good financing terms. At the end of the lease term, the agreement requires Fly-by-Night to transfer title to the truck to Beautytown. Two years after making payments, interest rates drop drastically and the once desirable TELP terms are now undesirable. Can Beautytown issue refunding bonds and pay off the TELP Agreement? G.L. c. 44, § 21C.

16. Whatever-ville has a new accountant who does not complete and timely file many required reports. What will be the consequences when Whatever-ville does not file its Schedule A for the prior fiscal year (under G.L. c. 44, § 43) with the Director of Accounts? G.L. c. 58, § 18F.

17. How long may a treasurer invest revenue cash in certificates of deposit? G.L. c. 44, § 55.

18. Under the Municipal Modernization Act, must a treasurer submit a report to the Commissioner of Revenue regarding the municipality's compensating balance agreements? Are there other reporting obligations regarding such agreements? Are compensating balance agreements subject to procurement under G.L. c. r 30B? G.L. c. 44, §53F.

19. Is there a new procedure for combining the elected positions of town treasurer and collector of taxes into a single appointed position? If so – describe it. G.L. c. 41, § 1B.

HOME RULE AMENDMENT
Mass. Const. Amend. Article 89, § 7

Section 7. Limitations on Local Powers. - Nothing in this article shall be deemed to grant to any city or town the power to (1) regulate elections other than those prescribed by sections three and four; (2) to levy, assess and collect taxes; (3) to borrow money or pledge the credit of the city or town; (4) to dispose of park land; (5) to enact private or civil law governing civil relationships except as an incident to an exercise of an independent municipal power; or (6) to define and provide for the punishment of a felony or to impose imprisonment as a punishment for any violation of law; provided, however, that the foregoing enumerated powers may be granted by the general court in conformity with the constitution and with the powers reserved to the general court by section eight; nor shall the provisions of this article be deemed to diminish the powers of the judicial department of the commonwealth.

EMERGENCY BORROWING FOR EXTRAORDINARY EXPENDITURES
General Laws Chapter 35, § 36A (218:16)

Section 36A. For the purpose of providing funds for any county for any emergency purpose approved by the majority of the members of ~~a board composed of the attorney general, the state treasurer and the director of accounts~~ **the municipal finance oversight board**, hereinafter referred to as said board, such county may borrow money in such amount and for such period not exceeding two years as may be determined by said board, and may issue a note or notes therefor, signed by the county treasurer and countersigned by a majority of the county commissioners, which may be sold at such interest or discount as the county commissioners deem proper, any discount to be treated as interest paid in advance. All applications for approval by said board shall be submitted by the county commissioners, but if any such application is made for funds for use for a purpose connected with a county institution in charge of trustees or with a reservation, supported in whole or in part by county funds, in charge of a special board or commission, such application shall not be approved by said board unless it is supported by a written request for such funds from said trustees or said special board or commission, as the case may be. The proceeds of any borrowing hereunder shall be expended by the county commissioners for the purpose for which made; except that, if such a borrowing is made for use for a purpose connected with a county institution in charge of trustees or with a reservation, supported in whole or in part by county funds, in charge of a special board or commission, the proceeds thereof shall be expended for the purpose for which made by said trustees or said special board or commission, as the case may be. As used in this section, the words "emergency purpose" shall mean a purpose arising from a sudden, unavoidable event or series of events which could not reasonably have been foreseen or anticipated at the time of submission of the annual budget for approval. It shall not be deemed to include the funding of collective bargaining agreements or such items as were previously disapproved by the appropriating authority for the fiscal year in which such borrowing is sought.

LOCAL LICENSES AND PERMITS; DENIAL, REVOCATION OR SUSPENSION FOR FAILURE TO PAY MUNICIPAL TAXES OR CHARGES

General Laws Chapter 40, § 57 (218:37-38)

Section 57. Any city or town which accepts the provisions of this section, may by by-law or ordinance deny any application for, or revoke or suspend a building permit, or any local license or permit including renewals and transfers issued by any board, officer, department for any person, corporation or business enterprise, who has neglected or refused to pay any local taxes, fees, assessments, betterments or any other municipal charges, including amounts assessed under the provisions of section twenty-one D or with respect to any activity, event or other matter which is the subject of such license or permit and which activity, event or matter is carried out or exercised or is to be carried out or exercised on or about real estate whose owner has neglected or refused to pay any local taxes, fees, assessments, betterments or any other municipal charges. Such by-law or ordinances shall provide that:

(a) The tax collector or other municipal official responsible for records of all municipal taxes, assessments, betterments and other municipal charges, hereinafter referred to as the tax collector, shall annually**, <u>and may periodically</u>**, furnish to each department, board, commission or division, hereinafter referred to as the licensing authority, that issues licenses or permits including renewals and transfers, a list of any person, corporation, or business enterprise, hereinafter referred to as the party, that has neglected or refused to pay any local taxes, fees, assessments, betterments or other municipal charges ~~for not less than a twelve month period,~~ and that such party has not filed in good faith a pending application for an abatement of such tax or a pending petition before the appellate tax board.

(b) The licensing authority may deny, revoke or suspend any license or permit, including renewals and transfers of any party whose name appears on said list furnished to the licensing authority from the tax collector or with respect to any activity, event or other matter which is the subject of such license or permit and which activity, event or matter is carried out or exercised or is to be carried out or exercised on or about real estate owned by any party whose name appears on said list furnished to the licensing authority from the tax collector; provided, however, that written notice is given to the party and the tax collector, as required by applicable provisions of law, and the party is given a hearing, to be held not earlier than fourteen days after said notice. Said list shall be prima facie evidence for denial, revocation or suspension of said license or permit to any party. The tax collector shall have the right to intervene in any hearing conducted with respect to such license denial, revocation or suspension. Any findings made by the licensing authority with respect to such license denial, revocation or suspension shall be made only for the purposes of such proceeding and shall not be relevant to or introduced in any other proceeding at law, except for any appeal from such license denial, revocation or suspension. Any license or permit denied, suspended or revoked under this section shall not be reissued or renewed until the license authority receives a certificate issued by the tax collector that the party is in good standing with respect to any and all local taxes, fees, assessments, betterments or other municipal charges, payable to the municipality as the date of issuance of said certificate.

(c) Any party shall be given an opportunity to enter into a payment agreement, thereby allowing the licensing authority to issue a certificate indicating said limitations to the license or permit and the validity of said license shall be conditioned upon the satisfactory compliance with said agreement. Failure to comply with said agreement shall

be grounds for the suspension or revocation of said license or permit; provided, however, that the holder be given notice and a hearing as required by applicable provisions of law.

(d) The board of selectmen may waive such denial, suspension or revocation if it finds there is no direct or indirect business interest by the property owner, its officers or stockholders, if any, or members of his immediate family, as defined in section one of chapter two hundred and sixty-eight A in the business or activity conducted in or on said property.

This section shall not apply to the following licenses and permits: open burning; section thirteen of chapter forty-eight; bicycle permits; section eleven A of chapter eighty-five; sales of articles for charitable purposes, section thirty-three of chapter one hundred and one; children work permits, section sixty-nine of chapter one hundred and forty-nine; clubs, associations dispensing food or beverage licenses, section twenty-one E of chapter one hundred and forty; dog licenses, section one hundred and thirty-seven of chapter one hundred and forty; fishing, hunting, trapping license, section twelve of chapter one hundred and thirty-one; marriage licenses, section twenty-eight of chapter two hundred and seven and theatrical events, public exhibition permits, section one hundred and eighty-one of chapter one hundred and forty.

A city or town may exclude any local license or permit from this section by by-law or ordinance.

MODEL WATER AND SEWER COMMISSION: ADDITIONAL POWERS AND LIMITATIONS

General Laws Chapter 40N, § 9(d) (218:42)

Section 9(d). In order to provide for the collection and enforcement of its fees, rates, rents, assessments and other charges, the commission is hereby granted all the powers and privileges with respect to such collection and enforcement held by the municipality on the effective date of this chapter or as otherwise provided in this chapter. Without limiting the generality of the foregoing, the commission shall have the benefit, without further acceptance of sections forty-two A to forty-two F, inclusive, of chapter forty or filing of any certificate relating thereto, of liens for unpaid fees, rates, rents, assessments and other charges as provided in sections forty-two A and forty-two B of said chapter forty and sections sixteen A and sixteen B of chapter eighty-three, to the extent applicable and consistent with this chapter. With respect to any fees, rates, rents, assessments or other charges which remain unpaid for more than six months after the same shall have come due, the commission may, in addition to other remedies and actions available to it, issue a demand in accordance with section sixteen of chapter sixty and may collect such fees, rates, rents, assessments and other charges by means of remedies and procedures, to the extent applicable and consistent with this chapter, provided in sections twenty-four to one hundred and five, inclusive, of said chapter sixty; provided, however, that any lien or taking of property, or foreclosure of the right of redemption undertaken pursuant to this section shall be subordinated only to a municipality's lien on the property, and shall not interfere with any tax sale, distraint, taking or foreclosure of the right of redemption or other remedy exercised by the municipality, regardless of when the municipality's lien arose. If such demand is made within the time specified in section forty-two B of chapter forty and section sixteen B of chapter eighty-three during which liens arising thereunder remain in effect, said liens shall continue in effect for the period specified in section thirty-seven of chapter sixty, provided, however, that the year of assessment shall be deemed to

be the year in which such demand is made. From and after the date of such demand interest shall accrue on unpaid fees, rates, rents, assessments and other charges at the rate specified in section fifty-seven of chapter fifty-nine. Applications for abatements in accordance with section forty-two E of said chapter forty and section sixteen E of chapter eighty-three shall be made within thirty days after the date of such demand. Upon written application the commission shall issue lien certificates in accordance with section twenty-three of said chapter sixty. No recordation of certificates issued by the municipality pursuant to said section twenty-three of said chapter sixty shall affect liens for the unpaid fees, rates, rents, assessments, and other charges of the commission. The commission shall be entitled to receive fees for collection in accordance with section fifteen of said chapter sixty. For purposes of the sections referred to in this paragraph, the terms city, town, water district, assessors, collector, clerk, treasurer, or commissioner as used therein shall mean the commission and the term tax or taxed shall mean the unpaid fees, rents, assessments, and other charges of the commission. The commission shall also have the powers and may exercise the remedies, to the extent consistent with this chapter, provided in sections twenty-nine, thirty-five and fifty and sections fifty-three to sixty-four, inclusive, of chapter sixty-two C and in chapter eighty and chapter eighty A. For purposes of said sections of said chapter sixty-two C, the terms commonwealth and commissioner used therein shall mean the commission.

In addition to the other enforcement powers and remedies provided in this chapter, if any fees, rates, rents, assessments or other charges billed by the commission against any premises which are connected with the water works system or sewer works system remain unpaid for a period of more than sixty days from the due date thereof, and following such period notice and demand have been posted on such premises and have been given to the owner of said premises, by registered or certified mail addressed to said premises and to the address of said owner as shown on the records of the assessor of the city or town and to occupants of said premises by mail, to pay the same within fifteen days from the date of mailing of said notice, and such fees, rates, rents, assessments or other charges remain unpaid, the commission shall have the power and is hereby authorized to shut off the supply of water to said premises until said fees, rates, rents, assessments or other charges are paid, together with interest thereon at the applicable rate and the standard charge of the commission for restoring water service to said premises.

The commission may enter into an agreement with the municipality to provide collection services with respect to any of its unpaid fees, rates, rents, assessments and other charges, and if so, the municipal collector or treasurer shall disburse the amounts collected as provided in the agreement, but not later than 30 days after collection.

MODEL WATER AND SEWER COMMISSION: ACCEPTANCE OF ACT

General Laws Chapter 40N, § 27 (218:43)

Section 27. ~~Notwithstanding any general or special law to the contrary, this chapter may be accepted, in whole or in part, in the case of a city with a Plan D or Plan E charter, by the city council upon submission by the city manager; by all other cities by the city council, with the approval of the mayor; in the case of a town with a town council, by the town council; in the case of all other towns, by town meeting; and in the case of an existing~~

~~water and sewer commission, by its board of commissioners.~~ **This chapter may be accepted, in a city or town in the manner provided in section 4 of chapter 4, and in the case of an existing water and sewer commission established as an independent body politic and corporate pursuant to a special law, by its board of commissioners.**

APPOINTED TOWN OFFICES AND BOARDS; ACCEPTANCE BY VOTERS

General Laws Chapter 41, § 1B (218:51-52)

Section 1B. Any office or board, except the board of selectmen and the school committee, elected under the provisions of section 1 may become an appointed position or board by a majority vote of the annual or special town meeting and acceptance by the voters of the town at the annual town elections; provided, however, that any vote by a special town meeting taken under the provisions of this section shall take place at least 60 days prior to the acceptance of the voters at the annual town election. **For purposes of this section, the positions of town treasurer and collector of taxes, elected pursuant to section 1, may be combined into 1 position and become an appointed position in the manner provided in this section.** Such acceptance by the voters shall be in the form of the following question, to be placed on the official ballot:

Shall the town vote to have its elected (~~Title~~ **Titles** of office or board) become an appointed (~~Title~~ **Titles** of office or board) of the town?

Yes ___ No ___

If a majority of votes cast in answer to said question is in the affirmative, said office or board shall become appointed in accordance with the provisions of this section.

Any incumbent of such office or board serving at the time of acceptance by the voters shall continue to hold said office and to perform the duties thereof until the expiration of the term for which said individual was elected or until said individual otherwise vacates such office; provided, however, that any individual elected to an office or board which becomes an appointed office or board at the same election, under the provisions of this section, shall hold said office and perform the duties thereof until the appointment to said office is otherwise made under the provisions of this section.

Such appointment shall be made by the board of selectmen for a term not to exceed three years, unless such mode of appointment or term is otherwise provided by law.

APPOINTMENT UPON FAILURE OF INCUMBENTS TO PERFORM DUTIES

General Laws Chapter 41, § 27 (218:53)

~~Section 27. If assessors, or selectmen acting as such, shall fail to perform their duties, the commissioner of revenue may appoint three or more persons to be assessors for such town, who shall be sworn, shall hold office until the offices of assessors are filled by the town, and shall receive from the town compensation as assessors.~~

TREASURER ACTING AS TAX COLLECTOR; APPOINTMENT OF DEPUTIES
General Laws Chapter 41, §37 (218:55)

~~Section 37. A town treasurer, acting as collector of taxes, may, subject to the approval of the commissioner of corporations and taxation, appoint deputies, who shall give bond for the faithful performance of their duties in such sum and in such form, and subject to such conditions, as the said commissioner may prescribe; and such collector and deputies shall have all the powers of collectors of taxes. Such deputies may be removed by said commissioner for cause. A treasurer acting as collector may issue his warrant to the sheriff of the county or his deputy, or to any constable of the town, directing them to distrain the property or take the body of any person delinquent in the payment of taxes, and may proceed in the same manner as collectors.~~

REMOVAL OF TREASURERS OR CITY OR TOWN COLLECTORS
General Laws Chapter 41, § 39B (218:56)

~~Section 39B. If, in the opinion of the commissioner of revenue, hereinafter referred to as the commissioner, the safety of any city, town, district, or regional school district funds or sums due such city, town, district, or regional school district for taxes or otherwise may be jeopardized by the continuation in office of a treasurer of such city, town, district, or regional school district, or by the continuation in office of a city or town collector, the commissioner may petition the superior court for the removal of such officer. Pending a hearing upon the petition, any justice of such court, if in his judgment the public good so requires, may, after a hearing, summary or otherwise, as he determines, suspend the authority of such officer to act until final action upon the petition is taken. In case of such suspension, the commissioner shall notify the selectmen of such town or the mayor of such city and the officer so suspended shall be deemed to be unable to perform his duties because of disability within the meaning of section forty or section sixty-one A.~~

~~The petition of the commissioner may be heard by a justice of the superior court sitting in any county after such notice to the commissioner and to the officer as the court deems necessary. The court shall hear the parties and their witnesses and the decision of the court shall be final and conclusive. Proceedings under this section shall be advanced for speedy hearing, upon the request of either party. If, after hearing, the court shall be of the opinion that the public good so requires, the court shall by decree remove the officer. Otherwise, the court shall dismiss the petition and, if the authority of the officer to act has been suspended, shall restore such authority.~~

~~The word "collector" as used in this section shall include a collector of taxes.~~

ASSESSORS AND TAX COLLECTORS IN DISTRICTS; COMPENSATION AND EXPENSES
General Laws Chapter 41, § 108B (218:59)

Section 108B. In a town in which a district has been created and is operating under a law which requires the assessors of the town to assess district taxes and the collector of taxes of the town to collect such taxes, such district shall annually appropriate money for the salary or compensation of the assessors and collector of taxes, which shall be in addition to the amounts fixed by the town for salary or compensation as provided by section one hundred and eight and shall also include additional compensation for certified collectors as provided in section 108P. The amounts appropriated for said purposes shall not be less than the amounts determined by the prudential committee of the district, or, if there be no prudential committee, by the commissioners of the district and the selectmen of the town. ~~If the said prudential committee or commissioners, as the case may be, and the selectmen cannot agree on the amounts and the commissioner of revenue is so notified, the said commissioner may determine the amounts and shall notify the assessors who shall include the amounts determined by said commissioner in the aggregate amount assessed annually for district taxes, and the amounts assessed shall be paid said assessors and collectors.~~ Said districts may also appropriate money for books, forms and other necessary expenses of said assessors and collectors of taxes in connection with the assessment and collection of such taxes.

LIMITATIONS AND RESTRICTIONS UPON MANNER OF INCURRING DEBT
General Laws Chapter 44, § 2

Section 2. Except as otherwise expressly permitted by law, cities, towns and districts shall incur debts only in the manner of voting and within the limitations as to amount and time of payment prescribed in this chapter; but this section shall not be construed as prohibiting any city, town or district from placing additional restrictions, consistent with this chapter, upon the manner of incurring debt, nor as affecting the right of any city, town or district to incur debt under any special act which has or shall become effective after January first, nineteen hundred and twenty-one, or at any time in the case of debt of the city of Boston for tunnel or transit purposes; but no debt may be authorized under a general or special act except by a two-thirds vote, unless the act so provides. All provisions of law providing for sinking funds for the payment of debt of the city of Boston incurred for transit or tunnel purposes shall continue to be applicable to said debt.

POWER TO BORROW FOR PAYMENT OF LAND OR HIGHWAY EXPENDITURES
General Laws Chapter 44, § 6 (218:62)

Section 6. Cities and towns may, by a majority vote, incur debt for temporary loans for the payment of land damages or any proportion of the general expenses of altering a grade crossing which they are required primarily to pay, or any proportion of the expense of

constructing a highway or installing traffic control devices and other devices appurtenant thereto in anticipation of **payment or** reimbursement by the commonwealth or county, such **payment or** reimbursement first having been agreed upon by the commissioner of highways or county commissioners, or the sums allotted for such reimbursements having first been certified as available by the commissioner of highways or county commissioners, and may issue notes therefor for a period not exceeding ~~two~~ 2 years from their date; and when any money so paid is repaid to the municipality, it shall be applied to the discharge of the loan. Notes issued under this section shall not be renewed or paid by the issue of new notes, except as provided in section ~~seventeen~~ **17**.

POWER TO BORROW IN ANTICIPATION OF REIMBURSEMENT BY COMMONWEALTH

General Laws Chapter 44, § 6A (218:62)

Section 6A. If a city, town or district has been allotted a grant by the **federal government, the** commonwealth, or any agency or department **of either, or by any body politic or public instrumentality of the commonwealth, or similar entity** ~~thereof~~, for any purpose for which the city, town or district may incur debt that may be payable over a term of ~~five~~ **5** years or longer, and is required primarily to pay that proportion of the expense for which **an advance payment or** reimbursement is to be received from ~~the commonwealth~~ **such sources**, such **advance payment or** reimbursement first having been agreed upon by the **grantor of the funds** ~~commonwealth or such agency or department~~, in order to provide the necessary funds to meet the expense for which **the advance payment or** reimbursement is to be made, the treasurer of the city may, with the approval of the official whose approval is required by the city charter in the borrowing of money, the treasurer of the town may, with the approval of the board of selectmen, and the treasurer of the district may, with the approval of the prudential committee, if any, otherwise the commissioners, incur debt outside the debt limit and issue notes therefor for a period not exceeding ~~two~~ 2 years from their dates, and may refund the same from time to time; provided, however, that no loan shall be so refunded unless the auditor, in the case of a city, or the accountant or chief accounting officer in the case of a town or district which has such an officer, otherwise the treasurer, shall certify in a writing filed in the office of the treasurer, where it shall be open to inspection by the public, that at the time such loan is refunded, the city, town or district remains entitled to receive **the advance payment or** reimbursement in an amount at least equal to the amount of the refunding loan. The proceeds of **the advance payment or** ~~such~~ reimbursement shall be applied to the discharge of the loan, without ~~the necessity of~~ further appropriation. In the event the city, town or district shall no longer be entitled to receive **advance payment or** reimbursement in an amount sufficient to pay all or any portion of a loan issued under this section at the time such loan matures, the loan shall be paid from revenue funds of the city, town or district to the extent it can no longer be refunded under this section. A payment made by a city, town or district as provided in the preceding sentence shall be reported by the auditor or accountant of the city, town or district, or other officer having similar duties, or by the treasurer if there be no such officer, to the assessors, who shall include the amount so reported in the determination of the next annual tax rate, unless the city, town or district has otherwise made provision therefor. **The provisions of chapter 74 of the acts of 1945 shall not apply to borrowing under this section.**

CITIES AND TOWNS;
PURPOSES FOR BORROWING MONEY WITHIN DEBT LIMIT
General Laws Chapter 44, § 7 (218:63)

Section 7. Cities and towns may incur debt, **by a two-thirds vote**, within the limit of indebtedness prescribed in section ten, for the **following** purposes ~~hereinafter set forth,~~ and payable within the periods hereinafter specified **not to exceed 30 years** or, except for clauses ~~(3C), (11), (16), (18), (19), (21) and (22)~~ (2), (3), (6) and (7), within ~~such longer period not to exceed 30 years based upon~~ the period determined by the director to be the maximum useful life of the public work, improvement or asset being financed, ~~as determined in accordance with guidelines established by the division of local services within the department of revenue~~ under any guideline issued under section 38:

(1) **For the acquisition of interests in land or the acquisition of assets, or for the following projects: the landscaping, alteration, remediation, rehabilitation or improvement of public land, the dredging, improvement, restoration, preservation or remediation of public waterways, lakes or ponds, the construction, reconstruction, rehabilitation, improvement, alteration, remodeling, enlargement, demolition, removal or extraordinary repair of public buildings, facilities, assets, works or infrastructure, including: (i) the cost of original equipment and furnishings of the buildings, facilities, assets, works or infrastructure; (ii) damages under chapter 79 resulting from any such acquisition or project; and (iii) the cost of engineering, architectural or other services for feasibility studies, plans or specifications as part of any acquisition or project; provided that the interest in land, asset acquired or project shall have a useful life of at least 5 years; and provided further, that the period of such borrowing shall not exceed the useful life of the interest in land, asset acquired or project**. ~~For the construction or reconstruction of surface drains, sewers, sewerage systems and sewage treatment and disposal facilities, thirty years.~~

~~(1A) For the lining by cement or metal of sewers constructed for sanitary and surface drainage purposes and for sewage disposal, ten years.~~

~~(2) For acquiring land for public parks or playgrounds or public domain under chapter forty-five, thirty years; but no indebtedness incurred for public domain shall exceed one half of one per cent of the equalized valuation of the city or town.~~

~~(2A) For the construction of an artificial ice-skating rink for which refrigeration equipment is required on land owned by the city or town, fifteen years.~~

~~(2B) For the construction of an outdoor swimming pool on land owned by the city or town, fifteen years.~~

~~(3) For acquiring land, or interests in land, for any purpose for which a city or town is or may hereafter be authorized to acquire land or interests therein, not otherwise specifically provided for; for the construction of buildings which cities or towns are or may hereafter be authorized to construct, or for additions to such buildings where such additions increase~~

~~the floor space of said buildings, including the cost of original equipment and furnishings of said buildings or additions, twenty years.~~

~~(3A) For remodeling, reconstructing or making extraordinary repairs to public buildings owned by the city or town, including original equipment and landscaping, paving and other site improvements incidental or directly related to such remodeling, reconstruction or repair, for a term not exceeding 20 years.~~

~~(3B) For energy conservation, alternative energy or renewable energy improvements to public buildings or facilities owned or leased by the city or town, or on property owned or leased by the city or town, 20 years.~~

~~(3C)~~ **(2)** For a revolving loan fund established under section 53E3/4; to assist in the development of renewable energy and energy conservation projects on privately-held buildings, property or facilities within the city or town, 20 years.

~~(4) For the construction or reconstruction of bridges of stone or concrete or of iron superstructure, twenty years.~~

~~(5) For the original construction of public ways or the extension or widening thereof, including land damages and the cost of pavement and sidewalks laid at the time of said construction, or for the construction of stone, block, brick, cement concrete, bituminous concrete, bituminous macadam or other permanent pavement of similar lasting character, or for the original construction and surfacing or the resurfacing with such pavement of municipally owned and operated off-street parking areas, under specifications approved by the department of highways, ten years.~~

~~(6) For macadam pavement or other road material, or for the resurfacing with such pavement or other road material of municipally owned or operated off-street parking areas, under specifications approved by the department of highways, or for the construction of sidewalks of brick, bituminous concrete, stone or concrete, five years.~~

~~(7) For the construction of walls or dikes for the protection of highways or property, ten years.~~

~~(8) For the purchase of land for cemetery purposes, ten years.~~

~~(9) For the cost of equipment, 5 years.~~

~~(9A) For the remodeling, reconstruction or rehabilitation of existing firefighting apparatus and heavy equipment including, but not limited to, front-end loaders, road graders, sidewalk plows and motorized sweepers; five years.~~

~~(10) For connecting dwellings or other buildings with common sewers, when the cost is to be assessed in whole or in part on the abutting property owners, five years.~~

~~(11)~~ **(3)** For the payment of final judgments, one year **or for a longer period of time approved by a majority of the members of the municipal finance oversight board after taking into consideration the ability of the city, town or district to provide other**

essential public services and pay, when due, the principal and interest on its debts and such other factors as the board may deem necessary or advisable.

~~*[There is no clause (12).]*~~

~~(13) In Boston, for acquiring fire or police boats, fifteen years.~~

~~(14) For traffic signal, or public lighting installations, fire alarm or police communication installations and for the purpose of extending and improving such installations, ten years.~~

~~(15)~~ **(4)** In Boston, for the original construction, or the extension or widening, with permanent pavement of lasting character conforming to specifications approved by the ~~state department of highways~~ **Massachusetts Department of Transportation established under chapter 6C** and under the direction of the board of park commissioners of the city of Boston, of ways, other than public ways, within or bounding on or connecting with any public park in said city, including land damages and the cost of pavement and sidewalks laid at the time of said construction, or for the construction of such ways with stone, block, brick, cement concrete, bituminous concrete, bituminous macadam or other permanent pavement of similar lasting character under specifications approved by said department of highways, ten years.

~~(16) For the payment of premiums for fire insurance contracts or policies covering a period of five years, four years.~~

~~(17) For improvements made under section twenty-nine of chapter ninety-one and for the construction or reconstruction of public wharves, ten years.~~

~~(17A) For dredging of tidal and nontidal rivers and streams, harbors, channels and tidewaters, 10 years.~~

~~(18) For the payment of charges incurred under contracts authorized by section four of chapter forty for the expert appraisal of taxable property or for the preparation of assessors maps, including charges for aerial mapping in connection with the preparation of such maps, ten years.~~

(5) For the cost of repairs to private ways open to the public under section 6N of chapter 40, 5 years.

(~~19~~ **6)** For the payment of charges incurred under contracts authorized by section four D of chapter forty, but only for ~~such~~ **those** contracts ~~as are~~ for purposes comparable to the purposes for which loans may be authorized under ~~the provisions of~~ this section. Each authorized issue shall constitute a separate loan, and ~~such~~ **the** loans shall be subject to the conditions of the applicable clauses of this section.

~~(20) For developing land for burial purposes and for constructing paths and avenues and embellishing the grounds in said developed areas in a cemetery owned by the city or town, five years. The proceeds from the sale of the exclusive rights of burials in any of the lots in such cemetery shall be kept separate from other funds and be appropriated for the payment~~

~~of any indebtedness incurred for such developments, notwithstanding the provisions of section fifteen of chapter one hundred and fourteen.~~

(~~21~~ **7)** For the cost of **feasibility studies or engineering or** architectural services for plans and specifications for any proposed ~~building~~ **project** for which a city, town or district is authorized to borrow~~, or for the cost of architectural services for plans and specifications for additions to buildings owned by a city, town, or district where such additions increase the floor space of said buildings, five~~ **5** years if issued before any other debt relating to ~~said buildings or additions~~ **the project** is authorized, otherwise the period ~~fixed by law~~ for ~~such other~~ **the** debt relating to ~~said building or additions; provided, however, that at the time the loan is issued the city, town or district owns the land on which the proposed building or additions would be constructed.~~ **the project.**

~~(22) For the cost of engineering or architectural services for plans and specifications for any project not defined in clause (21) for which a city, town or district is authorized to borrow, five years if issued before any other debt relating to said project is authorized, otherwise the period fixed by law for such other debt relating to said project.~~

~~(23) For the construction of municipal tennis courts, including platform tennis courts and the acquisition of land and the construction of buildings therefor, including the original equipment and furnishing of said buildings, fifteen years.~~

~~*[There is no clause (24).]*~~

~~(25) For the construction of municipal outdoor recreational and athletic facilities, including the acquisition and development of land and the construction and reconstruction of facilities; fifteen years.~~

(~~26~~ **8)** For energy audits as defined in section ~~three~~ **3** of chapter twenty-five A, if authorized separately from debt for energy conservation or alternative energy projects; ~~five~~ **5** years.

~~(27) For the undertaking of projects for the preservation and restoration of publicly-owned freshwater lakes and great ponds in accordance with the provisions of section thirty-seven A of chapter twenty-one.~~

(~~28~~ **9**) For the development, design, purchase and installation of computer hardware **or software,** ~~other data processing equipment~~ and computer**-**assisted integrated financial management and accounting systems; ten years.

~~(29) For the development, design, purchase of computer software incident to the purchase, installation and operation of computer hardware and other data processing equipment and computer assisted integrated financial management and accounting systems; five years.~~

~~(30) For installation, repair or replacement of exposed structural or miscellaneous steel, which has been treated with the hot-dip galvanizing process; three years.~~

~~(31) For the purpose of removing asbestos from municipally owned buildings; ten years.~~

(~~32~~ **10)** For the cost of cleaning up or preventing pollution caused by existing or closed municipal facilities not referenced in clause (~~21~~ **20)** of section 8, including cleanup or prevention activities taken pursuant to chapter 21E or chapter 21H, 10 years; provided, however, that no indebtedness shall be incurred hereunder until plans relating to the project shall have been submitted to and approved by the department of environmental ~~protection.~~

~~(33) For the construction or reconstruction of seawalls, riprap, revetments, breakwaters, bulkheads, jetties and groins, stairways, ramps and other related structures, 20 years.~~

(~~34~~ **11)** For any other public work, improvement or asset ~~not specified in this section,~~ with a maximum useful life of at least 5 years **and not otherwise specified in this section**~~, determined as provided in this paragraph~~, 5 years.

~~Debts may be authorized under this section only by a two-thirds vote.~~

CITIES AND TOWNS; PURPOSES FOR BORROWING MONEY OUTSIDE DEBT LIMIT

General Laws, Chapter 44, § 8 (218:63)

Section 8. Cities and towns may incur debt, **by a two-thirds vote,** outside the limit of indebtedness prescribed in section ~~ten~~ **10**, for the following purposes and payable within the periods hereinafter specified or**,** except with respect to clauses (1), (2), (3A), ~~(5), (6), (7),~~ (9) and (**18**~~9~~), within such longer period not to exceed 30 years ~~based upon~~ **determined by the director to be** the maximum useful life of the public work, improvement or asset being financed~~, as determined in accordance with~~ **under any** guidelines **issued under section 38**~~established by the division of local services within the department of revenue~~:

(1) For temporary loans under sections **4, 6, 6A and 17,** ~~four, six, six A, seventeen and seventeen A,~~ the periods authorized by those sections.

(2) For maintaining, distributing and providing food, other common necessaries of life and temporary shelter for their inhabitants upon the occasions and in the manner set forth in section **19** ~~nineteen~~ of chapter **40, 2** ~~forty, two~~ years.

(3) For establishing or purchasing a system for supplying a city, town, or district and its inhabitants with water, for taking or purchasing water sources, either from public land or private sources, or water or flowage rights, for the purpose of a public water supply, or for taking or purchasing land for the protection of a water system, ~~thirty~~ **30** years.

(3A) For conducting groundwater inventory and analysis of the community water supply, including pump tests and quality tests relating to the development of using said groundwater as an additional source or a new source of water supply for any city, town or district, ~~ten~~ **10** years.

(4) For the construction or enlargement of reservoirs, ~~and~~ the construction of filter beds, **the construction or reconstruction or making extraordinary repairs to** standpipes, buildings for pumping stations including original pumping station equipment, and

buildings for water treatment, including original equipment therefor, and the acquisition of land or any interest in land necessary in connection with any of the foregoing, ~~thirty~~ **30** years.

(4A) For remodeling, reconstructing or making extraordinary repairs to reservoirs and filter beds, ~~thirty~~ **30** years; provided, however, that no indebtedness shall be incurred hereunder until plans relating to the project shall have been submitted to the department of environmental protection, and the approval of said department has been granted therefor.

(5) ~~For the laying and relaying of water mains of not less than six inches but less than sixteen inches in diameter, and for lining and relining such mains with linings of not less than one-sixteenth of an inch, for the development of additional well fields, for wells and for pumping station equipment, forty years.~~

~~(6)~~ For constructing ~~and~~ **or** reconstructing**,** ~~and~~ laying **or**~~and~~ relaying aqueducts ~~and~~ **or** water mains **or for the extension of water mains,** ~~of sixteen inches or more in diameter, and~~ **or** for lining **or relining** such mains ~~with linings of not less than one-sixteenth of an inch~~, **and for the development or construction of additional well fields and for wells,** ~~forty~~ **40** years.

~~(7) For the extension of water mains, forty years.~~

(~~7A~~ **6**) For the purchase and installation of water meters, ~~ten~~ **10** years.

(7~~B~~) For the payment of the city, town~~'s~~**, or district** share of the cost to increase the storage capacity of any reservoir, including land acquisition, constructed by the water resources commission for flood prevention or water resources utilization, ~~twenty~~ **20** years.

(7~~C~~ **A**) For the purchase, replacement or rehabilitation of water departmental equipment, ~~ten~~ **10** years.

(8) For establishing, purchasing, extending, or enlarging a **municipally owned** gas or electric lighting plant, ~~a~~ community antenna television system~~, whether or not operated by a gas or electric lighting plant,~~ or ~~a~~ telecommunications system ~~operated by a municipal lighting plant~~, 20 years~~; but the outstanding indebtedness so incurred shall not exceed in a town 5 per cent and in a city 2.5 per cent of the equalized valuation of such town or city; provided, however, that the majority of the members of the municipal finance oversight board, may authorize a city to incur indebtedness under this clause in excess of 2.5 per cent but not in excess of 5 per cent of the equalized valuation of such city, and may authorize a town to incur indebtedness under this clause in excess of 5 per cent but not in excess of 10 per cent of the equalized valuation of such town.~~

(8A) For remodeling, reconstructing, or making extraordinary repairs to a **municipally owned** gas or electric lighting plant, ~~a~~ community antenna television system, or ~~a~~ telecommunications system ~~operated by a municipal lighting plant~~, when approved by the majority of the members of the municipal finance oversight board, for **the** ~~such~~ number of years not exceeding **10** ~~ten~~, as said board shall fix~~; provided, however, that the indebtedness incurred under this clause shall be included in the limit of indebtedness for gas and electric lighting plants, community antenna television systems or telecommunications systems that are operated by municipal lighting plants, as set forth in clause (8)~~. Each city or town seeking approval by said board of a loan under this clause

shall submit to **said board** ~~it~~ all plans and other information considered by the board to be necessary for a determination of the probable extended use of such plant, community television antenna system or telecommunications system likely to result from such remodeling, reconstruction, or repair, and in considering approval under this clause of a requested loan and the terms thereof, special consideration shall be given to such determination.

(9) For emergency appropriations that are approved by the director, not more than 2 years or such longer period not to exceed 10 years as determined by the director after taking into consideration the ability of the city, town or district to provide other essential public services and pay, when due, the principal and interest on its debts, the amount of federal and state payments likely to be received for the purpose of the appropriations and such other factors as the director may deem necessary or advisable; provided, however that for the purposes of this clause, "emergency" shall mean a sudden, unavoidable event or series of events which could not reasonably have been foreseen or anticipated at the time of submission of the annual budget for approval; provided further, that emergency shall not include the funding of collective bargaining agreements or items that were previously disapproved by the appropriating authority for the fiscal year in which the borrowing is sought; and provided further, that for the purposes of this clause, debt may be authorized by the treasurer of the city, town or district, with the approval of the chief executive officer in a city or town, or the prudential committee, if any, or by the commissioners in a district.

(9A) For emergency appropriations approved by a majority of the members of the municipal finance oversight board, up to the period fixed by law for such debt as determined by the board; provided, however, that this clause shall apply only to appropriations for capital purposes including, but not limited to, the acquisition, construction, reconstruction or repair of any public building, work, improvement or asset and upon a demonstration by the city, town or district that the process for authorizing debt in the manner otherwise provided by law imposes an undue hardship in its ability to respond to the emergency; provided further, that for purposes of this clause, "emergency" shall mean a sudden, unavoidable event or series of events which could not reasonably have been foreseen or anticipated at the time of submission of the annual budget for approval; and provided further, that for the purposes of this clause, debt may be authorized by the treasurer of the city, town or district, with the approval of the chief executive officer in a city or town, or the prudential committee, if any, or by the commissioners in a district.

(10) For acquiring land or constructing buildings or other structures, including the cost of original equipment, as memorials to members of the army, navy, marine corps, coast guard, or air force, ~~twenty~~ **20** years~~; but the indebtedness so incurred shall not exceed one half of one per cent of the equalized valuation of the city or town~~.

The designation of any such memorial shall not be changed except after a public hearing by the board of selectmen or by the city council of the municipality wherein said memorial is located, notice of the time and place of which shall be given, at the expense of the proponents, by the town or city clerk as the case may be, by publication not less than ~~thirty~~ **30** days prior thereto in a newspaper, if any, published in such town or city; otherwise, in the county in which such town or city lies; and notice of which shall also have been given by the proponents, by registered mail, not less than **30** ~~thirty~~ days prior to such hearing, to all veterans' organizations of such town or city.

~~*[There is no clause (11).]*~~

(~~12~~ **11**) For acquiring street railway **or other transportation** property under sections **143 to 158** ~~one hundred and forty-three to one hundred and fifty-eight~~, inclusive, of chapter **161**~~one hundred and sixty-one~~, operating the same, or contributing toward the sums expended or to be expended by a transportation area for capital purposes, **10** ~~ten~~ years~~; but the indebtedness so incurred shall not exceed two per cent of the equalized valuation of the city or town~~.

(~~13~~ **12**) For the acquisition, construction, establishment, enlargement, improvement or protection of public airports, including the acquisition of land, ~~ten~~ **10** years~~; but the outstanding indebtedness so incurred shall not exceed one per cent of the equalized valuation of the city or town~~. The proceeds of indebtedness incurred hereunder may be expended for the acquisition, construction, establishment, enlargement, improvement or protection of such an airport, including the acquisition of land, jointly by ~~two~~ **2** or more municipalities.

(~~14~~ **13)** For the financing of a program of eradication of Dutch elm disease, including all disbursements on account of which reimbursement is authorized or may be authorized by the commonwealth, county, any city or town, or by any manner of assessment or charges, pursuant to and consistent with the provisions of chapter **132, 5** ~~one hundred and thirty-two, five~~ years.

(~~15~~ **14**) For the construction of sewers, sewerage systems and sewage treatment and disposal facilities, or for the lump sum payment of the cost of tie-in to such services in a contiguous city or town, for a period not exceeding 30 years; provided, however, that either (i) the city or town has an enterprise or special revenue fund for sewer services and that the accountant or auditor or other officer having similar duties in the city or town shall have certified to the treasurer that rates and charges have been set at a sufficient level to cover the estimated operating expenses and debt service related to the fund, or (ii) the issuance of the debt is approved by a majority of the members of the municipal finance oversight board.

(~~16~~ **15**) For the construction **and rehabilitation** of municipal golf courses, including the acquisition **and reconstruction** of land, **installation and replacement of irrigation systems,** the construction **and rehabilitation** of buildings, and the cost of ~~original~~ equipment and furnishings, ~~twenty~~ **20** years.

(~~17~~ **16)** For the payment of charges incurred under contracts authorized by section **4D of chapter 40**~~four D of chapter forty~~, but only for ~~such~~ **those** contracts ~~as are~~ for purposes comparable to the purposes for which loans may be authorized under ~~the provisions of~~ this section. Each authorized issue shall constitute a separate loan, and such loans shall be subject to the conditions of the applicable clauses of this section.

(~~18~~**17**) For the construction of a regional incinerator for the purpose of disposing solid waste, refuse and garbage by **2** ~~two~~ or more communities, ~~twenty~~ **20** years~~, but the indebtedness so incurred shall not exceed three per cent of the last preceding equalized valuation of the city or town~~.

(~~19~~ **18**) For the lending or granting of money to industrial development financing authorities and economic development and industrial corporations, with the approval of the

Massachusetts office of business development and the director of housing and community development, 20 years. ~~For the purpose of this clause the city or town may borrow outside its debt limit to an amount not to exceed one hundred thousand dollars or two and one half per cent of its equalized valuation, whichever is the lesser.~~

(~~20~~ **19**) For the purposes of implementing **a** project financed in whole or in part by the Farmers Home Administration of the United States Department of Agriculture, pursuant to **Chapter 50 of Title 7 of the United States Code** ~~the provisions of 7 USC 1921, et seq.~~, up to forty years. Regional school districts established ~~pursuant to the provisions of~~ **under** any general or special law shall be authorized to incur debt for the purposes and within the limitations described in this clause.

(20~~1~~) For the cost of cleaning up or preventing pollution caused by existing or closed landfills or other solid waste disposal facilities, including clean up or prevention activities taken pursuant to chapter **21E** ~~twenty-one E~~ or chapter **21H, 30**~~twenty-one H, thirty~~ years; provided, however, that no indebtedness shall be incurred hereunder until plans relating to the project shall have been submitted to the department of environmental protection and the approval of said department has been granted therefor.

(~~22~~**21**) For the construction of incinerators, refuse transfer facilities, recycling facilities, composting facilities, resource recovery facilities or other solid waste disposal facilities, other than landfills, for the purpose of disposing of waste, refuse and garbage, ~~twenty-five~~ **25** years; provided, however, that no indebtedness shall be incurred hereunder until plans relating to the project shall have been submitted to the department of environmental protection and the approval of said department has been granted therefor.

(2~~3~~ **22**) For remodeling, reconstructing or making extraordinary repairs to incinerators, refuse transfer facilities, recycling facilities, resource recovery facilities or other solid waste disposal facilities, other than landfills, owned by the city, town or district, and used for the purpose of disposing of waste, refuse and garbage, ~~for such maximum term not exceeding~~ 10 years; provided, however, that no indebtedness shall be incurred hereunder until plans relating to the project shall have been submitted to the department of environmental protection and the approval of said department has been granted therefor.

(~~24~~**23**) For the purpose of closing out a landfill area, opening a new landfill area, or making improvements to an existing landfill area, **25** ~~twenty-five~~ years; provided, however, that no indebtedness shall be incurred hereunder until plans relating to the project shall have been submitted to the department of environmental protection and the approval of said department has been granted therefor.

(2~~5~~**4**) For the acquisition of a dam or the removal, repair, reconstruction and improvements to a dam owned by a municipality, as may be necessary to maintain, repair or improve such dam, 40 years; provided, however, that this clause shall include dams as defined in section 44 of chapter 253 acquired by gift, purchase, eminent domain under chapter 79 or otherwise and located within a municipality, including any real property appurtenant thereto, if ~~such~~ **the** dam and any appurtenant real property is not at the time of such acquisition owned or held in trust by the commonwealth.

~~Debts, except for temporary loans, may be authorized under this section only by a two thirds vote.~~

~~Debts for purposes mentioned in clauses (3), (4), (4A), (5), (6), (7), (7A) and (7B) of this section shall not be authorized to an amount exceeding ten per cent of the equalized valuation of the city or town.~~

DEBT LIMIT
General Laws Chapter 44, § 10

Section 10. Except as otherwise provided by law, a city or town shall not authorize indebtedness to an amount exceeding 5 per cent of the equalized valuation of the city or town. A city or town may authorize indebtedness in excess of 5 per cent but not in excess of 10 per cent, of the aforesaid equalized valuation; provided, however, that the amount of indebtedness so authorized shall be subject to the approval of the members of the municipal finance oversight board, which approval may be given either before or after such authorization.

In determining the debt limit for Boston hereunder the provisions of chapter ninety-three of the acts of eighteen hundred and ninety-one and of section one of chapter one hundred and ninety-one of the acts of nineteen hundred and three shall apply.

The debt limit for a district shall be based on an amount determined by applying to the equalized valuation of the town the same ratio which the assessors' valuation of the taxable property of the district for the preceding fiscal year bears to the assessors' valuation of the taxable property of the town for the preceding fiscal year. In the case of the district which is located in two or more towns, said debt limit shall be based on the total amount determined by applying to the equalized valuation of each of the towns in which any part of the district is located the same ratio which the assessors' valuation of the taxable property of the district in the respective towns for the preceding fiscal year bears to the assessors' valuation of the taxable property of said town for the preceding fiscal year.

All authorized debts, except those expressly authorized by law to be incurred outside the debt limit, shall be reckoned in determining the limit of indebtedness under this section.

TEMPORARY LOANS; REFUND; REPAYMENT
General Laws Chapter 44, § 17 (218:65)

Section 17. If a city, town or district votes to issue bonds, notes or certificates of indebtedness in accordance with law, the officers authorized to issue the same may, in the name of such city, town or district, make a temporary loan for a period of not more than ~~two~~ **2** years in anticipation of the money to be derived from the sale of such bonds, notes or certificates, and may issue notes therefor. A city, town or district may refund, by the issue of other notes, a temporary loan issued under the authority of the first sentence; provided, however, that the period from the date of issue of the original loan to the date of maturity of the refunding loan shall not exceed ~~two~~ **2** years, unless such temporary loan is paid in part from revenue funds of the city, town or district as hereinafter provided for, in which case the period from the date of issue of the original loan to the date of maturity of the refunding loan shall not exceed ~~five~~ **10** years. A temporary loan refunded under this section shall be paid in part from revenue funds of the city, town or district at or before the maturity date of any such refunding loan that is issued to mature more than ~~two~~ **2** years, but not more than ~~three~~ **3** years, from the date of issue of the original loan. A like payment

from revenue funds shall be made at or before the maturity date of any such refunding loan that is issued to mature more than ~~three~~ **3** years, but not more than ~~four~~ **4** years, from the date of issue of the original loan and again at or before the maturity date of any such refunding loan that is issued to mature more than ~~four~~ **4** years **but not more than 5 years; more than 5 years but not more than 6 years; more than 6 years but not more than 7 years; more than 7 years but not more than 8 years; more than 8 years but not more than 9 years, from the date of the original loan, and again at or before the maturity date of any such refunding loan that is issued to mature more than 9 years** from the date of issue of the original loan. Each such payment from revenue funds shall be at least equal to the minimum annual payment which would have been required if such temporary loan had been converted to a serial loan prior to its first refunding that required a payment from revenue funds under this section, and the authorized amount of the serial loan shall be reduced by the aggregate amount of all such payments. Each payment made by a city, town or district as provided in the preceding sentence shall be reported by the auditor or accountant of the city or town or other officer having similar duties, or by the treasurer if there be no such officer, to the assessors, who shall include the amount so reported in the determination of the next annual tax rate, unless the city, town or district has otherwise made provision therefor. The amount of a payment from revenue funds made by a regional school district or regional refuse disposal district as provided herein shall be included in the next annual district operating and maintenance budget, unless the regional district committee has otherwise made provision therefor. The time within which a serial loan shall be due and payable shall not be extended by reason of the making of a temporary loan hereunder beyond the time fixed by law. If a balance remains in the proceeds of a temporary loan issued in anticipation of a serial loan at the time when the serial loan is issued, said balance may be applied to the payment of such temporary loan.

ISSUANCE OF NOTES PAYABLE ON DEMAND FORBIDDEN; PROCEDURE FOR REPAYING DEBTS
General Laws Chapter 44, § 19 (218:66)

Section 19. Cities, towns and districts shall not issue any notes payable on demand, but shall provide for the payment of all debts, except temporary loans incurred under sections 4, 6, 6A, 8C, and 17 or under section 3 of chapter 74 of the acts of 1945, by annual payments that will extinguish the same at maturity, and so that the first of these annual payments on account of any serial loan shall be made not later than the end of the next complete fiscal year commencing after the date of the bonds or notes issued for the serial loan, and shall be arranged so that for each issue the amounts payable in the several years for principal and interest combined shall be as nearly equal as practicable in the opinion of the officers authorized to issue the bonds or notes or, in the alternative, in accordance with a schedule providing a more rapid amortization of principal; and these annual amounts, together with the interest on all debts, shall, without further vote, be assessed until the debt is extinguished.

Notwithstanding any general or special law to the contrary, the final payment on account of any bonds issued by a city, town or district may be made not later than the end of the fiscal year in which such bonds would otherwise have been payable under this chapter, or any other statutory authority under which the issuance of any such bonds was otherwise authorized.

PROCEEDS FROM SALE OF BONDS; RESTRICTION ON USE; DISPOSITION OF PREMIUMS
General Laws Chapter 44, § 20 (218:67)

Section 20. The proceeds of any sale of bonds or notes~~, except premiums and accrued interest,~~ shall be used only for the purposes specified in the authorization of the loan**; provided, however, that such proceeds** ~~, and~~ may also be used for costs of preparing, issuing and marketing such bonds or notes, except as otherwise authorized by this section. If a balance remains after the completion of the project for which the loan was authorized, such balance may at any time be appropriated by a city, town or district for any purposes for which a loan may be incurred for an equal or longer period of time than that for which the original loan, including temporary debt, was issued. Any such balance not in excess of ~~one thousand dollars~~ **$50,000** may be **applied, with the approval of the chief executive officer,** ~~appropriated~~ for the payment of **indebtedness** ~~the principal of such loan~~. If a loan has been issued for a specified purpose but the project for which the loan was authorized has not been completed and no liability remains outstanding and unpaid on account thereof, a city**,** by a two-thirds vote of all of the members of the city council, or a town or district, by a two-thirds vote of the voters present and voting thereon at an annual town or district meeting, may vote to abandon or discontinue the project and the unexpended proceeds of the loan may ~~thereupon~~ be appropriated for any purpose for which a loan may be authorized for an equal or longer period of time than that for which the original loan, including temporary debt, was issued. Any premium received upon such bonds or notes, less the cost of preparing, issuing and marketing them, and any accrued interest received upon the delivery of said bonds or notes shall be ~~paid to the city, town or district treasury.~~**: (i) applied, if so provided in the loan authorization, to the costs of the project being financed by the bonds or notes and to reduce the amount authorized to be borrowed for the project by like amount; or (ii) appropriated for a project for which the city, town or district has authorized a borrowing, or may authorize a borrowing, for an equal or longer period of time than the original loan, including any temporary debt, was issued, thereby reducing the amount of any bonds or notes authorized to be issued for the project by like amount.** Notwithstanding ~~the provisions of~~ this section, no appropriation from a loan or balance thereof shall be made **that** ~~which~~ would increase the amount available from borrowed money for any purpose to an amount in excess of any limit imposed by general law or special act for such purpose. **Additions to the levy limit for a debt exclusion are restricted to the true interest cost incurred to finance the excluded project.** ~~Effective with the fiscal year 2005 tax rate approval process, additions to the levy limit for a debt exclusion are restricted to the true interest cost incurred to finance the excluded project. Premiums received at the time of sale shall be offset against the stated interest cost in computing the debt exclusion. The provisions of the preceding 2 sentences shall not apply to bond premiums received on or before July 31, 2003.~~

REFUNDING BONDS; ISSUANCE; PRESENT VALUES
General Laws Chapter 44, § 21A (218:68)

Section 21A. The city council of a city, the board of selectmen of a town~~, the school committee of a regional school district~~ and the prudential committee, if any, otherwise, the commissioners of a district may **authorize and** provide for the issuance of refunding

bonds or notes of the city, town~~, regional school district~~ or district for the purpose of paying or refunding all or any designated part of an issue of bonds or notes then outstanding, including the amount of any redemption premium thereon; provided, however, that no such refunding bonds shall be payable over a period longer than the period during which the original bonds or notes so refunded shall be paid pursuant to law; **and provided, further, that, notwithstanding any provision of any general or special law, city charter, city ordinance or city council rule or order to the contrary, any vote of the city council of a city authorizing and providing for the issuance of refunding bonds or notes of the city may be introduced and given final passage at 1 meeting of the city council, shall not be subject to any publication requirement, shall not be subject to any referendum provision, and shall be effective upon passage.** The first annual payment of principal on account of an issue of refunding bonds or notes shall not be later than the **last day of the fiscal year in which any of the bonds or notes being refunded would otherwise have been payable** ~~earliest stated principal maturity date of any of the bonds or notes being refunded~~ and the annual payments thereafter shall be arranged in accordance with the provisions of section **19** ~~nineteen~~; provided, however, that any annual payment earlier than the date on which the first annual payment is required to be made, may be in any amount. Except as otherwise provided in this section, the issuance of such refunding bonds or notes shall be governed by the applicable provisions of this chapter. Refunding bonds or notes issued under this section shall be subject to the same limit of indebtedness, if any, as the bonds or notes refunded by them; provided, however, that upon the issuance of such refunding bonds or notes, the bonds or notes refunded shall no longer be counted in determining any limit of indebtedness of the city, town or district under this chapter or any other applicable provision of law. If such refunding bonds or notes are issued prior to the maturity or redemption date of the original bonds or notes refunded, an amount of the proceeds of the refunding bonds or notes and other moneys then available or to become available to the city, town or district, which moneys may include income to be derived from the investment of such proceeds, sufficient to pay or provide for the payment of the principal, redemption premium, if any, and interest on the bonds or notes so refunded to the date fixed for their payment or redemption shall be held in a separate fund and in trust solely for the payment of such principal, redemption premium and interest. The funds so held may be invested pursuant to section **55** ~~fifty-five~~ and the income derived from such investment may be expended by the treasurer to pay the principal, redemption premium, if any, and interest on the bonds or notes refunded until they are paid or redeemed; provided, however, that notwithstanding any limitations on the maturity of investments under section **55** ~~fifty-five~~, any such investment may have a maturity not later than the date fixed for the payment or redemption of the bonds or notes refunded.

The present value of the principal and interest payments due on refunding bonds issued under this section shall not exceed the present value of the principal and interest payments to be paid on the bonds to be refunded**, except as otherwise provided in this section**. The city, town, or regional school district shall notify the department of education in the event that bonds or notes issued for an approved school project under chapter ~~six hundred and forty-five~~ **645** of the acts of ~~nineteen hundred and forty-eight~~ **1948** are refunded under this section and the amount of the state construction grant payable to the city, town, or regional school district shall not be affected by any increase in the amount of interest payable on the refunding bonds or notes, but shall be affected by any decrease in the amount of interest payable on the refunding bonds or notes for school building projects approved after July **1, 1965** ~~first, nineteen hundred and ninety-five~~. Upon receipt of notification from a city, town or regional school district of a decrease in the amount of

interest payable related to such projects, the department of education shall recalculate the amount of the state construction grant that is payable to such city, town or regional school district.

If the mayor or city manager in a city, the board of selectmen of a town or the prudential committee of a district determines that the issuance of refunding bonds is reasonable and necessary in order to maintain the tax-exempt status of outstanding bonds or notes of the city, town or district, the official, board or committee may authorize refunding bonds for that purpose, even if the present value of the principal and interest payments due on the refunding bonds exceeds the present value of the principal and interest payments otherwise payable on the bonds to be refunded.

TAX EXEMPT LEASE PURCHASE FINANCING AGREEMENTS

General Laws Chapter 44, § 21C (218:69)

Section 21C. A city, town or district may by a two-thirds vote of its legislative body, if recommended by its chief executive officer, authorize any department of the city, town or district to enter into a lease purchase financing agreement to acquire equipment or improve a capital asset that may be financed by the issuance of debt under this chapter or otherwise authorized by law, for a term up to the useful life of the property to be procured as determined by its chief executive officer. Any lease purchase financing agreement under this section shall be considered a binding obligation of the city, town or district as if it were a debt authorization under this chapter, provided an appropriation available for the purpose has been made in the first fiscal year in which the lease becomes effective. Any city, town or district that follows the procedure in this section with respect to entering into a lease purchase financing agreement for the procurement of any personal property for the governmental entity, may refinance the purchase with the issuance of refunding bonds under section 21A to pay the balance of the lease obligation.

PAYMENTS; NOTICE TO DIRECTOR OF ACCOUNTS

General Laws Chapter 44, § 25 (218:70)

~~Section 25. Whenever a note issued by a city, town or district is paid, the treasurer thereof shall immediately notify the director of such payment, stating the source from which such payment was made.~~

TOWNS AND DISTRICTS; RIGHT TO PETITION FOR AN AUDIT OR INSTALLATION OF ACCOUNTING SYSTEM

General Laws Chapter 44, § 35 (218:77)

Section 35. ~~Any town, and any district, or regional school district, at a meeting legally called therefor, may petition the director for an audit of its accounts or for the installation of an accounting system; and said director, as soon as possible after the receipt of such petition, shall cause such audit to be made or system of accounts to be installed. Any town~~

~~or district, at a meeting legally called therefor, after such accounting system has been installed, may petition for subsequent audits, or may provide in its by-laws for periodical audits under the supervision of said director, who shall cause such audits to be made. The selectmen, the prudential committee, if any, otherwise the commissioners, or the regional district school committee, may petition said director for an audit of the town or district accounts, as the case may be, when, in their opinion, the condition of the accounts is such as to warrant the making of such audit, and said director, as soon as possible after the receipt of such petition, shall cause such audit to be made.~~

Cities, towns, districts and regional school districts shall conduct periodic audits of their accounts, according to any standards established by the director under section 38, and shall engage for that purpose a professional auditing firm or other independent accountant as may be necessary or appropriate. The chief executive officer of a city or town, the prudential committee, if any, otherwise the commissioners, of a district, or the regional district school committee may also cause an audit to be performed when, in their opinion, the condition of the accounts is such as to warrant the making of such audit necessary and useful.

Notwithstanding any general or special law that provides for the director to cause an annual or other periodic audit of a regional or other governmental unit created within 1 or more cities or towns of the commonwealth to provide public services or conveniences, such governmental unit shall be considered a district for purposes of conducting a periodic audit under this section and sections 38, 39, 40, 41 and 42. Upon the completion of each audit, a copy shall be sent to the chief executive officer of each city or town which is a member of the governmental unit. The cost of each audit shall be a current expense of the governmental unit and shall be apportioned among the several cities and towns that are members of the unit in the same manner as other such expenses.

CITIES; RIGHT TO PETITION FOR AN AUDIT OR INSTALLATION OF ACCOUNTING SYSTEM
General Laws Chapter 44, § 36 (218:78)

~~Section 36. Any city may, by vote of its city council, petition the director for an audit of its accounts or for the installation of an accounting system; and, if a statute or an ordinance requires a city official or commission to cause an audit to be made, such official or commission may petition therefor, and said director, as soon as possible after the receipt of such petition, shall cause such audit to be made or accounting system installed.~~

DUTIES OF DIRECTOR WITH RESPECT TO INSTALLATION OF ACCOUNTING SYSTEM
General Laws Chapter 44, § 37 (218:78)

~~Section 37. Whenever, after such accounting system has been installed, a city, town or district accounting officer requests the advice or assistance of the director, he shall render such assistance as in his judgment may be necessary.~~

UNIFORMITY OF ACCOUNTING SYSTEMS
General Laws Chapter 44, § 38 (218:79)

Section 38. ~~The accounting systems installed in accordance with this chapter shall be such as will, in the judgment of the director, be most effective in securing uniformity of classification in the accounts of such cities, towns and districts. The director may supply approximately at cost to cities, towns and districts where such accounting systems have been installed such books, forms or other supplies as may be required from time to time after the original installation of such systems. Such accounting systems and classifications, so far as they pertain to school committees, shall be subject to the advice and approval of the board of education.~~

The director shall make, and from time to time revise, such reasonable rules, regulations and guidelines as may be necessary to establish minimum standards and methods of municipal and district accounting systems as the director determines are most effective in securing uniformity of classification in the accounts of cities, towns, and districts. Such accounting classifications, so far as they pertain to municipal or regional school committees, shall be subject to the advice and approval of the commissioner of elementary and secondary education. The specific areas to which such standards may relate shall include, but are not limited to, the following: the administration of all laws regarding city, town or district revenues, expenditures and debt, including the maximum useful life of projects, improvements or assets being financed with debt; the systematic accounting of financial transactions; the adequacy of financial records; and the frequency and content of audits.

The director may, upon request or the director's own initiative, give an opinion to a city, town or district auditor, accountant or other officer having similar duties, collector, treasurer or other board or other officer, upon any question arising under any statute relating to accounting for revenues and expenditures and issuance of debt. The director may visit any city, town or district, inspect the work of its auditor, accountant or other officer having similar duties, collector, treasurer, or other officer having charge of any financial accounts or records; and require of them any information considered necessary regarding the procedures used in keeping the accounts or records, including access to all necessary papers, vouchers, books, records, and data. The director may require of city, town, or district officials such action as will tend to produce uniformity of accounting systems and standards through the commonwealth

RESULTS OF AUDIT; REPORT TO MUNICIPALITY
General Laws Chapter 44, § 39 (218:79)

Section 39. ~~Upon the completion of an audit under section thirty-five or thirty-six, the director shall render a report to the city government or the board of selectmen or the prudential committee or commissioners, respectively, embodying the results of his findings, with such suggestions as he may deem advisable for the proper administration of the finances of the city, town or district.~~

Upon the completion of an audit under section 35, the firm or person selected by the city, town or district to conduct said audit shall render a report to the chief executive officer of the city or town, or other board or officer required by charter, or the prudential committee or commissioners of the district, embodying the results of the

findings, with any suggestions considered advisable for the proper administration of the finances of the city, town, or district. A copy of the audit report shall be furnished to the director.

AUDIT OF ACCOUNTS; FREQUENCY
General Laws Chapter 44, § 40 (218:79)

Section 40. The director shall cause an audit to be made **For the purpose of conducting audits** of the accounts of all cities and towns **annually,** and of the **accounts of each** all districts and regional school **district biennially or annually as determined by** of the commonwealth and may cause subsequent audits to be made of the accounts of each city and town annually, and of the accounts of each district and regional school district as often as once in two years or annually at the request of the prudential committee, if any, otherwise the commissioners, or the regional district school committee, **the firm or person engaged to conduct such audits** and for this purpose he, and his duly accredited agents, shall have access to all necessary papers, books, and records. All accounts subject to audit by town auditors under section **53** fifty-three of chapter **41** forty-one shall be subject to audit by the director, and the trustees of any property the principal or income of which, in whole or in part, was bequeathed or given in trust for public uses for the benefit of the **city or** town or any part thereof, or for the benefit of the inhabitants of the **city or** town or any part thereof, shall give the **said firm or person** director, or his duly accredited agents, access to their accounts, funds, securities and evidences of property for the purposes of the audit. Upon the completion of each audit as aforesaid, a report thereunder shall be made to the mayor and city **council** government in cities, to the selectmen in towns, to the prudential committee and commissioners in a district, and to the regional district school committee in a regional school district, and a copy of the same shall be furnished to the city, town or district clerk, who shall cause the same or a summary of its essential features to be published at the expense of the city, town or district. The director, in his discretion, may give preference to audits upon petitions under section thirty-five or thirty-six over audits under this section. **A copy of the audit report shall be furnished to the director of accounts. If embezzlement or other criminal activity is suspected as a result of audit findings, the foregoing city, town, or district officials shall bring the relevant information to the attention of the district attorneys and attorney general and give assistance to any investigation instituted in response.**

Commencing with the fiscal year nineteen hundred and eighty-seven, regional school districts may satisfy the requirements of the Single Audit Act of 1984, 31 USC Sec. 7502, by causing audits of its records to be made annually or biennially by an independent auditor to be selected by such regional school districts to conduct such audits. Such audits shall be made in accordance with federal government auditing standards.

EXPENSES OF AUDITING; PAYMENT
General Laws Chapter 44, § 41 (218:79)

Section 41. The expenses incurred under sections thirty-five to forty, inclusive, shall be paid primarily by the commonwealth; and the state treasurer shall issue his warrant requiring the assessors of the cities and towns concerned and of the towns in which such district is located to assess a tax to the amount of said expense, and such amounts shall be

~~collected and paid to the state treasurer as provided by section twenty of chapter fifty-nine. Any balance due shall be assessed, collected and paid in the succeeding years in like manner.~~

Whenever it appears to the director that a city, town or district has failed to meet the minimum standards and methods of municipal and district accounting prescribed under section 38, or to provide the information required under section 43 or other statute, the director shall notify the city, town or district of the actions necessary to ensure compliance or to provide the required information. The notice shall contain a statement that failure to comply may result in the director taking action to ensure compliance, including contracting for any services necessary or appropriate to do so. If such city or town fails, within a reasonable time, to comply with the requirements of the director, and continues to fail to comply, the director may contract on behalf of the city or town for any professional or technical services necessary to meet the standards or obtain the necessary information. The costs of the services shall be incurred by the commonwealth, and payment shall be deducted by the state treasurer, pursuant to section 20A of chapter 58, from any amount distributable or payable by the commonwealth to such city or town.

AUDITS BY PRIVATE ACCOUNTANTS; REQUIRED REPORTS
General Laws Chapter 44, § 42 (218:80)

Section 42. Whenever a city**,** ~~or~~ town **or district** causes an audit of its accounts or the accounts of separate departments to be made by a **firm or** person of its own selection, the city**,** ~~or~~ town**, or district** clerk shall immediately, upon the employment of such **firm or** person, file ~~his~~ **the** name and address with the director, and such **firm or** person shall, within ~~ten~~ **10** days after making the report of ~~his~~ **the** audit and recommendations to the city**,** ~~or~~ town **or district**, file a certified copy thereof with the director~~; and in any such case the director may, in his discretion, accept the audit so made, or cause an audit to be made under section forty~~.

ACCOUNTING REPORTS; RETURNS; FORMS
General Laws Chapter 44, § 43 (218:81)

Section 43. The director shall annually ~~furnish to~~ **require** the auditor or other accounting officer of each city and town **to submit** schedules ~~so arranged as~~ to provide for uniform returns giving detailed statements of all receipts classified by sources, and all payments classified by objects, for its last fiscal year; a statement of the public debt showing the purpose for which each item of the debt was created and the provision made for the payment thereof; and a statement of assets and liabilities at the close of the fiscal year. The director may prescribe standard forms intended to promote the systematic accounting of financial transactions and the publication of the same in the city and town reports. **The director**~~He~~ shall collect from the proper local authorities such other information pertaining to municipal affairs as in **the director's**~~his~~ judgment may be of public interest. All **auditors,** accounting **officers** and other officials and custodians of public money of cities and towns shall ~~fill out~~ properly **complete** and **promptly** return ~~promptly to the director~~

all schedules **required of them to the director** ~~transmitted by him to them~~. If a city or town fails**,** within ~~sixty~~ **60** days after a request has been made by the director**,** to furnish the information ~~authorized~~ to be collected under ~~the provisions of~~ this section, the director may obtain ~~such~~ **the** information **in accordance with section 41.** ~~through the use of his agents and assistants. The cost for collecting such information shall be borne in the manner prescribed by section forty-one for expenses incurred under sections thirty-five to forty, inclusive.~~

DESTRUCTION OF RECORDS
General Laws Chapter 44, § 46 (218:82)

~~Section 46. The director, having first obtained authority from the governor and council, may destroy or sell all such records, papers and schedules accumulated in the bureau of accounts as in his judgment are of no value.~~

POWERS OF DIRECTOR; INVESTIGATION OF MUNICIPAL AFFAIRS
General Laws Chapter 44, § 46A (218:83)

Section 46A. The director may ~~upon his own initiative in the case of any city, except Boston, or any town, and shall, when requested by the mayor or city council of any such city or the selectmen of any town~~, if conditions appear to the director to warrant it, **review** ~~investigate~~ the accounts and financial transactions and affairs of ~~such~~ **a** city or town, or of any department, board, commission or officer thereof. For the purpose of conducting ~~such investigations~~ **the review**, the director may **visit any city, town, or district office and require any information the director considers necessary** ~~employ such temporary investigators as may be necessary, who shall receive such compensation as the commissioner of revenue may fix and shall not be subject to chapter thirty-one~~. ~~For the aforesaid purposes the director and his duly accredited investigators or agents shall have access to all necessary papers, vouchers, books and records.~~ Upon the completion of ~~such an investigation, a report thereon shall be made to the mayor and city council or to the selectmen, as the case may be, and a copy of the same shall be furnished to the attorney general, and to the city or town clerk who shall cause it or~~ **any review, the director may publish** a summary of its essential features ~~to be published at the expense of the city or town~~. A municipal officer or employee**,** or a member of a municipal department, board or commission whose accounts or transactions are being **reviewed** ~~investigated~~ under this section shall afford to the director~~, his investigators and agents~~ such assistance as the~~y~~ **director** may require. Refusal or neglect by such an officer, employee or member to afford such assistance shall be punished by a fine of not more than **500** ~~five hundred~~ dollars or by imprisonment for not more than ~~one~~ **1** year, or both. ~~The expenses incurred hereunder shall be paid primarily by the commonwealth; and the state treasurer shall issue a warrant requiring the assessors of the city or town concerned to assess a tax to the amount of said expenses, and such amounts shall be collected and paid to the state treasurer in the same manner and subject to the same penalties as state taxes. Any balance due shall be assessed in the succeeding years in the same manner as other state taxes.~~

DEPOSITS OF PUBLIC FUNDS IN BANKING INSTITUTIONS IN RETURN FOR BANKING SERVICES

General Laws Chapter 44, § 53F (218:87-90)

Section 53F. Notwithstanding any general or special law to the contrary, a treasurer or collector of a city, town or district is authorized to enter into written agreements for a period not to exceed three years, with banking institutions having their principal offices in the commonwealth, pursuant to which such treasurer or collector agrees to maintain on deposit in said institutions specified amounts of the funds of the municipality in return for said institutions providing banking services. ~~The type of services that so qualify shall be prescribed by the commissioner of revenue.~~

Such agreements ~~shall be in a form approved by said commissioner and~~ shall contain such terms and conditions as ~~he~~ **the treasurer or collector** may deem appropriate to ensure fiscal stability and full disclosure. Each such agreement shall include the total amount that may be required to be on deposit at all times; and, if said amount may vary from time to time, every such agreement shall specify a minimum total amount that may be required to be on deposit at any time. If the city, town or district fails to maintain the agreed amount on deposit, the city, town or district shall not be authorized to appropriate funds for such purpose.

No such agreement shall be effective unless and until it has been approved in a town having a town council, by the town council; in a city by the city council and the mayor if required by law; in a regional school district, by the regional school committee; and in any other district, by the district meeting. With respect to any other town, no such agreement shall be effective unless and until the town meeting has authorized its treasurer or collector to enter into such agreements under the provisions of this section during the fiscal year in which such agreement takes effect and such agreement has been approved by the selectmen of such town.

~~Said commissioner shall promulgate, and from time to time revise, reasonable rules, regulations, standards and guidelines necessary to promote prudent fiscal management and to ensure that such agreements are not utilized to circumvent the appropriation process or other provisions of law.~~

As used in this section, "district" shall include a regional school district.

A treasurer or collector who has entered into an agreement pursuant to this section shall ~~file with the commission, in such form and at such time as the commissioner shall prescribe, such information as the commissioner shall require in order to determine~~ **produce an annual report in order to determine** whether funds maintained on deposit with a banking institution have exceeded the amount required by said agreement. ~~The commissioner shall report annually on agreements maintained pursuant to this section.~~ Such report shall identify~~, for each city, town or district maintaining such agreement,~~ each banking institution with which such agreement was maintained in the year covered by the report, and the average daily amount, if any, maintained on deposit with such banking institution in excess of the amount necessary to fulfill the terms of agreement. A copy of such report shall be provided to the collector or treasurer, the mayor and city council, the selectmen, the regional school committee, the prudential committee, if any, otherwise the commissioners, of ~~each~~ **the** city, town, or district~~ named therein~~, and a copy of the same shall be furnished to the inspector general.

PUBLIC FUNDS ON DEPOSIT; LIMITATIONS; INVESTMENTS

General Laws Chapter 44, § 55 (218:94)

Section 55. A city, town, or district or regional school district shall not at any one time have on deposit in a bank or trust company or banking company an amount exceeding sixty per cent of the capital and surplus of such bank or trust company or banking company, unless satisfactory security is given to it by such bank or trust company or banking company for such excess. The treasurer of any city, town, district or regional school district shall not deposit funds for which he is accountable in any bank, trust company or banking company with which such treasurer is associated as an officer or employee or has been associated as an officer or employee at any time during the three years immediately preceding the date of any such deposit. For the purpose of paying the principal or interest due on any bond, note or other obligation of the city of Boston, which is payable or requested to be paid in the city of New York, the city of Boston may keep on deposit in any national bank or trust company in the city of New York a sum not exceeding in the aggregate twenty-five thousand dollars; provided, that for a period of two weeks prior to the date of any such payment or payments, said amount may be increased by a sum or sums sufficient to cover the same. A treasurer of a city, town, district or regional school district may invest such portion of revenue cash as ~~he~~ **the treasurer** shall deem not required to pay expenses until ~~such~~ **the** cash is available**,** and all or any part of the proceeds from the issue of bonds or notes, prior to their application to the payment of liabilities incurred for the purposes for which the bonds or notes were authorized **in:**~~, in~~ **(1)** term deposits or certificates of deposit **having a maturity date from date of purchase of up to 3 years;**~~, in~~ **(2)** trust companies, national banks, savings banks, banking companies or cooperative banks~~, or in~~**; (3)** obligations issued or unconditionally guaranteed by the United States government or any agency thereof ~~and~~**,** having a maturity from date of purchase of ~~one~~ **1** year or less~~, or in~~**; (4)** United States government securities or securities of United States government agencies purchased under an agreement with a trust company, national bank or banking company to repurchase at not less than the original purchase price of said securities on a fixed date, not to exceed ~~ninety~~ **90** days ~~or in~~**; (5)** shares of beneficial interest issued by money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended, operated in accordance with Section 270.2a-7 of Title 17 of the Code of Federal Regulations, that have received the highest possible rating from at least one nationally recognized statistical rating organization and the purchase price of shares of beneficial interest purchased pursuant to this section shall not include any commission that these companies may charge~~,~~ **;** or ~~in~~ **(6)** participation units in a combined investment fund under section ~~thirty-eight A~~ **38A** of chapter ~~twenty-nine~~ **29**; provided, however, that no temporary notes in anticipation of revenue shall be issued under section ~~four~~ **4** as long as any revenue cash, exclusive of revenue sharing or other revenue cash the use of which is restricted to purposes other than current maintenance expenses, remain so invested.

MUNICIPAL OR DISTRICT SERVICES, FEES OR CHARGES; INSUFFICIENT FUNDS CHECKS; PENALTY
General Laws Chapter 44, § 69 (218:165)

Section 69. If a check **or electronic funds transfer** in payment of a municipal or district service rendered or fee or charge imposed is not duly paid, there may, in addition to any other penalty provided by law, be imposed on the person who tendered such check **or electronic funds transfer**, upon notice and demand by the city, town or district treasurer, a penalty in the same amount as that imposed under the provisions of section fifty-seven A of chapter sixty.

Any person upon whom such penalty is imposed may, within sixty days of the imposition of such penalty, appeal in writing to the ~~commissioner~~ **city, town or district treasurer** who shall abate the same if it is determined that such check **or electronic funds transfer** was tendered in good faith with reasonable cause to believe that it would be paid.

NOTICES AND LISTS; INSTRUCTING ASSESSORS
General Laws Chapter 58, § 5 (218:104)

Section 5. The commissioner ~~shall annually~~ **may** give instructions for preparing the notice and bringing in the lists required by section ~~twenty-nine~~ **29** of chapter ~~fifty-nine~~ **59**, and ~~shall~~ **may** prescribe forms therefor so arranged that the statement of the person bringing in ~~such~~ a list ~~will~~ **shall** include all assessable property held by ~~him~~ **such person**. The commissioner ~~shall cause to be printed and distributed to assessors~~ **may prescribe** forms for the lists and statements required therein relative to property held for literary, temperance, benevolent, charitable or scientific purposes.

DELINQUENT COLLECTIONS; PROCEEDINGS BY ATTORNEY GENERAL; ABATEMENT OF CERTAIN TAXES, ETC.; EXPEDITED ABATEMENT PROCEDURE FOR ABANDONED REAL PROPERTY
General Laws Chapter 58, § 8 (218:105)

Section 8. ~~Whenever it appears to the commissioner that at the end of two years from the commitment of any warrant to a collector any taxes upon such warrant remain uncollected, or if collected have not been turned over to the town treasurer, the commissioner shall within three months bring the matter to the attention of the attorney general, who may bring or cause to be brought an action of contract in the name of the town against the collector and upon his bond, in the superior court for the county where the town lies. Any amount recovered under this section shall be paid into the treasury of the town in whose name the action is prosecuted; but all reasonable expenses incurred by the attorney general in any such action shall be borne by the town, and may be recovered from it by the commonwealth in contract.~~ If, at any time after any tax, assessment, rate or other charge has been committed to a collector such tax, assessment, rate or charge, or any interest thereon or costs relative thereto, remains unpaid and the commissioner is of the opinion that such tax, assessment, rate, charge, costs or interest should be abated, he may, in

writing, authorize the assessors or the board or officer assessing such tax, assessment, rate or charge, to abate any part or the whole of such tax, assessment, rate, charge, costs or interest, whether or not the same is secured by a tax title held by the town. Whenever in the opinion of the commissioner, the assessors or the board or officer assessing a tax, assessment, rate or charge have made an obvious clerical error and such tax, assessment, rate or charge has been paid, the commissioner may, in writing, authorize the assessors or such board or officer to abate any part or the whole of such tax, assessment, rate or charge for a period not to exceed the three fiscal years preceding the year of the application to the commissioner; provided, however, that no interest shall be due in connection with any such abatement. The assessors or the board or officer aforesaid may thereupon make the abatement authorized and enter the same in their or his record of abatements, making reference in said record to such authorization as the cause or reason for the abatement. If there is more than one such tax, assessment, rate or charge, the abatement may be authorized and made either by items or by a sum total, stated in such written authorization. Whenever authority to abate is granted under this section, the commissioner shall forthwith give written notice of the grant of such authority to the collector, and, if the tax, assessment, rate, charge, costs, or interest involved is secured by a tax title held by the town, also to the treasurer.

The commissioner shall make and from time to time revise, rules, regulations and guidelines necessary for establishing an expedited procedure for granting authority to abate taxes, assessments, rates, charges, costs or interest under this section in such cases as the commissioner determines are in the public interest and shall from time to time for such periods as the commissioner considers appropriate authorize the assessors or the board or officer assessing the tax, assessment, rate or charge to grant these abatements. No abatement authorized by these procedures shall be granted unless the assessors or board or officer shall certify, in writing, under pains and penalties of perjury that the procedures have been followed. The commissioner shall require yearly reports and audits of these abatements by assessors or boards or officers that the commissioner considers necessary to ensure that any authority granted under this paragraph has been properly exercised and shall withdraw this grant of authority to the particular assessors, board or officer upon his written determination that the authority has been improperly exercised. The commissioner may make and from time to time revise, reasonable rules, regulations and guidelines that he considers necessary to carry out this paragraph.

AFFORDABLE HOUSING SITES: ABATEMENT OF REAL ESTATE TAX OBLIGATIONS

General Laws Chapter 58, § 8C (218:106)

Section 8C. A city or town may establish, relative to sites or portions of sites that will be used as affordable housing, as defined in section 1 of chapter 60, or affordable housing and commercial, an agreement between the city or town and the developer of said sites or portions of sites, regarding the abatement of up to 75 per cent of the real estate tax obligations and up to 100 per cent of the outstanding interest and penalties on said sites or portions of sites~~, if the commissioner has approved in writing the request of the city or town to grant the abatement. Upon the written request of a city or town to grant such an abatement, the commissioner shall make a determination within 30 days from the date of the receipt of the request or the request shall be deemed approved.~~ The agreement, for the

purpose of developing affordable housing on such sites and redevelopment in such communities, shall include, but shall not be limited to, the amount outstanding, the per cent of interest to accrue if determined applicable by the parties, the description of quantifiable monthly payments, the inception date of such payments, the date of the final payment, late penalties, the number of affordable units, and any other contractual obligations arranged between the parties. The terms of repayment shall be set at the discretion of the municipality and shall be included in the agreement between the parties. A city or town that accepts this section shall adopt an ordinance or by-law specifying the method for negotiating and approving agreements under this section. Copies of each such agreement shall be signed by the municipal officer required by the ordinance or by-law and by the owner of the property in question, notarized, attested to by the city or town clerk, and provided to the department of housing and community development, ~~the commissioner,~~ the city council or board of selectmen, and the owners of the property in question. An abatement under this paragraph may be granted only for a new owner of a parcel who is not liable for any of the outstanding charges secured by the municipality's lien. This section shall take effect in any city or town only upon its acceptance by such city or town. The commissioner, in consultation with the department of housing and community development, may make, and from time to time revise, such reasonable rules and regulations that are consistent with provisions of the preceding paragraph as he deems necessary to carry out the provisions of this paragraph.

DISTRIBUTIONS TO CITIES, TOWNS, OR REGIONAL SCHOOL DISTRICTS; RECEIPT OF CERTIFICATION OF PRIOR FINANCIAL REPORTS

General Laws Chapter 58, § 18F (218:110)

Section 18F. No distributions pursuant to sections eighteen A and eighteen E shall be paid to cities or towns after ~~October first of the fiscal year~~ **November 30 of the fiscal year, or during any fiscal year thereafter** by the state treasurer until said treasurer receives certification from the commissioner of revenue of said commissioner's acceptance of the prior fiscal year's annual financial reports submitted pursuant to the provisions of section forty-three of chapter forty-four.

In the case of regional school districts, distributions pursuant to chapters seventy, seventy-one, seventy-one A, seventy-one B and seventy-four shall not be paid by the state treasurer after ~~October first~~ **November 30** of the fiscal year**, or during any fiscal year thereafter,** until said state treasurer receives certification from said commissioner of revenue of the acceptance of the prior year's annual financial reports as prescribed by the director of accounts.

FORMS; AUTHORITY OF COMMISSIONER

General Laws Chapter 58, § 31 (218:111)

Section 31. In addition to the forms expressly required by any other provision of law to be as prescribed or approved by the commissioner, **the commissioner may prescribe any** ~~such~~ other forms~~ as may be deemed by him to be~~ **considered** necessary or convenient for use under any provision of chapters ~~fifty-nine to sixty-five C~~ **59 to 65C**, inclusive~~, shall be~~

~~as prescribed or approved by him~~; provided, that variance from a **prescribed** form ~~so prescribed or approved~~ shall not affect the validity of the form so used, if the form used is in substantial conformity to that so prescribed~~ or approved, and the commissioner shall, upon written request, approve said form for the particular use intended~~. In any case where the commissioner~~, under authority hereinbefore granted to him, shall~~ prescribe**s** ~~or approve only a portion of~~ a form**, the form may be completed or maintained electronically.** ~~as being necessary or convenient for use, the provisions of this section relative to forms shall apply to such portion of a form.~~

BOOKS FURNISHED BY MUNICIPALITIES
General Laws Chapter 59, § 45 (218:136)

Section 45. Each city or town shall provide, on or before January first, annually, suitable books for the use of its assessors in the assessment of taxes, which shall contain blank columns with uniform headings for a valuation list, in ~~such~~ **the** form ~~as~~ the commissioner shall, from time to time, determine~~ and approve~~.

Any books or records required to be furnished to the assessors, or to be kept or maintained by them, under this section, or any section of chapters 59 to 60B, inclusive, may be created, completed or maintained electronically.

REQUIRED BOOKS; COPIES OF LAWS, ETC.
General Laws Chapter 59, § 50 (218:137)

Section 50. The books **or records** required by section ~~forty-five~~ **45** shall contain a copy of this section, of sections ~~forty-three, forty-four, forty-five, forty-six and forty-nine~~ **43, 44, 45 and 46**~~, and of sections eighty-four and ninety-four~~, and ~~such~~ **the** certificates ~~as are~~ required by law to be signed by the assessors, with ~~such~~ **any** explanatory notes as the commissioner considers necessary to secure uniformity of returns under the several headings.

TAX DUE DATE; INTEREST; AMOUNTS OVERDUE
General Laws Chapter 59, § 57 (218:138-139)

Section 57. Except as otherwise provided, bills for real estate and personal property taxes shall be sent out seasonably upon commitment in every city, town and district in which the same are assessed, and shall be due and payable on July first of each year for all purposes except the calculation of interest as provided in this section. If any betterment assessment or apportionment thereof, water rate**,** ~~or~~ annual sewer use charge **and any other charge** added to such tax, or more than one-half of the balance of any such tax as reduced by any abatement, remains unpaid either after November **1**first of the fiscal year in which it is payable, or after the thirtieth day after the date on which the bill for such tax was mailed after October **1**~~first~~, interest at the rate of **14**~~fourteen~~ per cent per annum, computed from **the due date** ~~October first, or from the date the bill for such tax was mailed if mailed after October first,~~ shall be paid on so much of the unpaid amount as is in excess of said one-half of such balance. If the whole or any part of such tax remains unpaid after May **1**~~first~~ of

such fiscal year, in addition to the interest as aforesaid, interest at such rate shall be paid on so much of the balance of such tax not so paid as does not exceed one half of such tax as reduced by any abatement and computed from **May 1** ~~April first~~ of such fiscal year. **On or before** ~~Not later than~~ April **1**~~first~~ of such fiscal year a notice shall be sent out showing the amount of such tax which, if not paid by May **1**~~first~~, shall bear interest computed from **May 1** ~~**April first**~~. Bills for taxes assessed under section **75** ~~seventy-five~~ or section 76 ~~seventy-six~~ shall be sent out seasonably upon commitment, and shall be due and payable on the thirtieth day after the date on which the bill for such tax was mailed for all purposes except the calculation of interest as provided in this section. Taxes shall bear interest as hereinbefore provided in this section with respect to real estate and personal property taxes generally; provided, however, that if a bill for any such taxes is mailed on or after April **1**~~first~~ of the fiscal year to which the tax relates and remains unpaid after the thirtieth day after the date on which such bill was mailed, interest at the aforesaid rate, computed from the **due** date ~~such bill was mailed~~**,** shall be paid on so much of the tax that remains unpaid. In all cases where interest is payable it shall be added to and become a part of the tax. Interest which pursuant to this section shall have been added to and become a part of any tax other than a tax reassessed under section seventy-seven shall be waived by the collector if the amount of such tax, exclusive of such interest, is tendered to him within thirty days after the bill for such tax is first sent. A first actual real estate tax bill sent out for fiscal year 2008 or any subsequent year pursuant to this section shall contain a statement that there exists a delinquency if any tax, betterment assessment or apportionment thereof, water rate, annual sewer use, or other charge which may constitute a lien is overdue for more than 90 days. Such delinquencies shall not include amounts due relating to fire service, electric, water or sewer use in any city or town served by more than 1 independent municipal or district fire, electric, water, sewer, or joint water and sewer district or in any city or town served by an independent municipal or district fire, electric, water, sewer, or joint water and sewer district that is not principally domiciled in that city or town.

Notwithstanding the first paragraph, if the last day for making a tax payment without incurring interest on a bill for real estate or personal property taxes occurs on a Saturday, Sunday or legal holiday, or on a day on which a municipal office is closed as authorized by charter, by-law, ordinance or otherwise for a weather-related or public safety emergency, the payment may be made on the next day on which a municipal office is open, without penalty or interest.

For the purposes of determining jurisdictional interest requirements on appeals brought pursuant to chapter 59, the date of delivery for a payment for taxes pursuant to this section that is, after the period or date prescribed by this section, delivered by United States mail or by an alternative private delivery service to the collector shall be deemed to be the date of the United States postmark, the date of the certification of mailing stamped and postmarked by the United States Postal Service, the date of a certified mail receipt provided by the United States Postal Service or other substantiating date mark permitted by the rules of practice and procedure of the appellate tax board that is affixed on the envelope or other appropriate wrapper in which the payment is mailed or delivered if the payment was mailed in the United States in an envelope of such appropriate wrapper, first class postage prepaid, or delivered to an alternative private delivery service, properly addressed to the collector; provided, however, that a taxpayer shall have the burden of proving the timely mailing of any payment of taxes to said collector pursuant to this section and the collector shall have no obligation to maintain any record relative to the date of mailing of the tax; and provided further, that nothing in this section shall be construed to place the burden of proving any untimely mailing on the collector. As

used in this section, "United States postmark" shall mean only a postmark made by the United States Postal Service. This paragraph shall not apply to the calculation of interest pursuant to the first paragraph of this section.

UNPAID TAXES NOT IN EXCESS OF TWENTY-FIVE DOLLARS; INTEREST

General Laws Chapter 59, § 57A (218:140)

Section 57A. In any city or town ~~which~~ **that** accepts the provisions of this section notwithstanding ~~the provisions of~~ section**s** ~~fifty-seven~~ **23D, 57 or 57C**, **a notice of preliminary tax or actual tax** ~~if a~~ bill for real estate or personal property taxes, in an amount not in excess of ~~twenty-five dollars~~ **$100** ~~, remains unpaid after November first of the fiscal year in which it is payable, or after the thirtieth day after the date on which the bill for such tax was mailed, if mailed after October first, interest at the rate of fourteen per cent per annum computed from October first, or from the date the bill for such tax was mailed, if mailed after October first, shall be paid on such unpaid tax~~**. shall be due and payable in 1 installment and if unpaid after the day the first installment of the notice of preliminary tax or actual tax bill for the year is due, shall be subject to interest at the same rate and from the same date as any delinquent preliminary or actual tax first installment.**

UNPAID TAXES NOT IN EXCESS OF FIFTY DOLLARS; INTEREST

General Laws Chapter 59, § 57B (218:141)

~~Section 57B. In any city or town which accepts the provisions of this section, notwithstanding the provisions of section fifty-seven, if a bill for real estate or personal property taxes, in an amount not in excess of fifty dollars, remains unpaid after November first of the fiscal year in which it is payable, or after the thirtieth day after the date on which the bill for such tax was mailed, if mailed after October first, interest at the rate of fourteen per cent per annum computed from October first, or from the date the bill for such tax was mailed, if mailed after October first, shall be paid on such unpaid tax.~~

ABATEMENTS FOR PURPOSE OF CONTINUING ENVIRONMENTAL CLEANUP ON SITES ZONED FOR COMMERCIAL OR INDUSTRIAL USE WHERE THERE HAS BEEN A RELEASE OF OIL OR HAZARDOUS MATERIAL

General Laws Chapter 59, § 59A (218:147-148)

Section 59A. Municipalities may establish, relative to sites or portions of sites from or at which there has been a release of oil or hazardous material, an agreement between the city or town and any eligible person, as defined in section 2 of chapter 21E, regarding the abatement of outstanding ~~interest, penalties, and payment of real estate tax obligations~~ **real estate tax obligations, interest and costs** on said sites or portions of sites; provided,

however, that said sites or portions of sites are zoned for commercial or industrial uses by the municipality in which said sites or portions of sites exist. Such agreement, for the purpose of continuing environmental cleanup on such sites and redevelopment in such communities, shall include, but shall not be limited to, the amount outstanding, the per cent of interest to accrue if determined applicable by the parties, the description of quantifiable monthly payments, the inception date of such payments, the date of the final payment, late penalties, and any other contractual obligations arranged between the parties. The terms of repayment shall be set at the discretion of the municipality and shall be included in the agreement between the parties. A city or town that accepts this section shall adopt an ordinance or by-law specifying the method for negotiating and approving agreements under this section. Copies of each such agreement shall be signed by the municipal officer required by the ordinance or by-law and by the owner of the property in question, notarized, attested to by the city or town clerk, and provided to the department of environmental protection, the federal Environmental Protection Agency, ~~the commissioner,~~ the city council or board of selectmen, and the owners of the property in question. This section shall take effect in any city or town only upon its acceptance by such city or town.

COLLECTION; PAYMENT OVER; RETURNS; ABATEMENT
General Laws Chapter 60, § 2 (218:155)

Section 2. Every collector of taxes, constable, sheriff or deputy sheriff, receiving a tax list and warrant from the assessors, shall collect the taxes therein set forth, with interest, and pay over said taxes and interest to the city or town treasurer according to the warrant, and shall make written return thereof with his tax list and of his doings thereon at such times as the assessors shall in writing require. He shall also give to the treasurer an account of all charges and fees collected by him. He shall, once in each week or more often, pay over to the treasurer all money received by him for taxes and interest during the preceding week or lesser period together with any interest earned as a result of depositing said taxes and interest received.

In cities and towns ~~which~~ **that** accept ~~the provisions of~~ this paragraph, ~~no tax shall be collected if the actual tax due is less than ten dollars. If a tax committed to the collector is unpaid and is less than ten dollars, the collector shall request in writing that the assessors abate the tax.~~ **if the collector is satisfied that an unpaid tax on land committed to the collector or any of the collector's predecessors in office for collection was assessed on a valuation insufficient to meet the charges or expenses of collection, or if any other committed tax is unpaid and is less than $25, the collector may notify the assessors in writing, on oath, stating why the tax cannot be collected.** Upon receipt of ~~such~~ **the** request, the assessors shall act on the request immediately and, after due inquiry, may ~~forthwith~~ abate ~~such~~ the tax and certify ~~such~~ the abatement in writing to the collector. ~~Said~~ **The** certificate of abatement shall discharge the collector from further obligation to collect the tax so abated.

TAX BILLS; NOTICES; AFFIDAVITS OF SENDING
General Laws Chapter 60, § 3 (218:156)

Section 3. The collector shall ~~forthwith~~ i**mmediately**, after receiving a tax list and warrant~~,~~ send notice to each person assessed, resident or non-resident, of the amount of his tax~~;~~**.** ~~i~~**I**f

the notice is mailed, it shall be postpaid and directed to the ~~town where~~ the assessed person ~~resided~~ **at the person's residential address** on January **1** ~~first~~ **if known** **or the address of the real estate or personal property to which the tax relates, unless the person shall otherwise direct the collector, in writing, in time and manner as the collector may require** ~~of the year in which the tax was assessed, and, if he resides in a city, it shall, if possible, be directed to the street and number of his residence~~. If the tax is a tax on real estate, the collector shall send a separate bill or notice for the portion of the tax applicable to each parcel of real estate separately assessed. An omission to send a notice under this section shall not affect the validity either of a tax or of the proceedings for its collection. An affidavit of the collector or deputy collector sending a tax bill or notice as to the time of sending shall be prima facie evidence that the same was sent at such time. All tax bills or notices issued pursuant to this section shall state (a) the date as of which the tax was assessed and (b) the fiscal year to which the tax relates. The tax notice and bill shall state that all payments shall be to or to the order of the city, town or district and not to or to the order of any officer, board or commission.

The collector may send the notice required by this section to an owner who has acquired title by a deed duly recorded subsequent to January first in the year in which said tax was assessed.

FORM OF BILL OR NOTICE; ELECTRONIC FORMAT; NOTICES FOR RATES OF UTILITY FEES; NONPOLITICAL MUNICIPAL INFORMATIONAL MATERIAL

General Laws Chapter 60, § 3A (218:157)

Section 3A. (a) Each bill or notice shall be in a form approved by the commissioner and shall summarize the deadlines under section 59 of chapter 59 for applying for abatements and exemptions. Each bill or notice shall also have printed on it the last date for the assessed owner to apply for abatement and for exemptions under clauses other than those specifically listed in said section 59 of said chapter 59. Except in the case of a bill or notice for reassessed taxes under section 77 of said chapter 59, each bill shall also have printed on it the last date on which payment can be made without interest being due. If a bill or notice contains an erroneous payment or abatement application date that is later than the date established under said chapter 59, the date printed on the bill or notice shall be the deadline for payment or for applying for abatement or exemption, but if the error in the date is the wrong year, the due date shall be the day and month as printed on the bill but for the current year. The commissioner may require, with respect to a city or town, that the tax bill or notice include such information as the commissioner may determine to be necessary to notify taxpayers of changes in the assessed valuation of the property. Each bill or notice for real or personal property tax shall have printed thereon in a conspicuous place the tax rate for each class within the town, as determined by the assessors. In addition, each bill or notice for a tax upon real property shall identify each parcel separately assessed by street and number or, if no street number has been assigned, by lot number, name of property or otherwise, shall describe the land, buildings and other things erected on or affixed to the property and shall state for each such parcel the assessed full and fair cash valuation, the classification, the residential or commercial exemption, if applicable, the total taxable valuation and the tax due and payable on such property. If the assessors have granted the owner an exemption under any clause specifically listed in said section 59 of said chapter

59, the bill or notice of such owner may also show the exemption and the tax, as exempted, that is due and payable on such property.

(b) The collector may issue the bill or notice required by section 3 in electronic form, provided that the electronic bill or notice meets the standards set forth in subsection (a). An electronic bill or notice issued shall be under voluntary programs established by the collector, with the approval of the board of selectmen or mayor, as the case may be. No political subdivision shall require a taxpayer to take part in an electronic billing system or program.

(c) The collector may include in the envelope or electronic message in which a property tax bill is sent those bills or notices for rates, fees and charges assessed by the city or town for water or sewer use, solid waste disposal or collection or electric, gas or other utility services as may be authorized by ordinance or by-law; provided, however, that the bills or notices shall be separate and distinct from the property tax bills. The ordinance or by-law may authorize the collector, upon vote of any municipal water and sewer commission established by the city or town under chapter 40N or by special act, to include bills or notices for rates, fees or charges assessed by the commission for water or sewer use.

(d) The collector may, with the approval of the board of selectmen or mayor, as the case may be, include in the envelope or electronic message in which a property tax bill is sent nonpolitical municipal informational material; provided, however, that if such nonpolitical municipal informational material is mailed, it shall not be included if the material causes an increase in the postage required to mail the tax bill.

(e) The collector may issue an electronic bill or notice for any other tax, excise, betterment or assessment committed by the assessors under a voluntary electronic billing program established for such tax, excise, betterment or assessment in the manner set forth in subsection ~~(a)~~ **(b)**. The electronic bill or notice issued under the program shall meet the standards required by law for such tax, excise, betterment or assessment bills or notices.

BOOKS CONTAINING TAX LISTS; DUTY TO KEEP
General Laws Chapter 60, § 6 (218:163)

Section 6. The collector shall make and keep the book **or an electronically prepared record,** containing the tax list committed to ~~him or, with the written approval of the commissioner of revenue, on a mechanically or electronically prepared record,~~ **the collector and** against the name of every person assessed for a tax, **shall make** entries showing the disposition thereof, whether reassessed, abated or paid, and the date of such disposition.

MUNICIPALITIES AS PURCHASERS; DEEDS; TAX TITLE ACCOUNTS; FORECLOSURES
General Laws Chapter 60, § 50 (218:164)

Section 50. If the town becomes the purchaser, the deed to it, in addition to the statements required by section forty-five, shall set forth the fact that no sufficient bid was made at the sale or that the purchaser failed to pay the amount bid, as the case may be, and shall confer upon such town the rights and duties of an individual purchaser. Every such deed and

every instrument of taking described in section fifty-four shall be in the custody of the town treasurer, and there shall be set up on the books of the town, whether kept by the treasurer or otherwise, a separate account of each parcel of land covered by any such deed or instrument, to which shall be charged the amount stated in the deed or instrument, the cost of recording the same, and, upon certification in accordance with section sixty-one, all uncollected taxes assessed to such parcel for any year subsequent to that for the taxes for which such parcel was purchased or taken, with all legal costs and charges thereon, including interest accrued up to the date of such certification, until redemption, foreclosure or assignment. The tax title account hereby required to be kept, or a duly authenticated copy thereof, shall be prima facie evidence of all facts essential to the determination of the amount necessary for redemption. The town treasurer shall institute proceedings for foreclosure as soon as such proceedings are authorized by sections sixty-two and sixty-five. ~~The commissioner may at his discretion institute proceedings in the name of the treasurer in the event that such proceedings are not instituted by the treasurer. Any expense incurred by the commissioner hereunder shall be assessed against the city or town and collected in the same manner as expenses for auditing municipal accounts under the provisions of section forty-one of chapter forty-four.~~

PAYMENT BY CHECK NOT DULY PAID; PENALTY
General Laws Chapter 60, § 57A (218:165)

Section 57A. If any check **or electronic funds transfer** in payment of any tax, interest, penalty, fee or other charge imposed under chapters **59** ~~fifty-nine~~ to **61A** ~~sixty-one A~~, inclusive, or chapter **80** ~~eighty~~ or for any other municipal service rendered is not duly paid there may, in addition to any other penalties provided by law, be paid as a penalty by the person who tendered such check **or electronic funds transfer**, upon notice and demand by the city or town tax collector, in the same manner as the tax or other amount to which the check **or electronic funds transfer** relates, an amount equal to **1** ~~one~~ percent of the amount of such check **or electronic funds transfer**; provided, however, that if the amount of such check **or electronic funds transfer** is less than **$2,500** ~~two thousand five hundred dollars~~, the penalty under this section shall be **$25** ~~twenty-five dollars~~. Any person upon whom such a penalty is imposed may appeal to the collector ~~commissioner~~ who shall abate the same if ~~he~~ **the tax collector** determines that such person tendered such check **or electronic funds transfer** in good faith and with reasonable cause to believe that it would be paid**.**

FORECLOSURE BY MUNICIPALITIES; TAX TITLES; COVENANTS CALLING FOR MONEY PAYMENTS BY OWNERS
General Laws Chapter 60, § 77 (218:166)

Section 77. After foreclosure by a town of the rights of redemption under a tax title or taking, as hereinbefore provided, the land shall thereafter be held and disposed of like any land belonging to it and held for municipal purposes, and shall not while so held be assessed for taxes.

Before foreclosure so much of the provisions of any covenant or agreement running with the land as calls for the payment of money by the owner thereof shall not be enforceable against a town which is the owner of record of such land under a tax title or taking, except ~~as hereinafter provided. After foreclosure the town while it is the owner of record of such land may apply to the commissioner for an extension of the time during which such provisions shall not be enforceable against it. The commissioner shall have the power in his discretion to grant such an extension for a period not exceeding one year from the date of the foreclosure, and thereafter, from time to time, upon similar applications, may in his discretion grant similar additional extensions. Any such extension shall be in writing, may be recorded in the appropriate registry of deeds, and if so recorded within thirty days from its date, shall be conclusive in favor of the town. In no event, however, shall such provisions calling for the payment of money be so suspended and inoperative~~ during any period in which such town directly or indirectly in any capacity accepts or receives the benefit of such covenant or agreement or of any right or privilege created or affected thereby.

FORMS
General Laws Chapter 60, § 105 (218:169)

Section 105. Forms to be used in proceedings for the collection of taxes under this chapter and chapter ~~fifty-nine~~ **59** and of all assessments which the collector is authorized or required by law to collect shall be as prescribed ~~or approved~~ by the commissioner. **In any case where the commissioner prescribes a form, the form may be completed or maintained electronically.**

NONPAYMENT OF TAXES; COLLECTION; NONRENEWAL OF DRIVER'S LICENSE AND VEHICLE REGISTRATION
General Laws Chapter 60A, § 2A (218:171)

Section 2A. If an excise assessed under this chapter remains unpaid for fourteen days after a demand therefor made more than one day after such excise becomes due and payable, and if the local tax collector or commissioner of revenue elects to utilize the services of a deputy collector, then said deputy collector or the local tax collector or commissioner of revenue, as the case may be, shall send a notice of warrant to the delinquent taxpayer. In the event that the delinquent taxpayer does not respond within thirty days to said notice of warrant then a service warrant shall be made. If the tax remains unpaid after the service of warrant then the deputy collector may, at the discretion of the local collector, return the uncollected warrants of those delinquent taxpayers to the local tax collector or commissioner of revenue. The local tax collector, the commissioner of revenue, or their designee, as the case may be, may at any time and from time to time not later than six years after the initial excise tax issuance was made, transmit to the registrar of motor vehicles, hereinafter in this section called the registrar, in such form as approved by the registrar ~~and by the joint committee on taxation~~, notice of such nonpayment, specifying the name and address of the person to whom the excise is assessed, the amount of the excise due and all interest thereon and costs relative thereto and such information as to the motor vehicle or trailer assessed as was transmitted by the registrar to the commissioner of

revenue under section two; provided, however, that no notice shall be transmitted to the registrar under this section at a time when there is pending before the local board of assessors or the appellate tax board, as the case may be, a duly filed application for the abatement of such excise in whole or in part nor within thirty days after action upon any such application by the local board of assessors or the appellate tax board, as the case may be.

Upon receipt of such notification of nonpayment the registrar shall place the matter on record and not renew the license to operate a motor vehicle of the registered owner of said vehicle or the registration of said vehicle nor allow an exchange of the registration of such vehicle nor issue a new registration of such vehicle to the person to whom the unpaid excise tax was assessed until after notice from the local tax collector or the commissioner of revenue that the matter has been disposed of in accordance with law.

Upon such notification of nonpayment to the registrar, an additional twenty dollar charge payable to the registrar of motor vehicles shall be assessed against the registered owner of said vehicle. It shall be the duty of the local tax collector or commissioner of revenue to notify the registrar forthwith that such matters have been disposed of in accordance with law; provided however, that a certified receipt of full and final payment from either the local tax collector or commissioner of revenue shall also serve as a legal notice to the registrar that the matter has been so disposed of.

Except as heretofore provided, the registrar shall approve such forms as he deems necessary to implement this section and said forms shall be printed and used by the cities and towns.

On or before September first of each year, the registrar of motor vehicles shall certify for each city and town in the commonwealth the total number of charges to be assessed pursuant to this section based upon the number of notices received by the registrar that have been disposed of in accordance with law. The registrar shall include such assessments in the warrants prepared in accordance with section twenty of chapter fifty-nine.

AGREEMENT; APPROVAL OF INDEBTEDNESS
General Laws Chapter 71, § 14D (218:179)

Section 14D. The agreement made under section fourteen B, or any amendment to such an agreement, may provide that the incurring of indebtedness by the district shall be approved by the registered voters in the member towns pursuant to the provisions of clause (n) of section sixteen. In any district for which the agreement does not so provide, the incurring of indebtedness shall be subject to disapproval by any member town pursuant to the provisions of clause (d) of said section sixteen. Notwithstanding the provisions of this section, the regional district school **committee** may, by vote of two-thirds of all its members, require that the approval of any particular authorized issue of indebtedness shall be by the registered voters of the member towns of the district pursuant to the provisions of clause (n) of section sixteen rather than pursuant to the provisions of clause (d) of said section sixteen.

AUDITS; PAYMENT OF COSTS
General Laws Chapter 71, § 16E (218:182)

Section 16E. ~~The director of accounts in the department of corporations and taxation shall annually cause an audit to be made of the accounts of the regional district school committee, and for this purpose he, and his duly accredited agents, shall have access to all necessary papers, books and records.~~ **A regional school district shall be considered a district for purposes of conducting periodic audits under sections 35, 38, 39, 40, 41 and 42 of chapter 44.** Upon the completion of each audit, a ~~report thereon shall be made to the chairman of the district committee, and a~~ copy ~~thereof~~ shall be sent to the **chief executive officer** ~~chairman of the selectmen~~ and ~~of~~ the school committee of each **city or** town which is a member of the district. The ~~director shall apportion the~~ cost **of each audit shall be apportioned** among the several **cities and** towns ~~which~~ **that** are members of the district **in the same manner as the annual expenses of the district.** ~~on the basis provided by section fourteen B, and submit the amounts of each apportionment to the state treasurer, who shall issue his warrant requiring the assessors of the towns which are members of the district to assess a tax to the amount of the expense, and such amounts shall be collected and paid to the state treasurer as provided by section twenty of chapter fifty-nine.~~

BETTERMENTS: APPORTIONMENT AND REAPPORTIONMENT
General Laws Chapter 80, § 13 (218:191)

Chapter 80, Section 13. Assessments made by a board of the commonwealth under this chapter shall bear interest at **1** ~~one~~ rate of **5** ~~five~~ per cent per annum or, at the election of the board at a rate ~~not to~~ **up to** ~~exceed~~**2** ~~two~~ per cent above the rate of interest chargeable to the body politic on behalf of which the assessment was made, for the betterment project to which the assessments relate, from the thirtieth day after ~~assessments have been committed to~~ **the date the notice of such assessments was sent by** the collector. All other assessments made under this chapter shall bear interest at **1** ~~one~~ rate of **5** ~~five~~ per cent per annum or, at the election of the city**,** ~~or~~ town ~~at a rate equal to two per cent above the rate of interest chargeable to the city or town~~**or district at a rate up to 2 per cent above the rate of interest chargeable to the city, town or district** for the betterment project to which the assessments relate, from the thirtieth day after ~~assessments have been committed to~~ **the date the notice of such assessments was sent by** the collector. The assessors shall add each year to the annual tax assessed with respect to each parcel of land all assessments, constituting liens thereon, which have been committed to the collector prior to January second of such year and which have not been apportioned as hereinafter provided, remaining unpaid, as certified to them by the collector, when the valuation list is completed, with interest to the date when interest on taxes becomes due and payable. At any time before the completion by the assessors of the valuation list for the year in which such assessments will first appear on the annual tax bill, the board of assessors may, and at the request of the owner of the land assessed shall, apportion all assessments or unpaid balances thereof made under this chapter into such number of equal portions, not exceeding **20** ~~twenty,~~ as is determined by said board or as is requested by the owner, as the case may be, but no one of such portions shall be less than **5** ~~five~~ dollars; provided, that, if an original assessment exceeds **100** ~~one hundred~~ dollars and has been placed upon the

annual tax bill, or has been apportioned into a number of portions less than **20** ~~twenty~~ and the first portion has been placed upon an annual tax bill, the board of assessors may in its discretion, upon a request for the apportionment of such assessment into **20** ~~twenty~~ portions made by the owner prior to a sale or taking of the land for the non-payment of such assessment or portion and upon payment of any necessary intervening charges and fees and such portions of such assessment as would have become due and payable if the request for apportionment had been seasonably made, apportion or reapportion the said assessment as aforesaid, and if any other tax or assessment constituting a lien upon the parcel to which the assessment so apportioned or reapportioned relates remains unpaid after such apportionment or reapportionment, the collector may institute proceedings anew for the sale or taking of such parcel at any time prior to the expiration of the lien or of a period of **20** ~~twenty~~ days after such apportionment or reapportionment, whichever is the later. In any case in which an assessment relates to a state-funded project, the apportionment or reapportionment described herein shall be undertaken in accordance with the terms aforesaid by the board on whose behalf the assessment was made; provided, however, that the apportionment shall be made of said assessments or unpaid balances together with any interest due thereon. The assessors shall add one of said portions, with interest on the amount remaining unpaid from **30** ~~thirty~~ days after the ~~commitment of the original assessment to~~**date the notice of the original assessment was sent by** the collector to the date when interest on taxes becomes due and payable, to the first annual tax upon the land and shall add to the annual tax for each year thereafter **1** ~~one~~ of said portions and 1 ~~one~~ year's interest on the amount of the assessment remaining unpaid until all such portions shall have been so added; all assessments and apportioned parts thereof, and interest thereon as herein provided, which have been added to the annual tax on any parcel of land shall be included in the annual tax bill thereon. After an assessment or a portion thereof has been placed on the annual tax bill, the total amount of said bill shall be subject to interest under and in accordance with the provisions of section **57 or section 57C** ~~fifty-seven~~ of chapter **59** ~~fifty-nine~~.

Notwithstanding the foregoing, or any general or special law to the contrary, a city, town or district may elect to: (1) apportion any assessments, or the unpaid balances of such assessments, into annual portions equal to the number of years for which bonds are issued for the project for which the assessments are made; (2) structure the portions so that the amount payable each year for assessment principal and interest combined are as nearly equal as practicable or, in the alternative, provides for a more rapid amortization of the assessment principal amount where the debt service on the bonds issued for the project is so structured; or (3) make the annual portion so structured payable in the same number of preliminary and actual installments as the real estate tax in the city, town or district, with each installment equal in amount and due at the same time as each installment of the tax.

Notwithstanding a prior apportionment, the assessors, upon written application of the owner of the land assessed, shall order that the full amount, or any portion thereof, remaining unpaid of any assessment be payable forthwith and shall commit said amount, together with interest thereon from **30** ~~thirty~~ days after ~~the commitment of the original assessment~~ **the date the notice of the original assessment was sent** if no portion has been added to a tax levy, or if a portion has been added to a tax levy, then with interest from October **1** ~~first~~ of the year to which the last portion has been added, with their warrant therefor, to the collector for collection. If a part of a prior apportioned assessment is ordered to be payable forthwith, the payments shall be credited to the terminal or final years so as to reduce the period of payment.

CERTIFICATE OF ACCEPTANCE; EFFECT; RECORDATION
General Laws Chapter 83, § 16A (218:192)

Section 16A**.** If the rates and charges due to a city, town, municipality, or sewer district, which accepts this section and sections sixteen B to sixteen F, inclusive, and by its clerk, files a certificate of such acceptance in the proper registry of deeds**, and files a copy of said certificate with the collector of taxes of the city or town in which the lien hereinafter mentioned is to take effect** for supplying or providing for a sewer system or rendering service or furnishing materials in connection therewith to or for any real estate at the request of the owner or tenant are not paid on or before their due date as established by local regulations, ordinances or by-laws, which due date shall be so established as to require payments at least as often as annually, such rates and charges, together with interest thereon and costs relative thereto, shall be a lien upon such real estate as provided in section sixteen B. The register of deeds shall record such certificate of acceptance in a book to be kept for the purpose, which shall be kept in an accessible location in the registry. Sections sixteen B to sixteen F, inclusive, shall also apply to a sewer district which has accepted sections sixteen A to sixteen F, inclusive, and whose clerk has so filed the certificate of acceptance. Wherever in said sections the words "board or officer in charge of the sewer department" or their equivalent appear, they shall also mean and include the officers exercising similar duties in any city, town or district. A fire or water district authorized to provide a sewer system shall, for the purposes of sections sixteen A to sixteen F, inclusive, be deemed to be a sewer district.

EMERGENCY FINANCE BOARD; PERMISSION TO INCUR INDEBTEDNESS
General Laws Chapter 121B, § 22 (218:217)

~~Section 22. So long as the emergency finance board, established under section one of chapter forty-nine of the acts of nineteen hundred and thirty-three, is in existence, no city or town shall, without the approval of said board, incur indebtedness for any of the purposes of this chapter which would cause the total amount of its indebtedness for such purposes then outstanding to exceed two and one half per cent of its equalized valuation. If said emergency finance board shall cease to exist, a commission consisting of the attorney general, the state treasurer and the director of the bureau of accounts in the department of corporations and taxation shall exercise the powers given to said emergency finance board by this section and section twenty-four. Said board or commission, as the case may be, shall hold a public hearing upon any matter submitted to it under this section if requested in writing to do so by twenty-five taxable inhabitants of such city or town within three days after the submission of such matter.~~

AGREEMENT TO BEAR ACQUISITION LOSS
General Laws Chapter 121B, § 24 (218:218)

Section 24. A city or town, in which the operating agency, pursuant to section forty-seven, proposes to take, acquire or clear land constituting the whole or part or parts of an area which the agency has determined to be a substandard, decadent or blighted open area and for which such agency is preparing an urban renewal plan, may enter into an agreement with the operating agency to bear any loss that may arise as a result of such taking, acquisition or clearance in the event that such land is not used for urban renewal purposes; provided, however, that no city or town shall~~, without first obtaining a finding of financial feasibility from the emergency finance board described in section twenty-two, or the commission authorized to succeed to the function of said board under said section,~~ enter into any agreement under this paragraph which would cause the losses agreed to be borne by such city or town under all agreements under this paragraph in effect at any one time, according to the estimates of costs upon which such agreement or agreements are originally based, to exceed four per cent of its equalized valuation.

MUNICIPAL INDEBTEDNESS IN AID OF CORPORATION
General Laws Chapter 121C, § 11 (218:220)

Section 11. The municipality may raise and appropriate or may borrow, or may agree with the corporation or with the federal government or the commonwealth to raise and appropriate or to borrow, in aid of the corporation, such sums as may be necessary to carry out the purposes and powers of the corporation including defraying part of the development, acquisition and operating costs of any project. Indebtedness of the municipality authorized under this section shall be outside the limit of indebtedness prescribed in section ten of chapter forty-four and shall be payable within twenty years and otherwise subject to sections sixteen to twenty-seven, inclusive, of said chapter forty-four; provided, however, that the total amount of indebtedness of the municipality, outstanding at any one time under this section and clauses one, two, and four of section twenty of chapter one hundred twenty-one B shall not exceed five per cent of the municipality equalized valuation as defined in section one of said chapter forty-four. ~~Indebtedness incurred under this act shall also be subject to approval under section twenty-two of said chapter one hundred twenty-one B in like manner as indebtedness incurred under said section twenty.~~

DEMOLITION OR REMOVAL OF BUILDING OR STRUCTURE OR SECURING OF VACANT LAND; OWNER'S LIABILITY
General Laws Chapter 139, § 3A (218:221)

Section 3A. If the owner or his authorized agent fails to comply with an order issued pursuant to section three and the city or town demolishes or removes any burnt, dangerous or dilapidated building or structure or secures any vacant parcel of land from a trespass, a claim for the expense of such demolition or removal, including the cost of leveling the lot to uniform grade by a proper sanitary fill, or securing such vacant parcel shall constitute a

debt due the city or town upon the completion of demolition, removal, or securing and the rendering of an account therefor to the owner or his authorized agent, and shall be recoverable from such owner in an action of contract.

Any such debt, together with interest thereon at the rate of six per cent per annum from the date such debt becomes due, shall constitute a lien on the land upon which the structure is or was located if a statement of claim, signed by the mayor or the board of selectmen, setting forth the amount claimed without interest is filed, within ninety days after the debt becomes due, with the register of deeds for record or registration, as the case may be, in the county or in the district, if the county is divided into districts, where the land lies. Such lien shall take effect upon the filing of the statement aforesaid and shall continue ~~for two years from the first day of October~~ **unless dissolved by payment or abatement, until such debt has been added to or committed as a tax pursuant to this section, and thereafter, unless so dissolved, shall continue as provided in section 37 of chapter 60; provided, however, that if any such debt is not added to or committed as a tax pursuant to this section for the next fiscal year commencing after the filing of the statement, then the lien shall terminate on October 1 of the third year** next following the date of such filing. If the debt for which such a lien is in effect remains unpaid when the assessors are preparing a real estate tax list and warrant to be committed under section fifty-three of chapter fifty-nine, the mayor or the board of selectmen, or the town collector of taxes, if applicable under section thirty-eight A of chapter forty-one, shall certify such debt to the assessors, who shall forthwith add such debt to the tax on the property to which it relates and commit it with their warrant to the collector as part of such tax. If the property to which such debt relates is tax exempt, such debt shall be committed as the tax. Upon commitment as a tax or part of a tax, such debt shall be subject to the provisions of law relative to interest on the taxes of which they become, or, if the property were not tax exempt would become, a part; and the collector of taxes shall have the same powers and be subject to the same duties with respect to such debts as in the case of annual taxes upon real estate, and the provisions of law relative to the collection of such annual taxes, the sale or taking of land for the non-payment thereof, and the redemption of land so sold or taken shall, except as otherwise provided, apply to such claims. A lien under this section may be discharged by filing with the register of deeds for record or registration, as the case may be, in the county or in the district, if the county is divided into districts, where the land lies, a certificate from the collector of the city or town that the debt constituting the lien, together with any interest and costs thereon, has been paid or legally abated. All costs of recording or discharging a lien under this section shall be borne by the owner of the property.

POWER TO ESTABLISH RULES OF PROCEDURE; VENUE; JURISDICTIONAL AMOUNT; HEARINGS; DAMAGES AND PENALTIES

General Laws Chapter 218, § 21 (218:232-233)

Section 21. There shall be within the district court department and the Boston municipal court department a simple, informal and inexpensive procedure, hereinafter called the procedure, for the determination, according to the rules of substantive law, of claims in the nature of contract or tort, other than slander and libel, in which the plaintiff does not claim as debt or damages more than $7,000; provided, however, **that a city or town may bring an action under section 35 of chapter 60 for the collection of unpaid taxes on personal**

property or an action which shall not exceed $15,000; and provided further that said dollar limitation shall not apply to an action for property damage caused by a motor vehicle, and for a review of judgments upon such claims when justice so requires. The procedure shall not be exclusive, but shall be alternative to the formal procedure for civil actions begun by summons and complaint.

The chief justice for the district court department shall make uniform rules with respect to the procedure applicable to all the courts within said department, and the chief justice for the Boston municipal court department shall make rules for the Boston municipal court department, all such rules being subject to the approval of the supreme judicial court.

Actions under this section and sections twenty-two to twenty-five inclusive, shall be brought, at the option of the plaintiff, in the judicial district where either the plaintiff or the defendant lives or has his usual place of business or employment; provided, however, that actions brought against a landlord or lessor of land or tenements rented for residential purposes, and arising out of such property or rental, may also be brought in the judicial district in which the property is located.

Notwithstanding the foregoing, each court within the district court department shall have civil jurisdiction of such actions commenced in such court which should have been brought in some other court, to the extent that the action may be heard and disposed of by the court in which it was begun, if the venue of said action is waived or, if venue requirements are not waived, the court may, on motion of any party, order the action, with all papers relating thereto, transferred for hearing and disposition to the court in which the action should have been commenced. Said action shall thereupon be entered and prosecuted in such court as if it had originally commenced therein, and all prior proceedings otherwise regularly taken shall thereafter be valid. An action may be commenced under this section if the initial amount of damages claimed is $7,000 or less or is an action **by a city or town under said section 35 of said chapter 60 for the collection of unpaid taxes on personal property or an action by a city or town which shall not exceed $15,000** [for] property damage caused by a motor vehicle regardless of the amount of the claims notwithstanding that the court may award double or treble damages in accordance with the provisions of any general or special law.

Actions brought under sections twenty-one to twenty-five, inclusive, may be heard in the first instance by a clerk-magistrate of the district court department or the Boston municipal court department. For the purpose of hearing such property damage claims caused by a motor vehicle the procedure established shall provide for all such claims to be heard on one evening every other week, and on one Saturday on the alternative week, unless otherwise agreed to by all parties in such actions in accordance with the provisions of section thirty-four O of chapter ninety.

In the hearing and disposition of any claim for money damages within the jurisdiction of such procedure, the Boston municipal and district court departments shall have all equity powers and jurisdiction conferred by sections one, one A and two, and clause (1) of section three of chapter two hundred and fourteen.

AN ACT ENABLING COUNTIES, CITIES, TOWNS AND DISTRICTS TO SECURE THE BENEFITS PROVIDED BY THE FEDERAL GOVERNMENT TO ASSIST THEM IN PUBLIC WORKS PROJECTS

Acts 1945, Chapter 74, §§ 1-2 (218:234-235)

Section 1. ~~The emergency finance board, established under section one of chapter forty-nine of the acts of nineteen hundred and thirty-three, in this act referred to as the board, shall, in addition to the powers and duties otherwise conferred or imposed upon it, exercise and perform the powers and duties hereinafter conferred or imposed upon it, and the provisions of said section one relative to action by the board, shall apply in the case of action under this act.~~ **For purposes of this act, the term "board" shall mean the municipal finance oversight board, as defined in section 1 of chapter 44A of the General Laws.** Each appointive member of the board, when acting under this act, shall receive from the common wealth as compensation, in addition to any sums otherwise so payable, for each day's attendance at board meetings, the sum of thirty dollars; provided, that the total amount paid hereunder to any member for compensation as aforesaid shall not exceed three thousand dollars in any period of twelve months.

The director of the division of accounts, and an assistant in said division designated by him, and the state treasurer shall, for each day's service rendered in connection with the work of the board under this act be paid thirty dollars in addition to his regular compensation; provided, that the total amount paid hereunder to said director or to said assistant or to said treasurer for compensation as aforesaid shall not exceed two thousand dollars in any period of twelve months.

The board may employ, subject to the approval of the governor and council, such experts and additional clerical assistance as it may require.

Section 2. Any county, except Suffolk or Nantucket, if authorized by the county commissioners~~,~~ or any city or town, including **the cities of** Boston and Worcester, if authorized by a ~~two thirds~~ **2/3** vote**,** as defined in section ~~one~~ **1** of chapter ~~forty-four~~ **44** of the General Laws, with the approval of the mayor in **a city** ~~**cities**~~ ~~or~~ of the **the board of** selectmen in **a** town~~s~~ **or, in a** ~~, and any~~ district, with the approval of the prudential committee, ~~commissioners or trustees, as the case may be,~~ may engage in any useful public works project in cooperation with the federal government in any program **pursuant to** ~~authorized under~~ any act or joint resolution of congress, but only **where the borrowing** ~~in case such project~~ is approved~~, as hereinafter provided,~~ by the board and ~~by the governor, and in case~~ the proper federal authorities have approved a grant or loan~~,~~ or grant and loan~~,~~ therefor of federal money **pursuant to** ~~under~~ any act or joint resolution of congress. Such **approved** projects~~, so approved,~~ shall be carried out in all respects subject to the ~~provisions of said~~ act or joint resolution and to such terms, conditions, rules and regulations not inconsistent with applicable federal laws and regulations as the board may establish~~, with the approval of the governor,~~ to ensure the proper execution of such projects. Any such county, city, town or district may accept and use for carrying out any project so approved any grant or loan, or any grant and loan, of federal funds under said act or joint resolution; and, for the purpose only of carrying out such 'project, may borrow from the United States of America or other sources, or both, such sums as may be fixed by the board as hereinafter provided, and may issue bonds, notes or other forms of written

acknowledgment of debt, for such terms and carrying interest at rates not exceeding such rates, as may be fixed by the board as hereinafter provided.

Any city, town or district may borrow hereunder, for projects for which borrowings are authorized by section seven of said chapter forty-four of the General Laws and for other projects for which borrowings are not authorized by section eight of said chapter, amounts incurred under authority of this act, not exceeding, in the aggregate outstanding at any one time, one per cent of the average of the assessors' valuation of its taxable property for the three preceding years, reduced and otherwise determined as provided in section ten of said chapter, without affecting its future borrowing capacity, and in addition, after such limit of one per cent is reached, may so borrow therefor so much as may be required of any amount within its debt limit, as determined in accordance with said section ten, not then borrowed or authorized by such city, town or district to be borrowed; and any city, town or district may borrow hereunder for projects of any class for which borrowings are authorized by section eight of said chapter, water projects being treated as a single class for the purposes hereof, amounts incurred under authority}' of this act, not exceeding, in the aggregate outstanding at any one time, one per cent of the last preceding assessed valuation of such city, town or district without affecting its future borrowing capacity, and in addition, after such limit of one per cent is reached, may so borrow therefor so much as may be required of any amount authorized by said section eight for such class of projects not then borrowed or authorized by such city, town or district to be borrowed, and no borrowing hereunder for any project for which borrowings are authorized by said section eight shall be reckoned in determining the borrowing capacity of such city, town or district under said section ten.

In case a loan shall represent borrowings both within and beyond either of the said special one per cent limits, and such loan shall be later reduced, through the retirement of bonds, notes or other forms of written acknowledgment of debt, or otherwise, such reduction shall be deemed to have been made wholly in respect of that portion of the loan which represented borrowing beyond the said special one per cent limit so long as any of the said portion remains outstanding. In fixing the periods for which money'- may be borrowed hereunder for projects for which borrowings are not authorized by said chapter forty-four, the board shall be guided by the above limitations as applied to the provisions of said chapter applicable to like projects.

The board shall fix the terms of and maximum rates of interest on the bonds, notes or other forms of written acknowledgment of debt issued hereunder; which terms and rates of interest, in case of obligations to be issued to the United States of America, shall be fixed in accordance with the applicable federal laws and regulations and subject to the approval of the proper federal authorities. All the provisions of said chapter forty'-four, exclusive of the limitation contained in the first paragraph of section seven thereof, that no loan shall be authorized unless a sum equal to twenty-five cents on each one thousand dollars of the assessed valuation of the city or town has been appropriated or voted to be raised by taxation, shall apply to any borrowing hereunder by any city, town or district, including Boston and Worcester, except as hereinbefore provided and, in respect of any borrowing from the United States of America, except in so far as such provisions of law may be in conflict with applicable federal laws and regulations.

Each county, city, town or district seeking the approval of any projects by the board shall submit to it all information required with respect to the financial condition of such county, city, town or district, its outstanding indebtedness within and without its limit of indebtedness, if any, the estimated cost of the project, the alleged necessity therefor, and the proposed method of financing the same. In granting or withholding its approval, the board shall take into consideration, among other things, the necessity of the proposed

project, the ability of such county, city, town or district to finance the same, the extent to which the carrying out of the project will tend to relieve unemployment and the extent to which the maintenance of the project when completed will tend to increase or decrease the annual expenditures of such county, city, town or district and to increase or decrease the tax burden upon its inhabitants.

Section 3. If a county, city, town or district shall have an agreement with the federal government whereby such government grants such county, city, town or district a sum of money to be used with funds provided by said county, city, town or district for a public works project, including defense public works projects, and shall be required primarily to pay that portion of the expense for which reimbursement is to be received from the grant, the treasurer of such county, city, town or district, with the approval of the county commissioners, mayor, selectmen, prudential committee, commissioners, or trustees, as the case may be, in anticipation of the receipt of the proceeds of such grant, may incur debt, which, in the case of a city, town or district, shall be outside the debt limit, to an amount not exceeding the amount of the grant as shown by the grant agreement, and may issue notes therefor, payable in not exceeding one year from their dates. Any loan issued under this act for a shorter period than one year may be refunded by the issue of other notes maturing within the required period; provided, that the period from the date of issue of the original loan to the date of maturity of the refunding loan shall not be more than one year. The proceeds of the grant, so far as necessary, shall be applied to the discharge of the loan. The treasurer of any county, city, town or district which upon the effective date of this act has outstanding any temporary loan issued under authority of chapter eighty-two of the acts of nineteen hundred and thirty-eight or section two of chapter six hundred and thirty-nine of the acts of nineteen hundred and forty-one, or which thereafter issues any such temporary loan under authority of this act may, with the approval of the board, extend such temporary loan for a period or periods not exceeding, in the aggregate, one year beyond the term provided for an original loan by the act under which such loan was made.

Section 4. Any officer or department of a county, city, town or district charged with the duty of carrying out any project so approved, shall have, in addition to any powers expressly given by any statute, such powers as may be determined and certified by the board to be proper and reasonably necessary to carry out such project, including the power to take property by eminent domain on behalf of such county, city, town or district; provided, that no source of water supply and no works for sewage disposal shall be installed without first having the approval of the state department of public health. If such officer or department is aggrieved by such action, he or it may, within ten days after notice thereof, appeal to the governor, whose decision shall be final. The board is hereby authorized to make all necessary orders, rules and regulations and perform all necessary actions under this act; and none of such orders, rules, regulations and actions shall be declared inoperative, illegal or void for any omission of a technical nature in respect thereto. Nothing in this act shall require any action in contravention of applicable federal laws and rules and regulations nor preclude action in conformity therewith.

Section 5. The governor is hereby authorized to take any and all steps necessary from time to time to enable counties, cities, towns and districts of this commonwealth to secure grants or loans, or grants and loans, of federal funds for public works, and the board is hereby directed to cooperate and assist him in every possible way.

Section 6. Loans by counties, cities, towns and districts may be authorized under the provisions of this act until July first, nineteen hundred and forty-seven.

Section 7. Part I of chapter three hundred and sixty-six of the acts of nineteen hundred and thirty-three, and acts in amendment thereof and in addition thereto, are hereby

repealed provided, that this repeal shall not affect any action taken thereunder prior to the effective date of this act nor affect the validity of any bond, note or other written form of acknowledgment of debt lawfully issued thereunder and outstanding upon such effective date; but, to the fullest extent possible conformably to its terms, this act shall be construed as a continuance of the provisions of said Part I and not as a new enactment.