

1 **SECTION 4.** Section 8 of chapter 23D of the General Laws, as appearing in the 2006  
2 Official Edition, is hereby amended by striking out the first sentence and inserting in  
3 place thereof the following sentence:- There shall be in the executive office of housing  
4 and economic development, but not subject to its jurisdiction, an economic stabilization  
5 trust which shall be administered by the secretary of the executive office of housing and  
6 economic development.

1 **SECTION 5.** Section 9 of said chapter 23D, as so appearing, is hereby amended by  
2 striking out, in lines 2 to 4, inclusive, the words “director of economic development and  
3 director of labor and workforce development” and inserting in place thereof the following  
4 words:- secretary of the executive office of housing and economic development or his  
5 designee, the secretary of the executive office of labor and workforce development or his  
6 designee.

1 **SECTION 6.** Said chapter 23D is hereby amended by striking out section 10, as so  
2 appearing, and inserting in place thereof the following section:-  
3

4 Section 10. The offices of the trust shall be located within the executive office of housing  
5 and economic development. The secretary of the executive office of housing and  
6 economic development, in consultation with the trustees, shall appoint an executive  
7 director of the trust. The executive director shall serve as the chief executive,  
8 administrative and operational officer of the trust, shall attend meetings of the trust and  
9 shall direct the resources and staff of the program to achieve the purposes of sections 8 to  
10 16, inclusive.

1 **SECTION 7.** Section 11H of chapter 25A of the General Laws, as so appearing, is  
2 hereby amended by striking out, in lines 21 and 23, the words “0.75 per cent” and  
3 inserting in place thereof the following words:- 3.75 per cent.

1 **SECTION 8.** Chapter 29 of the General Laws is hereby amended by inserting after  
2 section 2YYY, inserted by section 5 of chapter 304 of the Acts of 2008, the following  
3 section:-  
4

5 Section 2ZZZ. (a) There shall be established and set upon the books of the  
6 commonwealth a separate fund to be known as the State Contract Administrative Fee  
7 Fund. Amounts credited to the fund shall be expended to pay for the direct and indirect  
8 costs, including, but not limited to, the cost of personnel, of the operational services  
9 division of the executive office for administration and finance to procure, manage and  
10 administer statewide contracts.

11  
12 (b) The operational services division may charge and collect from statewide contractors a  
13 statewide contract administrative fee, to be established by the executive office for

14 administration and finance; provided, however, that said fee shall not exceed 1 per cent of  
15 the total value of a contract awarded to a statewide contractor. Fees charged and  
16 collected under this paragraph shall be credited to the State Contract Administrative Fee  
17 Fund created in paragraph (a).

1 **SECTION 9.** Chapter 29 of the General Laws, as so appearing, is hereby amended by  
2 inserting after section 5F the following section:-

3  
4 Section 5G. Notwithstanding any general or special law to the contrary, the department  
5 of revenue shall report annually to the state comptroller, the executive office for  
6 administration and finance and the house and senate committees on ways and means on  
7 or before August 1 the amount collected from capital gains revenue in the previous fiscal  
8 year; provided further, that beginning September 30 and quarterly thereafter the  
9 department of revenue shall, within 15 days, certify to the state comptroller the amount  
10 collected in capital gains revenues for that quarter and the comptroller shall transfer 50  
11 per cent of the growth in capital gains revenue that exceeds the amount collected during  
12 the previous fiscal year as reported by the department of revenue to the Commonwealth  
13 Stabilization Fund established by section 2H; provided, however, that said transfer shall  
14 be made prior to the certification of the consolidated net surplus for the previous fiscal  
15 year as provided in section 5C.

1 **SECTION 10.** Subsection (1) of section 22C of chapter 32 of the General Laws, as so  
2 appearing, is hereby amended by striking out the last paragraph and inserting in place  
3 thereof the following paragraph:-

4  
5 Notwithstanding any general or special law to the contrary, appropriations or transfers  
6 made to the commonwealth's Pension Liability Fund in fiscal years 2009 to 2011,  
7 inclusive, shall be made in accordance with the following funding schedule:  
8 \$1,314,396,000 in fiscal year 2009, \$1,376,619,000 in fiscal year 2010 and  
9 \$1,441,811,000 in fiscal year 2011.

1 **SECTION 11.** Section 8 of chapter 32A of the General Laws, as so appearing, is hereby  
2 amended by striking out, in lines 5 and 11, the word "seventy-five" and inserting in place  
3 thereof the following figure:- 70.

1 **SECTION 12.** Said section 8 of said chapter 32A of the General Laws, as so appearing,  
2 is hereby further amended by striking out, in lines 8, 31 and 37, the word "twenty-five"  
3 and inserting in the place thereof the following figure:- 30.

1 **SECTION 13.** Chapter 62C of the General Laws, as so appearing, is hereby amended by  
2 striking out section 1, as appearing in the 2006 Official Edition, and inserting in place  
3 thereof the following section:-

4  
5 "Administering agency head", the agency head responsible for administering the  
6 applicable state tax credit program.  
7

8 “Average salary”, the total Massachusetts gross salary of a group of Massachusetts  
9 employees divided by the number of Massachusetts employees in the group.

10  
11 “Building contractor”, any general contractor, subcontractor or repairman who is engaged  
12 in the business of constructing or improving real property.

13  
14 “Code”, the Internal Revenue Code of the United States in effect on July 1, 1983.

15  
16 “Commissioner”, the commissioner of revenue.

17  
18 “Full-time employee”, a person who is employed for consideration for at least 35 hours  
19 per week and whose salary is subject to withholding as provided in chapter 62B.

20  
21 “Materialman”, a person primarily engaged in the retail sale of building material, tools  
22 and equipment to building contractors for the improvement of real property and  
23 authorized by law to file a mechanics lien upon real property for improvements related to  
24 the property. For the purposes of this definition, “primarily engaged” shall mean sales of  
25 50 per cent or more of total sales to building contractors.

26  
27 “Part-time employee”, a person who is employed for consideration for less than 35 hours  
28 a week and whose salary is subject to withholding as provided in chapter 62B.

29  
30 “Promoter”, a person who, either directly or indirectly, rents, leases or grants a license to  
31 use space to any person for the display for sale or for the sale of tangible personal  
32 property subject to tax under chapter 64H, at more than 3 shows during the calendar year,  
33 or who operates more than 3 shows during the calendar year. For purposes of determining  
34 whether 3 shows have been held, the conduct of an activity described in the definition of  
35 “Show” on 1 day alone or on a series of up to 7 consecutive days shall be deemed to  
36 constitute a single show.

37  
38 “Show”, a flea market, craft show, antique show, coin show, stamp show, comic book  
39 show fair and any similar show, whether held regularly or of a temporary nature at which  
40 more than 1 vendor displays for sale or sells tangible personal property subject to tax.

41  
42 “Tax”, any tax, excise, interest, penalty, or addition to tax imposed by this chapter or the  
43 statutes referred to in section 2.

44  
45 “Tax credit program”, 1 of the following credits against the state income tax to stimulate  
46 economic development and other policy goals: the brownfields tax credit established by  
47 subsection (j) of section 6 of chapter 62 and section 38Q of chapter 63; the dairy farmer  
48 tax credit established by subsection (o) of section 6 of chapter 62 and section 38Z of  
49 chapter 63; the FDA user fees credit established by subsection (n) of section 6 of chapter  
50 62 and section 31M of chapter 63; the film tax credit established by subsection (l) of  
51 section 6 of chapter 62 and subsection (b) of section 38X of chapter 63; the historic  
52 rehabilitation tax credit established by section 6J of chapter 62 and section 38R of chapter  
53 63; the life sciences investment tax credit established by subsection (m) of section 6 of

54 chapter 62 and section 38U of chapter 63; the low-income housing tax credit established  
55 by section 6I of chapter 62 and section 31H of chapter 63; the medical device tax credit  
56 established by section 6½ of chapter 62 and section 31L of chapter 63; and the refundable  
57 research credit established by subsection (j) of section 38M of chapter 63.

1 **SECTION 14.** Subsection (b) of section 21 of said chapter 62C, as so appearing, is  
2 hereby amended by adding the following clause:-

3

4 (24) the disclosure of information contained in a report filed pursuant to section 88.

1 **SECTION 15.** Said chapter 62C is hereby further amended by adding the following  
2 section:-

3

4 Section 88. (a)(1) Each administering agency head shall annually submit a report, no later  
5 than March 1, to the commissioner on each tax credit program authorized for the previous  
6 calendar year, hereinafter known as the report, which shall be a public record made  
7 available on a government internet website for public disclosure.

8 (2) The report shall contain the following information:

9 (i) the identity of each taxpayer awarded a tax credit by the administering agency  
10 head;

11 (ii) the date that the tax credit was awarded;

12 (iii) the type and amount of the tax credit awarded to each taxpayer and, if  
13 applicable, each project; and

14 (iv) the employment data provided by each taxpayer pursuant to subsection (b).

15 (3) The report shall include, for the previous calendar year, an analysis of the benefits  
16 received by the commonwealth relevant to the specific goals of the tax credit program,  
17 the impact of the tax credit program on preserving, promoting and growing employment  
18 in the relevant industry in the commonwealth and any other benefits received as a result  
19 of the tax credit program.

20 (b) Each taxpayer receiving a tax credit from a tax credit program shall annually  
21 report, no later than February 15, a statement of jobs to the administering agency head  
22 which shall contain the following information:

23 (i) the number of full-time employees working for the taxpayer on the date the  
24 administering agency head authorized the tax credit, the number of full-time employees  
25 working for the taxpayer on December 31 of each calendar year that the tax credit is  
26 applied and the average salary of such employees;

27 (ii) the number of part-time employees working less than 35 hours but more than  
28 20 hours per week for the taxpayer on the date the administering agency head authorized  
29 the tax credit, the number of such employees working for the taxpayer on December 31  
30 of each calendar year that the tax credit is applied and the average salary of such  
31 employees;

32 (iii) the number of part-time employees working 20 hours per week or less for the  
33 taxpayer on the date the administering agency head authorized the tax credit, the number  
34 of such employees working for the taxpayer on December 31 of each calendar year that  
35 the tax credit is applied and the average salary of such employees; and

36 (iv) any other information required by the administering agency head to assist the  
37 agency head in assessing the economic and employment impact of the tax credit program  
38 on the commonwealth and in the relevant industry and otherwise in meeting the goals of  
39 the relevant tax credit program.

1 **SECTION 16.** Chapter 90 of the General Laws is hereby amended by inserting after  
2 section 30A the following section:-  
3

4 Section 30A ½. Notwithstanding section 30A or any other general or special law to the  
5 contrary, the registrar may, in the interest of seeking cost efficiencies, avoiding  
6 disruptions and continuing to provide registry services for residents of the  
7 commonwealth, enter into agreements with third party entities based in the  
8 commonwealth to perform functions on behalf of the registry of motor vehicles. The  
9 registrar shall enter into agreements only with an existing entity that provides  
10 automobile-related services to the general public, or to its own members if an  
11 automobile-related association, and that maintains business offices that are open to the  
12 public during hours and at locations believed to be convenient for registry customers and  
13 in areas where a continuing need exists to provide registry services.  
14

15 The registrar may provide necessary inventories, equipment, electronic connections and  
16 training in regard to such agreements to provide for the provision of registry-related  
17 services by the third party. The registrar may help to defray the expenses of the third  
18 party as part of the agreement if necessary to provide such services, but only if the overall  
19 effect of such agreement results in cost efficiencies to the registry. The registrar shall not  
20 enter into an agreement that results in the loss of employment with the commonwealth of  
21 any person who was performing services related to the agreement as a registry employee  
22 within the 30 days before the effective date of the agreement.  
23

24 The registrar shall on an annual basis, or more frequently if required by the agreement,  
25 review the third party's most recent performance under the agreement and if the cost  
26 efficiencies and other purposes for which the agreement has been entered into are not  
27 being realized, the registrar may terminate the agreement and recover all inventories,  
28 equipment, monies due and other items provided to the third party. An agreement may be  
29 amended from time to time.  
30

31 All employees of a third party performing registry-related functions or having access to  
32 registry data or equipment shall be subject to all state and federal laws and regulations  
33 governing the protection of personal information. Fees collected by the third party on  
34 behalf of the registrar shall be deposited in the treasury of the commonwealth pursuant to  
35 section 34. An agreement shall ensure that the third party's performance of registry-  
36 related functions is subject to periodic audits by registry staff and the state auditor.

1 **SECTION 17.** Section 33 of said chapter 90 of the General Laws, as so appearing, is  
2 hereby amended by striking out, in lines 6 to 7, the words “, the fee for which is not  
3 otherwise provided for in any general or special law, the fee shall be \$36”.

1 **SECTION 18.** Said section 33 of said chapter 90 of the General Laws, as so appearing, is  
2 hereby further amended by striking out, in line 143, the words “, the fee shall be \$40”.

1 **SECTION 19.** The definition of “Facility” in subsection (a) of section 51H of chapter  
2 111 of the General Laws, inserted by section 9 of chapter 305 of the acts of 2008, is  
3 hereby amended by striking out the figure “25” and inserting in place thereof the  
4 following figure:- 25B.

1 **SECTION 20.** Said section 51H of said chapter 111, as so inserted, is hereby further  
2 amended by striking out subsection (d) and inserting in place thereof the following  
3 subsection:-  
4

5 (d) The department shall adopt regulations prohibiting a health care facility from  
6 charging or seeking reimbursement for services provided as a result of the occurrence of  
7 a health-care associated infection or serious reportable event. A health care facility shall  
8 not charge or seek reimbursement for a health-care associated infection or serious  
9 reportable event that the facility has determined, through a documented review process  
10 and under regulations adopted by the department, was (i) preventable; (ii) within its  
11 control; and (iii) unambiguously the result of a system failure based on the health care  
12 provider’s policies and procedures.

1 **SECTION 21.** Said section 51H of said chapter 111, as amended by section 65 of  
2 chapter 451 of the acts of 2008, is hereby further amended by striking out subsection (d)  
3 and inserting in place thereof the following subsection:-  
4

5 (d) The department shall adopt regulations prohibiting a health care facility from  
6 charging or seeking reimbursement for services provided as a result of the occurrence of  
7 a health-care associated infection or serious reportable event. A health care facility shall  
8 not charge or seek reimbursement for a health-care associated infection or serious  
9 reportable event that the facility has determined, through a documented review process  
10 and under regulations adopted by the department, was (i) preventable; (ii) within its  
11 control; and (iii) unambiguously the result of a system failure based on the health care  
12 provider’s policies and procedures.

1 **SECTION 22.** Section 10F of chapter 118E of the General Laws is hereby amended by  
2 striking out subsections (a) and (b), as so appearing, and inserting in place thereof the  
3 following 2 subsections:-  
4

5 (a) There shall be a program to provide primary and preventive health care services for  
6 uninsured dependent and adopted youths from birth through age 18, in this section called  
7 the program; but only those youths who are ineligible for medical benefits pursuant to  
8 this chapter shall be eligible for the services defined in this section. The secretary of the  
9 executive office of health and human services shall administer the program, subject to  
10 appropriation. The covered services available from the program shall be set forth in  
11 regulations of the executive office of health and human services as the secretary  
12 determines is appropriate, but at a minimum shall include the following:-

- 13 (1) preventive pediatric health care visits and well-child visits, including  
14 immunizations and screening tests;
- 15 (2) primary care health care services customarily furnished by or through a general  
16 practitioner, family physician, internal medicine physician, obstetrician/gynecologist,  
17 pediatrician or independent nurse practitioner, to the extent the furnishing of those  
18 services is legally authorized in the commonwealth; but primary care shall not include  
19 emergency or poststabilization services provided in a hospital or other setting; and
- 20 (3) unlimited sick visits in a primary care provider's office.
- 21 (b) Additional services under the program shall include the following, but coverage  
22 for specific services within each category and the benefit limitations shall be at the  
23 secretary's discretion:
- 24 (1) dental health care, including preventive dental care; but no funds shall be  
25 expended for cosmetic or surgical dentistry;
- 26 (2) prescription drugs; and
- 27 (3) behavioral health.

1 **SECTION 23.** Paragraph (2) of subsection (a) of section 39 of chapter 118G of the  
2 General Laws, inserted by section 15 of chapter 61 of the acts of 2007, is hereby  
3 amended by inserting after the first sentence the following 2 sentences:- The office may  
4 recover from a third party that is financially responsible the costs attributable to services  
5 provided to an individual that were paid by the fund. A payment from the fund for such  
6 services shall be recoverable from the third party and that payment shall, after notice to  
7 the third party, operate as a lien under section 22 of chapter 118E.

1 **SECTION 24.** The first paragraph of section 11 of chapter 142A of the General Laws, as  
2 so appearing, is hereby amended by striking out the second and third sentences.

1 **SECTION 25.** Section 10 of chapter 200A of the General Laws, as so appearing, is  
2 hereby amended by adding the following subsection:

3

4 (j) Upon request by the executive office of health and human services, in this section  
5 called the executive office, not more than once each quarter, the state treasurer shall  
6 review information made available by the executive office to determine if a person who  
7 has received medical assistance benefits under chapter 118E has an interest in property  
8 reported to the state treasurer in accordance with this chapter, and inform the executive  
9 office of the treasurer's findings. Further, notwithstanding any special or general law to  
10 the contrary, with respect to any person who has been deceased for at least 3 years with  
11 no fiduciary appointed to administer the deceased person's estate, and who is found to  
12 have property solely in the deceased person's name that would be subject to a claim by  
13 the executive office under sections 31 and 32 of chapter 118E, the executive office may  
14 present a statement to the state treasurer of the amount due to the executive office, a copy  
15 of the death certificate for the deceased person and other claims documents that the  
16 treasurer's office may require. Upon such presentment, the state treasurer shall release the  
17 property or the portion of the property necessary to satisfy the claim by the executive  
18 office. Presentment under this subsection shall not take priority over any claim of the  
19 department of revenue under subsection (i) or over any claim presented by a duly

20 appointed estate representative. If the treasurer makes payment to the executive office  
21 under this subsection, the treasurer shall be discharged from any obligation or liability  
22 arising from the payment. Information provided by the executive office to the treasurer  
23 under this subsection may be used only for the purpose described in this subsection. If a  
24 fiduciary is appointed after the executive office has received payment of funds from the  
25 treasurer's office under this subsection, and the fiduciary notifies the executive office of  
26 the appointment, the executive office shall release to the fiduciary all of the funds  
27 received from the treasurer's office. The executive office may then present its claim for  
28 reimbursement under section 32 of chapter 118E.

1 **SECTION 26.** Section 12 of chapter 211D of the General Laws, as so appearing, is  
2 hereby amended by striking out the fourth, fifth and sixth sentences and inserting in place  
3 thereof the following 2 sentences:- Bills shall be submitted to the committee within 90  
4 days after the conclusion of a case; but if the case is pending at the end of the fiscal year,  
5 within 90 days after the end of the fiscal year. Bills submitted after that date shall not be  
6 processed for payment; but the chief counsel may authorize the payment of such bills  
7 either in whole or in part, upon a determination that the delay in submission was due to  
8 extraordinary circumstances beyond the control of the attorney.

1 **SECTION 27.** Notwithstanding any general or special law to the contrary, this section  
2 shall facilitate the orderly transfer of the employees, functions, proceedings, rules and  
3 regulations, property and legal obligations of the economic stabilization trust from the  
4 Commonwealth Corporation to the executive office of housing and economic  
5 development. The economic stabilization trust, transferred to the Commonwealth  
6 Corporation by section 64 of chapter 365 of the acts of 1996, as amended by sections 6, 7  
7 and 9 of chapter 352 of the acts of 2004, is hereby transferred to the executive office of  
8 housing and economic development. The trust shall continue as a quasi-public  
9 instrumentality of the commonwealth, with all the legal powers, authority,  
10 responsibilities, duties, rights and obligations vested in the trust by sections 8 to 16,  
11 inclusive, of chapter 23D of the General Laws.

1 **SECTION 28.** Notwithstanding any general or special law to the contrary, the state  
2 comptroller shall, according to a schedule developed in consultation with the state  
3 treasurer and the secretary of the executive office for administration and finance, transfer  
4 \$372,000,000 from the General Fund to the State Retiree Benefits Trust Fund established  
5 by section 24 of chapter 32A of the General Laws.

1 **SECTION 29.** Notwithstanding clause (xxiii) of the third paragraph of section 9 of  
2 chapter 211B of the General Laws, or any other general or special law to the contrary, the  
3 chief justice for administration and management may, from the effective date of this act  
4 through April 30, 2010, transfer funds from any item of appropriation within the trial  
5 court, except items 0339-1001 and 0339-1003, to any other item of appropriation within  
6 the trial court, except items 0339-1001 and 0339-1003. These transfers shall be made in  
7 accordance with schedules submitted to the house and senate committees on ways and  
8 means. The schedule shall include the following: (1) the amount of money transferred  
9 from 1 item of appropriation to another; (2) the reason for the necessity of the transfer;

10 and (3) the date on which the transfer is to be completed. A transfer under this section  
11 shall not occur until 10 days after the revised funding schedules have been submitted in  
12 written form to the house and senate committees on ways and means.

1 **SECTION 30.** Notwithstanding any general or special law to the contrary, in hospital  
2 fiscal year 2010, the office of the inspector general may continue to expend funds from  
3 the Health Safety Net Trust Fund established by section 36 of chapter 118G, for the costs  
4 associated with maintaining a pool audit unit within the office. The unit shall continue to  
5 oversee and examine the practices in all hospitals in the commonwealth including, but not  
6 limited to, the care of the uninsured and the resulting free care charges. The inspector  
7 general shall submit a report to the house and senate committees on ways and means on  
8 the results of the audits and any other completed analyses not later than March 1, 2010.  
9 For the purposes of these audits, allowable free care services shall be defined pursuant to  
10 chapter 118G of the General Laws and any regulations adopted under that chapter.

1 **SECTION 31.** Notwithstanding any general or special law to the contrary, the amounts  
2 transferred pursuant to paragraph (1) of section 22C of chapter 32 of the General Laws  
3 shall be made available for the commonwealth's Pension Liability Fund established by  
4 section 22 of said chapter 32. The amounts transferred pursuant to said paragraph (1) of  
5 said section 22C of said chapter 32 shall meet the commonwealth's obligations pursuant  
6 to said section 22C of said chapter 32, including retirement benefits payable by the state  
7 employees' and the state teachers' retirement systems, for the costs associated with a 3  
8 per cent cost-of-living adjustment pursuant to section 102 of said chapter 32, the  
9 reimbursement of local retirement systems for previously authorized cost-of-living  
10 adjustments pursuant to said section 102 of said chapter 32 and for the costs of increased  
11 survivor benefits pursuant to chapter 389 of the acts of 1984. The state board of  
12 retirement and each city, town, county and district shall verify these costs, subject to the  
13 rules adopted by the treasurer. The treasurer may make payments upon a transfer of funds  
14 to reimburse certain cities and towns for pensions to retired teachers, including any other  
15 obligations which the commonwealth has assumed on behalf of any retirement system  
16 other than the state employees' or state teachers' retirement systems and also including  
17 the commonwealth's share of the amounts to be transferred pursuant to section 22B of  
18 said chapter 32 and the amounts to be transferred pursuant to clause (a) of the last  
19 paragraph of section 21 of chapter 138 of the General Laws. All payments for the  
20 purposes described in this section shall be made only pursuant to distribution of monies  
21 from the fund, and any distribution and the payments for which distributions are required  
22 shall be detailed in a written report filed quarterly by the secretary of the executive office  
23 for administration and finance with the house and senate committees on ways and means  
24 and the joint committee on public service in advance of this distribution. Distributions  
25 shall not be made in advance of the date on which a payment is actually to be made. The  
26 state board of retirement may expend an amount for the purposes of the board of higher  
27 education's optional retirement program pursuant to section 40 of chapter 15A of the  
28 General Laws. To the extent that the amount transferred pursuant to paragraph (1) of  
29 section 22C of said chapter 32 exceeds the amount necessary to adequately fund the  
30 annual pension obligations, the excess amount shall be credited to the Pension Reserves

31 Investment Trust Fund, established by subdivision (8) of section 22 of said chapter 32,  
32 for the purpose of reducing the unfunded pension liability of the commonwealth.

1 **SECTION 32.** Notwithstanding any general or special law to the contrary, the executive  
2 office of health and human services, in this section called the executive office, acting in  
3 its capacity as the single state agency under Title XIX of the Social Security Act and as  
4 the principal agency for all of the agencies within the executive office and other federally  
5 assisted programs administered by the executive office, may enter into interdepartmental  
6 services agreements with the University of Massachusetts Medical School to perform  
7 activities that the secretary of the executive office, in consultation with the comptroller,  
8 determines are appropriate and within the scope of the proper administration of Title XIX  
9 and other federal funding provisions to support the programs and activities of the  
10 executive office. These activities may include: (1) providing administrative services,  
11 including, but not limited to, activities such as providing the medical expertise to support  
12 or administer utilization management activities, determining eligibility based on  
13 disability, supporting case management activities and similar initiatives; (2) providing  
14 consulting services related to quality assurance, program evaluation and development,  
15 integrity and soundness and project management; and (3) providing activities and  
16 services for the purpose of pursuing federal reimbursement or avoiding costs, third party  
17 liability and recouping payments to third parties. Federal reimbursement for any  
18 expenditures made by the University of Massachusetts Medical School relative to  
19 federally reimbursable services the university provides under these interdepartmental  
20 service agreements or other contracts with the executive office shall be distributed to the  
21 university, and recorded distinctly in the state accounting system. The secretary of the  
22 executive office may negotiate contingency fees for activities and services related to the  
23 purpose of pursuing federal reimbursement or avoiding costs, and the comptroller shall  
24 certify these fees and pay them upon the receipt of this revenue, reimbursement or  
25 demonstration of costs avoided. Contracts for contingency fees shall not extend longer  
26 than 3 years, and shall not be renewed without prior review and approval from the  
27 executive office for administration and finance. The secretary of the executive office of  
28 health and human services shall not pay contingency fees in excess of \$40,000,000 for  
29 state fiscal year 2010; provided, however, that contingency fees paid to the University of  
30 Massachusetts Medical School under the terms of any interagency service agreement for  
31 recoveries related to the special disability workload projects shall be excluded from that  
32 \$40,000,000 limit for fiscal year 2010. The secretary of the executive office shall submit  
33 to the secretary of the executive office for administration and finance and the senate and  
34 house committees on ways and means a quarterly report detailing the amounts of the  
35 agreements, the ongoing and new projects undertaken by the university, the amounts  
36 spent on personnel and the amount of federal reimbursement and recoupment payments  
37 that the university collected.

1 **SECTION 33.** Notwithstanding any general or special law to the contrary, the secretary  
2 of the executive office of health and human services, in this section called the secretary,  
3 may, consistent with federal law, pursue an alternative payment demonstration project  
4 with 1 or more hospitals or hospital systems in the commonwealth. For the purposes of  
5 this section, "alternative payment" means a methodology that establishes an aggregate

6 prospective payment to cover the total cost of a defined set of health care services  
7 provided by a hospital or hospital system, creating incentives for such providers to  
8 integrate services, manage costs and utilization and ensure high-quality care. In  
9 implementing any such alternative payment demonstration project, the secretary shall  
10 consider using information systems to monitor performance of the hospital or hospital  
11 system and apply measures of cost and quality. The secretary shall report to the house  
12 and senate committees on ways and means and the joint committee on health care  
13 financing 30 days prior to implementing said demonstration project: (1) the type of  
14 alternative payment system to be demonstrated; and (2) the projected costs associated  
15 with the implementation of said demonstration project.

1 **SECTION 34.** Notwithstanding any general or special law to the contrary, the nursing  
2 home assessment established by subsection (b) of section 25 of chapter 118G of the  
3 General Laws shall be sufficient in the aggregate to generate \$220,000,000 in fiscal year  
4 2010.

1 **SECTION 35.** (a) Notwithstanding any general or special law to the contrary, on or  
2 before October 1, 2009 and without further appropriation, the comptroller shall transfer  
3 from the General Fund to the Health Safety Net Trust Fund, established by section 36 of  
4 chapter 118G of the General Laws and in this subsection referred to as the fund, the  
5 greater of \$45,000,000 or one-twelfth of the total expenditures to hospitals and  
6 community health centers required pursuant to subsection (b) of said section 36, for the  
7 purpose of making initial gross payments to qualifying acute care hospitals for the  
8 hospital fiscal year beginning October 1, 2009. These payments shall be made to  
9 hospitals before, and in anticipation of, the payment by hospitals of their gross liability to  
10 the fund. The comptroller shall transfer from the fund to the General Fund not later than  
11 June 30, 2010, the amount of the transfer authorized by this subsection and any allocation  
12 thereof as certified by the director of the health safety net office.

13  
14 (b) Notwithstanding any general or special law to the contrary, the comptroller shall, in  
15 consultation with the state treasurer, the secretary of the executive office for  
16 administration and finance and the secretary of the executive office of health and human  
17 services, develop a schedule for transferring funds among the General Fund, the  
18 Commonwealth Care Trust Fund, established by section 2000 of chapter 29 of the  
19 General Laws, and the Health Safety Net Trust Fund, established by section 36 of chapter  
20 118G of the General Laws. Not less than \$742,333,618 shall be transferred from the  
21 General Fund to the Commonwealth Care Trust Fund. The hospital fiscal year 2010  
22 payment amount to each hospital shall be funded by the Health Safety Net Trust Fund.  
23 Payments may be made either as safety net care payments under the commonwealth's  
24 1115 waiver, or as an adjustment to Title XIX service rate payments or a combination  
25 thereof. The executive office of health and human services and the health safety net  
26 office may use other federally permissible funding mechanisms available for public  
27 service hospitals, as defined in 114.1 CMR 36.02, to reimburse up to \$70,000,000 of  
28 uncompensated care at the hospitals using sources distinct from the funding made  
29 available to the Health Safety Net Trust Fund. The schedule shall provide for transfers in  
30 increments considered appropriate to meet the cash flow needs of these funds. The

31 transfers shall not begin before July 1, 2009 and shall be completed on or before June 30,  
32 2010. The secretary of the executive office for administration and finance, in  
33 consultation with the secretary of the executive office of health and human services and  
34 the executive director of the commonwealth health insurance connector, shall, on a  
35 quarterly basis, evaluate the revenue needs of the health safety net program funded by the  
36 Health Safety Net Trust Fund and the Commonwealth Care subsidized health insurance  
37 program funded from the Commonwealth Care Trust Fund, and if necessary, transfer  
38 monies between these funds for the purpose of ensuring that sufficient revenues are  
39 available to support projected program expenditures. The secretary of the executive  
40 office of health and human services, in consultation with the secretary of the executive  
41 office for administration and finance and the executive director of the commonwealth  
42 health insurance connector, shall submit a quarterly report to the house and senate  
43 committees on ways and means and the joint committee on health care financing which  
44 shall include, but not be limited to, the projected and actual expenditures and revenues for  
45 the Commonwealth Care Trust Fund and any transfers made between the Health Safety  
46 Net Trust Fund and the Commonwealth Care Trust Fund.

47  
48 (c) Notwithstanding any general or special law to the contrary, the state comptroller shall,  
49 in consultation with the office of the state treasurer, the executive office for  
50 administration and finance and the executive office of health and human services,  
51 develop a schedule and make a series of transfers not to exceed \$379,000,000 from the  
52 General Fund to the MassHealth provider payment account in the Medical Assistance  
53 Trust Fund, established by section 2QQQ of chapter 29 of the General Laws, if the  
54 comptroller has determined that General Fund revenues are sufficient to accommodate  
55 the schedule of transfers. These funds may be expended only for services provided during  
56 state or federal fiscal year 2010, and no amounts previously or subsequently transferred  
57 into the Medical Assistance Trust Fund may be expended on payments described in the  
58 1115 demonstration waiver for services provided during state fiscal year 2010 or  
59 payments described in the state plan for services provided during federal fiscal year 2010.  
60 All payments from the Medical Assistance Trust Fund shall be subject to the availability  
61 of federal financial participation, shall be made only in accordance with federally-  
62 approved payment methods, shall be consistent with federal funding requirements and all  
63 federal payment limits as determined by the secretary of the executive office of health  
64 and human services and shall be subject to the terms and conditions of an agreement with  
65 the executive office of health and human services. Any increase in payment made from  
66 the trust fund totaling an amount greater than \$251,000,000 in fiscal year 2010 shall be  
67 made only after the secretary of the executive office of health and human services  
68 certifies that any increase in payments from the trust fund shall not exceed the negotiated  
69 limit for section 1115 waiver spending. The secretary of the executive office of health  
70 and human services shall notify, in writing, the house and senate committees on ways and  
71 means and the joint committee on health care financing of any increases in payments  
72 within 15 days. The secretary of the executive office of health and human services shall  
73 make a payment of up to \$278,000,000 from the Medical Assistance Trust Fund to the  
74 Cambridge public health commission's hospital network for dates of service in state and  
75 federal fiscal year 2010 only after the Cambridge public health commission transfers up  
76 to \$139,000,000 of its funds to the Medical Assistance Trust Fund, using a federally

77 permissible source of funds which shall fully satisfy the non-federal share of such  
78 payment. This authorization shall expire on June 30, 2010.

1 **SECTION 36.** (a) Notwithstanding any general or special law to the contrary, after  
2 complying with clause (a) of section 5C of chapter 29 of the General Laws, the  
3 comptroller shall dispose of the consolidated net surplus in the budgetary funds for fiscal  
4 year 2009 as follows: (i) the comptroller shall transfer \$10,000,000 from the General  
5 Fund to the Massachusetts Life Sciences Investment Fund established by section 6 of  
6 chapter 23I of the General Laws; and (ii) the remaining balance shall be transferred from  
7 the General Fund to the Stabilization Fund.

8  
9 (b) Notwithstanding any general or special law to the contrary, the total administrative  
10 and operational expenses of the Massachusetts Life Sciences Center established by  
11 section 3 of said chapter 23I of the General Laws shall not exceed \$3,000,000 for fiscal  
12 year 2010; provided further, that said center shall report on the center's annual operating  
13 expenses including, but not limited to: payroll costs, contracted personnel costs,  
14 consultant costs, travel costs, pension and insurance costs, office related expenses, lease  
15 costs, facility operating expenses, energy costs, costs of equipment leases and  
16 maintenance. Said center shall file a report with the clerks of the house of representatives  
17 and the senate, who shall forward the same to the house and senate committees on ways  
18 and means and the joint committee on economic development and emerging technologies  
19 on or before February 28, 2010.

20  
21 (c) All transfers specified in this section shall be made from the undesignated fund  
22 balances in the budgetary funds proportionally from the undesignated fund balances,  
23 provided that no such transfer shall cause a deficit in any of the funds.

1 **SECTION 37.** Notwithstanding any general or special law to the contrary, the formula  
2 for application of funds provided in section 35J of chapter 10 of the General Laws shall  
3 not apply in fiscal year 2010.

1 **SECTION 38.** Notwithstanding any general or special law to the contrary, during fiscal  
2 year 2010 the comptroller shall not transfer 0.5 per cent of the total revenue from taxes in  
3 the preceding fiscal year to the Commonwealth Stabilization Fund, established by section  
4 2H of chapter 29 of the General Laws, as otherwise required pursuant to clause (a) of  
5 section 5C of said chapter 29.

1 **SECTION 39.** Notwithstanding any general or special law to the contrary, there shall be  
2 a 15 member Massachusetts Regionalization Advisory Commission consisting of the  
3 following members: the secretary of the executive office for administration and finance,  
4 or his designee, who shall serve as chair of the commission; the secretary of the executive  
5 office of health and human services, or his designee; the secretary of the executive office  
6 of energy and environmental affairs, or his designee; the secretary of the executive office  
7 of public safety, or his designee; the secretary of the executive office of transportation  
8 and public works, or his designee; the secretary of the executive office of elder affairs, or  
9 his designee; the secretary of the executive office of veterans' affairs, or his designee; the

10 secretary of the executive office of labor and workforce development, or his designee; the  
11 secretary of the executive office of education, or his designee; the secretary of the  
12 executive office of housing and economic development, or his designee; the president of  
13 the senate, or his designee; the speaker of the house of representatives, or his designee;  
14 and 3 members to be appointed by the governor all of whom shall have knowledge and  
15 experience in 1 or more of the following areas: municipal government and services,  
16 municipal agreements, shared services or regionalization. Each member shall serve  
17 without compensation.

18  
19 The commission shall review all aspects of regionalization including possible  
20 opportunities, benefits and challenges to regionalizing services within the  
21 commonwealth. The commission shall consider the costs and effects of regionalizing all  
22 services including, but not limited to: education, public safety, public health, public  
23 works, housing, veterans' services, workforce development, municipal finance and  
24 structure, elder services and transportation.

25  
26 The commission shall submit its finding and recommendations for regionalizing services,  
27 together with drafts of legislation necessary to carry those recommendations into effect  
28 by filing the same with the clerks of the house of representatives and senate, the house  
29 and senate committees on ways and means and the joint committee on municipalities and  
30 regional government not later than April 30, 2010.

1 **SECTION 40.** (a) Notwithstanding any general or special law to the contrary, upon the  
2 request of the board of selectmen in a town, the city council in a plan E city or the mayor  
3 in any other city, the department of revenue may recalculate the minimum required local  
4 contribution, as defined in section 2 of chapter 70 of the General Laws, in the fiscal year  
5 ending June 30, 2010. Based on the criteria established in this section, the department  
6 shall recalculate the minimum required local contribution for a municipality's local and  
7 regional schools and shall certify the amounts calculated to the department of education.

8  
9 (b) A city or town that used qualifying revenue amounts in a fiscal year which will not  
10 be available for use in the next fiscal year, that will be required to use revenues for  
11 extraordinary non school-related expenses for which it did not have to use revenues in the  
12 preceding fiscal year or that has an excessive certified municipal revenue growth factor  
13 which is also greater than or equal to 1.5 times the state average municipal revenue  
14 growth factor, may appeal to the department of revenue on or before October 1, 2009 for  
15 an adjustment of its minimum required local contribution and net school spending.

16  
17 (c) If a claim is determined to be valid, the department of revenue may reduce  
18 proportionately the minimum required local contribution amount based on the amount of  
19 shortfall in revenue or based on the amount of increase in extraordinary expenditures in  
20 the current fiscal year, but no adjustment to the minimum required local contribution on  
21 account of an extraordinary expense in the budget for the fiscal year ending on June 30,  
22 2010 shall affect the calculation of the minimum required local contribution in  
23 subsequent fiscal years. Qualifying revenue amounts shall include, but not be limited to,  
24 extraordinary amounts of free cash, overlay surplus and other available funds.

25

26 (d) If, upon submission of adequate documentation, the department of revenue  
27 determines that the municipality's claim regarding an excessive municipal revenue  
28 growth factor is valid, the department shall recalculate the municipal revenue growth  
29 factor and the department of education shall use the revised growth factor to calculate the  
30 preliminary local contribution, the minimum required local contribution and any other  
31 factor that directly or indirectly uses the municipal revenue growth factor. Any relief  
32 granted as a result of an excessive municipal revenue growth factor shall be a permanent  
33 reduction in the minimum required local contribution.

34

35 (e) The board of selectmen in a town, the city council in a plan E city, the mayor in any  
36 other city or a majority of the member municipalities of a regional school district, which  
37 used qualifying revenue amounts in a fiscal year that will not be available for use in the  
38 next fiscal year, may appeal to the department of revenue not later than October 1, 2009  
39 for an adjustment to its net school spending requirement. If the claim is determined to be  
40 valid, the department of revenue shall reduce the net school spending requirement based  
41 on the amount of the shortfall in revenue and reduce the minimum required local  
42 contribution of member municipalities accordingly. Qualifying revenue amounts shall  
43 include, but not be limited to, extraordinary amounts of excess and deficiency, surplus  
44 and uncommitted reserves.

45

46 (f) If the regional school budget has already been adopted by two-thirds of the member  
47 municipalities then, upon a majority vote of the member municipalities, the regional  
48 school committee shall adjust the assessments of the member municipalities in  
49 accordance with the reduction in minimum required local contributions approved by the  
50 department of revenue or the department of education in accordance with this section.

51

52 (g) Notwithstanding clause (14) of section 3 of chapter 214 of the General Laws or any  
53 other general or special law to the contrary, the amounts so determined pursuant to this  
54 section shall be the minimum required local contribution described in chapter 70 of the  
55 General Laws. The department of revenue and the department of education shall notify  
56 the house and senate committees on ways and means and the joint committee on  
57 education of the amount of any reduction in the minimum required local contribution  
58 amount.

59

60 (h) If a city or town has an approved budget that exceeds the recalculated minimum  
61 required local contribution and net school spending amounts for its local school system or  
62 its recalculated minimum required local contribution to its regional school districts as  
63 provided by this section, the local appropriating authority shall determine the extent to  
64 which the community shall avail itself of any relief authorized pursuant to this section.

65

66 (i) The amount of financial assistance due from the commonwealth in fiscal year 2010  
67 pursuant to chapter 70 of the General Laws or any other law shall not be changed on  
68 account of any redetermination of the minimum required local contribution pursuant to  
69 this section.

70

71 (j) The department of revenue and the department of education shall issue guidelines for  
72 their respective duties pursuant to this section.

1 **SECTION 41.** Section 21 shall take effect on October 1, 2012.

1 **SECTION 42.** Except as otherwise specified, this act shall take effect on July 1, 2009.