Massachusetts Department of Revenue *Division of Local Services*
Alan LeBovidge, Commissioner Gerard D. Perry, Deputy Commissioner

February 20, 2007

Stuart Saginor
Executive Director
Community Preservation Coalition
33 Union Street, 4th Floor
Boston, MA 02108

Re: Community Preservation Act – Membership Dues
Our File No. 2006-412

Dear Mr. Saginor:

You asked whether cities and towns that adopt the Community Preservation Act (CPA) and become members of the Community Preservation Coalition may pay their membership dues from CPA monies. You state that the coalition is a non-profit organization that assists cities and towns implement the CPA by providing educational information, technical assistance and training to local officials. It also advocates and lobbies for the CPA. The coalition is planning to become a membership organization and expects member communities may wish to fund their dues from the CPA monies annually appropriated for use by the local community preservation committee (CPC).

In our opinion, CPA fund monies may be used for that purpose. The CPA provides that monies in the community preservation fund may be used for certain categories of allowable projects and "for the administrative and operating expenses of the community preservation committee." G.L. c. 44B, §6. Also see G.L. c. 44B, §7. ("The expenditures from the fund shall be limited to ... providing administrative and operating expenses to the committee.") Administrative and operating expenses would typically include expenditures for professional and clerical staff salaries, supplies, materials or equipment, consultants and contractual services that support CPC operations during the year. In other words, the types of expenditures usually funded in the annual budgets of municipal boards, committees and departments.

Municipalities or their officers join many statewide and national organizations that engage in educational and advocacy activities for which they pay annual dues. The dues would ordinarily be considered an annual operating expense of the board, committee or department most directly associated with the purposes of the organization, *e.g.*, membership in the state association of finance committees would be funded from the finance committee's annual budget, in the state association of assessing officers, in the assessors' annual budget, etc. Therefore, we think the dues for any city or town that decides to join the coalition could be paid from the CPC's annual budget.

If you have any further questions, please do not hesitate to contact me again.

Very truly yours,

Kathleen Colleary, Chief
Bureau of Municipal Finance Law

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