Massachusetts Department of Revenue
Division of Local Services

Current Developments in Municipal Law

2010

Legislation

Book 1

Navjeet K. Bal, Commissioner
Robert G. Nunes, Deputy Commissioner

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WHAT'S NEW IN MUNICIPAL LAW?
2010

INTRODUCTION		**9:00 a.m. - 9:20 a.m.**
Robert G. Nunes		
Kathleen Colleary		
LEGISLATION		
Kathleen Colleary		**9:20 a.m. - 9:45 a.m.**
Donald E. Gorton		**9:45 a.m. - 10:05 a.m.**
Christopher M. Hinchey		**10:05 a.m. - 10:30 a.m.**
	BREAK	**10:30 a.m. - 10:50 a.m.**
LEGISLATION/COURT CASES		
Gary A. Blau		**10:50 a.m. - 11:15 a.m.**
COURT CASES		
Mary C. Mitchell		**11:15 a.m. – 11:35 a.m.**
James F. Crowley		**11:35 a.m. - 11:55 a.m.**
Daniel J. Murphy		**11:55 a.m. - 12:15 p.m.**
	LUNCH	**12:15 p.m. - 1:30 p.m.**
WORKSHOPS		**1:30 p.m. - 3:00 p.m.**

A. **LOCAL TAXES. A review of current assessment and collection issues, including new legislation on personal property audits and other issues.**
James F. Crowley
Donald E. Gorton

B. **LOCAL FINANCES. A discussion of current municipal finance and accounting issues.**
Christopher M. Hinchey
Daniel J. Murphy

C. **LOCAL EMPLOYEES. An exploration of current legal issues regarding health insurance and other employment benefits.**
Gary A. Blau
Mary C. Mitchell

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LEGISLATION

Book 1

Table of Contents

PLEASE NOTE THIS COMPILATION WAS MADE FROM ELECTRONIC, NOT OFFICIAL, EDITIONS OF MASSACHUSETTS SESSION LAWS AND UNITED STATES PUBLIC LAWS.

2009 LEGISLATION

CHAPTER 120 - FISCAL YEAR 2009 SUPPLEMENTAL BUDGET

Effective June 30, 2009

§ 13 Tax Credit Bonds. Adds § 21B to G.L. c. 44, which will enable municipalities and districts that want to issue tax credit bonds under the federal American Reinvestment and Recovery Act (ARRA) or other laws to comply with federal law regarding the use of investment income on the bond proceeds. The designation of borrowings that may be issued with federal tax credits or other similar subsidies as tax credit bonds is made by the city council of a city, with the approval of the mayor, the selectmen in a town, school committee in a regional school district or prudential committee in a district. A separate trust fund is established for the bond proceeds. The treasurer may invest the proceeds in the same manner as trust funds under G.L. c. 44, § 55, with the earnings credited to the fund. Ordinarily, these investment earnings belong to the general fund. G.L. c. 44, § 53. In addition, investments may be made for a period longer than the one year limit under G.L. c. 44, § 55, but they cannot mature later than the payment or redemption date of the bonds. The municipality or district may appropriate the earnings to pay the debt or fund a capital purpose for which it could borrow for 5 or more years.

CHAPTER 120 OF THE ACTS OF 2009 (EXCERPTS)
An Act Making Appropriations For The Fiscal Year 2009 To Provide For Supplementing Certain Existing Appropriations And For Certain Other Activities And Projects.

Whereas, The deferred operation of this act would tend to defeat its purposes, which are to make forthwith supplemental appropriations for fiscal year 2009 and to make certain changes in law, each of which is immediately necessary to carry out those appropriations or to accomplish other important public purposes, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same as follows:

SECTION 13. Chapter 44 of the General Laws is hereby amended by inserting after section 21A the following section:-
Section 21B. The city council of a city, and in the case of a city having a city manager and in the case of other cities, with the approval of the mayor 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 designate any duly authorized issue of bonds or notes as tax credit bonds to the extent that any such bonds or notes are otherwise permitted to be issued in the form of bonds or notes with federal tax credits or

other similar subsidies for all or any portion of their borrowing costs. Any borrowing designated as tax credit bonds may be payable without regard to any limitation as to amounts of annual installments for bonds provided in any other law.

Notwithstanding section 47 or any other general or special law to the contrary, the city council of a city, and in the case of a city having a city manager and in the case of other cities with the approval of the mayor 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 establish a separate sinking fund to be held in trust solely for the payment of principal, redemption premium and interest on any tax credit bonds. Amounts held in any such sinking fund may be invested pursuant to section 55 and the income derived from such investment may be expended by the treasurer to pay the principal, redemption premium, if any, and interest on such tax credit bonds until they are paid or otherwise redeemed; provided, however, that notwithstanding the limitations on the maturity of investments under said section 55, any such investment may have a maturity not later than the date fixed for the payment or redemption of such tax credit bonds. Any earnings on proceeds of tax credit bonds may be applied to pay costs of any project for which the city, town or district is authorized to incur debt for a period of 5 years or more, or to the redemption of tax credit bonds from which such proceeds were derived, and may not be applied or appropriated for any other purpose.

Tax credit bonds may be sold at par, premium or discount, without regard to any limitation on the amount of any discount contained in any other general or special law, and may be sold as instruments the principal amount of which either remains constant or increases during the life of the instrument. When tax credit bonds are issued the amount issued shall be deemed to be the net proceeds of the issue; provided that the officers charged with the issuance of such tax credit bonds may apply all or a portion of any premium received on the sale of any such tax credit bonds, without appropriation, to the costs of issuance thereof, in which case the amount of any premium so applied shall not be included in the amount of the issue.

The city council of a city, and in the case of a city having a city manager and in the case of other cities with the approval of the mayor 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 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 tax credit bonds, other than tax credit bonds issued in accordance with section 54AA(g) of the Internal Revenue Code, without regard to the present value savings requirements set forth in section 21A. Except as provided herein, the issuance of refunding bonds for the purpose of paying or refunding tax credit bonds shall be governed by the provisions of said section 21A. Notwithstanding any general or special law to the contrary, any limitation amount that is allocated to any large local educational agency pursuant to, and as defined in, section 54F(d)(2) of the Internal Revenue Code of 1986 and that remains unused by such large local educational agency as of the end of any calendar year is hereby deemed reallocated to the commonwealth and, effective January 1 of the following calendar year, further reallocated by the commonwealth to such large local educational agency.

SECTION 59. Except as otherwise provided, this act shall take effect as of June 30, 2009.

Approved (in part) October 29, 2009

CHAPTER 183 – FISCAL YEAR 2009 TAX BILL MAILING EXTENSION

Effective December 15, 2009

Extends for FY2010 only the time for mailing actual tax bills in communities that have accepted the quarterly tax payment system, or semi-annual preliminary tax payment system, under G.L. c. 59, § 57C from December 31, 2009 to January 30, 2010. For the extension to apply, the board of selectmen, town council or city council must accept the legislation. If accepted, actual FY2010 tax bills in quarterly communities are payable in two installments if mailed on or before January 30, 2010. The first installment (third quarter) is due February 1, 2010, or 30 days after the bills are mailed, whichever is later. The second installment (fourth quarter) is due May 1, 2010. Actual tax bills mailed after January 30, 2010 are payable in a single installment due May 1, 2010, or 30 days after the bills are mailed, whichever is later. In communities using the semi-annual preliminary tax payment system, the balance owed for the year is still due on April 1, 2010 if the actual bills are mailed on or before January 30, 2010. Actual tax bills mailed after January 30, 2010 are due May 1, 2010, or 30 days after the bills are mailed, whichever is later. **See Bulletin 2009-23B, Fiscal Year 2010 Tax Bill Options.**

CHAPTER 183 OF THE ACTS OF 2009
An Act Extending the Deadline for Mailing Quarterly Tax Bills.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to provide forthwith an extension of the deadline to mail certain tax bills in cities and towns, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Notwithstanding section 57C of chapter 59 of the General Laws, for fiscal year 2010, an actual tax bill issued upon the establishment of the tax rate for the fiscal year, after credit is given for a preliminary tax payment previously made, shall be due and payable in 2 installments in the case of cities and towns with quarterly payments and 1 installment in the case of cities and towns with semi-annual payments. For cities and towns with quarterly payments, the first installment shall be due and payable on February 1, 2010, or 30 days after the actual real estate tax bills are mailed, whichever is later, and the second installment shall be due and payable on May 1, 2010, after which dates, if unpaid, they shall become delinquent. For cities and towns with semi-annual payments, the installment shall be due and payable on April 1, 2010, after which date, if unpaid, it shall become delinquent.

If the actual tax bill issued in fiscal year 2010 is not mailed by January 30, 2010, then, upon the establishment of the tax rate, there shall be a single actual tax bill due and payable on May 1, 2010 or 30 days after the date of mailing, whichever is later. That tax bill shall represent the full balance owed after credit is given for the preliminary tax payments previously made.

This act shall apply to a city or town that accepts it by vote of its city or town council, subject to its municipal charter, or its board of selectmen.

Approved December 15, 2009

2010 LEGISLATION

CHAPTER 26 – COLLECTION OF MUNICIPAL FINES

Effective May 11, 2010

Adds a new local option statute, G.L. c. 40U, that if accepted, will allow a municipality to enforce fines imposed for violations of municipal housing, sanitary or snow and ice removal requirements. After acceptance, a city or town must adopt procedures for the payment of the fines and appoint a hearings officer to hear appeals of any fines imposed. It may also use the non-criminal disposition procedures under G.L. c. 40, § 21D for the fines. The statute sets out certain standards for violation notices, fine amounts and appeals. It also provides that if a fine remains unpaid after 21 days and the alleged violator has not requested a hearing, a non-payment notice is to be issued with a processing fee of up to $10. The notice is to advise the alleged violator that the fine must be paid within 30 days unless a hearing is requested within 14 days and the alleged violator swears under the pains and penalties of perjury that the original notice was not received. Under § 12 of the new G.L. c. 40U, the municipality may make an unpaid fine, and any interest and costs that accrue, a lien on the property based on the number or dollar amounts of the violations on the property. The lien arises and terminates as provided in local acceptance G.L. c. 40, § 42B for unpaid water charges. All fines, interest, costs and penalties collected under G.L. c. 40U belong to the general fund.

CHAPTER 26 OF THE ACTS OF 2010
An Act Relative to the Collection of Unpaid Municipal Fines.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same as follows:

The General Laws are hereby amended by inserting after chapter 40T the following chapter:-

CHAPTER 40U
Municipal Fines

Section 1. As used in this chapter, the following words shall have the following meanings unless the context clearly requires otherwise:

"Municipal hearing officer", a person appointed by the appointing authority of a municipality to conduct hearings of alleged code violations pursuant to this chapter.

"Unpaid charge", an unpaid fine incurred as a result of a violation of a rule, regulation, order, ordinance or by-law regulating the housing, sanitary or municipal snow and ice removal requirement.

Section 2. This chapter shall take effect in a municipality upon its acceptance.

Section 3. A municipality that adopts this chapter shall, in the manner provided in this chapter adopt procedures for the payment of the municipal fines provided in this chapter and may revoke or rescind any such acceptance.

Section 4. The adoption of procedures for the payment of certain municipal fines under this chapter shall be by majority vote of the city council or town meeting.

Section 5. A municipality shall by ordinances and by-laws provide for the removal of snow and ice from sidewalks within such portions of the municipality as they consider expedient by the owner of land abutting such sidewalks. Such ordinances and by-laws shall determine the time and manner of removal and shall affix penalties, not exceeding $200, for each such violation. Such ordinances and by-laws shall be specific as to the width of the area to be cleared and the standards for clearance.

Section 6. A municipality shall appoint a municipal hearing officer. The officer shall hear appeals of violation notices issued within the municipality. The municipal hearing officer may be the same person appointed as a municipal hearing officer pursuant to chapter 148A.

Section 7. A municipality may implement a system for the administrative disposition of noncriminal violations pursuant to section 21D of chapter 40.

Section 8. Every officer and inspector who takes notice of a violation of a rule, regulation, order, ordinance or by-law regulating the housing, sanitary or snow and ice removal requirement shall provide the offender with a notice forthwith, which shall be in tag form, to appear before the municipal hearing officer or the hearings officer's designee during regular office hours, not later than 21 days after the date of such violation. All tags shall be prepared in triplicate or by the use of an automated ticketing device and shall be pre-numbered.

Section 9. The tag shall be affixed securely to the building or, for a building with an onsite professionally-managed property office, delivered to the office during normal business hours and shall contain, but shall not be limited, to: the date, time and place of the violation, the specific violation charged, the name and badge number of the officer or inspector and his division, a schedule of payment for established fines and instructions for return of the tag.

Section 10. Within 3 business days after completion of each shift, the officer or inspector shall give to his superior those copies of each notice of a violation issued during such

shift. The superior shall retain and preserve 1 copy and shall, not later than the beginning of the next business day after receipt of the notice, deliver another copy to the municipal hearing officer before whom the offender has been notified to appear, unless the ticket was produced by an automated ticketing device, in which case no duplicate copies need be retained. The municipal hearing officer shall maintain a docket of all such notices to appear.

Section 11. The municipality shall, by ordinance or by-law, establish a schedule of fines for violations subject to this chapter committed within the municipality; provided, however, that all such fines shall be uniform for the same offense committed in the same zone or district, if any. A fine established under this chapter shall not exceed the maximum allowable amount under the relevant sections of the housing or sanitary code or municipal snow and ice removal requirement, excluding late fees.

Section 12. Where a notice of violation is issued for a code violation, the alleged violator, within 21 days, shall return the notice of violation by mail, personally or by an authorized person, to the municipal hearing officer and shall either: (1) pay in full the scheduled fine by check, postal note, money order or other legal tender; or (2) request a hearing before the municipal hearing officer. Each violation issued shall contain a statement explaining the procedure to adjudicate the violation by mail. Any amounts paid shall be payable to the municipality. If a fine remains unpaid for 21 days and no hearing has been requested, a letter shall be sent to the property owner of record's mailing address and, if appropriate to the local individual or property management company responsible for the maintenance of the property, with a processing fee of not more than $10, notifying him that the fine shall be paid within 30 days after receipt of that notice unless within 14 days of receiving that notice the property owner requests a hearing before the municipal hearing officer and swears in writing under the pains and penalties of perjury that the property owner did not receive the notice of violation. If the fine remains unpaid after that 30 day period, additional penalties and interest may be attached. Thereafter, any fine and additional penalties and interest that may be attached and which remain unpaid shall become an additional assessment on the property owner's tax bill. Such amount and cost relative thereto may also be a lien upon such real estate as provided in section 42B of chapter 40. A municipality's determination of whether to place a lien on the property may involve the number of and the dollar amount of the violations on the property. The property owner of record shall be notified by certified mail of the lien on the property. No lien shall be removed without notice from the tax collector that all such matters have been disposed of in accordance with law. Additional charges equal to the amount required to file the lien and the amount required to release the lien shall be assessed against the owner of record for the purpose of ensuring that all costs associated with filing and release are recovered.

Section 13. Any person notified to appear before the municipal hearing officer, as provided herein may, without waiving the right to a hearing provided by this chapter and without waiving judicial review as provided in section 14 of chapter 30A, challenge the validity of the violation notice and receive a review and disposition of the violation from the municipal hearing officer by mail. The alleged violator may, upon receipt of the notice to appear, send a signed statement of objections to the violation notice as well as signed statements from witnesses, police officers, government officials and other relevant parties. Photographs, diagrams, maps and other documents may also be sent with the

statements. Any statements or materials sent to the municipal hearing officer for review shall have attached the person's name and complete address as well as the ticket number and the date of the violation. The municipal hearing officer shall, within 21 days after receipt of such material, review the material and dismiss or uphold the violation and notify the alleged violator by mail of the disposition of the hearing. If the outcome of the hearing is against the alleged violator, the municipal hearing officer shall explain the reasons for the outcome on the notice. Such review and disposition conducted by mail shall be informal, the rules of evidence shall not apply and the decision of the municipal hearing officer shall be final, subject to any hearing provisions provided by this chapter or to judicial review as provided in said section 14 of said chapter 30A.

Section 14. Notwithstanding section 21D of chapter 40, a person who desires to contest a violation of any ordinance or by-law of a municipality alleged in a notice to appear, pursuant to violations issued by a municipality in accordance with said section 21D of said chapter 40, shall request in writing a hearing before a municipal hearing officer. The notice to appear shall be in the format specified in said section 21D of said chapter 40, except that the third copy of the notice shall be submitted to the municipal hearing officer unless the ticket was produced by an automated ticketing device.

If the alleged violator requests a hearing before the municipal hearing officer in a timely manner, the municipal hearing officer shall schedule a hearing not later than 45 days after receiving the hearing request. The municipal hearing officer shall duly notify the alleged violator of the date, time and location of the hearing. Hearings shall be held on at least 2 evenings each month. When a hearing notice is sent, the alleged violator shall be given an opportunity to request a rescheduled hearing date. The municipal hearing officer so designated shall not be an employee or officer of the department associated with the issuance of the notice of violation.

The municipal hearing officer shall receive annual training in the conduct of administrative hearings. The hearing and disposition shall be informal and shall follow the rules set forth in chapter 30A. Rules for judicial proceedings shall not apply. In conducting the hearing, the municipal hearing officer shall determine whether the violation occurred and whether it was committed by the person notified to appear.

Section 15. A person aggrieved by a decision of the municipal hearing officer may appeal to the district court, housing court or other court of competent jurisdiction pursuant to section 21D of chapter 40, on a form provided by the municipality, and shall be entitled to a de novo hearing before a clerk magistrate of the court. The court shall consider such appeals under a civil standard. The aggrieved person shall file the appeal within 10 days after receiving notice of the decision from the municipal hearing officer who conducted the hearing.

Section 16. Any person who has received a notice of violation issued in accordance with this chapter who, within the prescribed time, fails to pay the same or fails to request a hearing before the municipal hearing officer or who fails to appear at the time and place of the hearing, shall be deemed responsible for the violation as stated in the notice of violation. Such finding of responsibility shall be considered prima facie evidence of the violation in a civil proceeding regarding that violation and shall be admissible as evidence in a subsequent criminal proceeding. If a person fails to appear at the scheduled

hearing without good cause, the appeal shall be dismissed and the violator shall waive any further right of appeal. If the condition which caused the notice of violation to issue continues to exist, the finding of responsibility may also be used by a municipality as prima facie evidence of the existence of a violation in any proceeding to suspend or revoke any license, permit or certificate issued by such municipality relative to that building, structure or premises pending the correction of the condition.

Section 17. All fines, penalties or assessments in actions under this chapter shall be paid to the general fund of the municipality.

Section 18. In a municipality that has accepted this chapter, this chapter shall supersede any local ordinances or by-laws to the contrary.

Approved February 10, 2010

CHAPTER 131 – FISCAL YEAR 2011 STATE BUDGET

Effective July 1, 2010, unless otherwise noted

§ 3 Local Aid Advances. Authorizes the State Treasurer to advance payments of FY11 local aid distributions to a city, town, regional school district or independent agricultural and technical school that demonstrates an emergency cash shortfall, as certified by the Commissioner of Revenue and approved by the Secretary of Administration and Finance.

§ 132 Pension Charges to Federal Education Grants. Waives for federal grants distributed to municipal and regional schools during FY11 through the State Fiscal Stabilization Fund under the federal ARRA, the usual nine percent pension chargeback requirements of G.L. c. 40, § 5D when salaries are funded by the grants. **See Informational Guideline Release (IGR) 90-106, *Pension Charges to Federal Grants*.** Districts must still make their regular contributions to local retirement systems for personnel not included within the state Teachers' Retirement System.

§ 157 Education Reform Waivers. Permits cities, towns and regional school districts to apply for various adjustments in their FY11 minimum required contributions to schools under the Education Reform Act. Municipalities may seek adjustments if (1) non-recurring revenues were used to support FY10 operating budgets and those revenues are not available in FY11, (2) they have extraordinary non-school related expenses in FY11, or (3) their FY11 municipal revenue growth factor is at least 1.5 times the statewide average and is deemed to be excessive. Regional school districts that used non-recurring revenues in FY10 that are unavailable for FY11 must seek waivers if a majority of the selectmen in a town, the city council in a Plan E city or the mayor in all other cities in a majority of the member municipalities requests them. If a regional school budget has already been approved by the members and a waiver is granted of any member's minimum required local contribution to the district, the use of that waiver must be approved by the selectmen, the city council in a Plan E city or the mayor in all other cities of a majority of the member municipalities. Requests for waivers must be made by October 1, 2010. **See IGR 10-303, *Fiscal Year 2011 Waivers to Education Reform***

***Spending Requirements and Minimum Required Local Contributions*, issued July 2010.**

CHAPTER 131 OF THE ACTS OF 2010 (EXCERPTS)
An Act Making Appropriations For The Fiscal Year 2011 For The Maintenance Of The Departments, Boards, Commissions, Institutions And Certain Activities Of The Commonwealth, For Interest, Sinking Fund And Serial Bond Requirements And For Certain Permanent Improvements.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is immediately to make appropriations for the fiscal year beginning July 1, 2010, and to make certain changes in law, each of which is immediately necessary or appropriate to effectuate said appropriations or for other important public purposes, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same as follows:

SECTION 3. Notwithstanding …

Advance payments shall be made for some or all of periodic local reimbursement or assistance programs to any city, town, regional school district or independent agricultural and technical school that demonstrates an emergency cash shortfall, as certified by the commissioner of revenue and approved by the secretary of the executive office for administration and finance, pursuant to guidelines established by the secretary.

SECTION 132. Notwithstanding any general or special law to the contrary, federal grant funds in items 7061-0004 and 7061-0005 distributed to school districts in fiscal year 2011 through the State Fiscal Stabilization Fund under Title XIV of the American Reinvestment and Recovery Act of 2009 shall not be subject to indirect charges under section 32A of chapter 35 of the General Laws and section 5D of chapter 40 of the General Laws. Subsection (f) of section 6B of chapter 29 of the General Laws shall not apply to these funds. School districts shall continue to provide for and make contributions to appropriate pension funds, as required by paragraph (c) of subdivision (7) of section 22 of chapter 32 of the General Laws, for employees whose salaries are paid from these federal funds in the same manner as contributions are made when receiving state education aid under chapter 70 of the General Laws.

SECTION 157. (a) Notwithstanding any general or special law to the contrary, upon the request of the board of selectmen in a town, the city council in a city with a plan E form of government or the mayor in any other city, the department of revenue may recalculate the minimum required local contribution, as defined in section 2 of chapter 70 of the General Laws, in the fiscal year ending June 30, 2011. Based on the criteria established in this section, the department shall recalculate the minimum required local contribution for a municipality's local and regional schools and shall certify the amounts calculated to the department of elementary and secondary education.

(b) A city or town that used qualifying revenue amounts in a fiscal year which are not available for use in the next fiscal year or that shall be required to use revenues for extraordinary non school-related expenses for which it did not have to use revenues in the preceding fiscal year or that has an excessive certified municipal revenue growth factor which is also greater than or equal to 1.5 times the state average municipal revenue growth factor may appeal to the department of revenue not later than October 1, 2010, for an adjustment of its minimum required local contribution and net school spending.

(c) If a claim is determined to be valid, the department of revenue may reduce proportionately the minimum required local contribution amount based on the amount of shortfall in revenue or based on the amount of increase in extraordinary expenditures in the current fiscal year, but no adjustment to the minimum required local contribution on account of an extraordinary expense in the budget for the fiscal year ending June 30, 2011, shall affect the calculation of the minimum required local contribution in subsequent fiscal years. Qualifying revenue amounts shall include, but not be limited to, extraordinary amounts of free cash, overlay surplus and other available funds.

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

(e) The board of selectmen in a town, the city council in a city with a plan E form of government, the mayor in any other city or a majority of the member municipalities of a regional school district which used qualifying revenue amounts in a fiscal year that are not available for use in the next fiscal year may appeal to the department of revenue not later than October 1, 2010, for an adjustment to its net school spending requirement. If the claim is determined to be valid, the department of revenue shall reduce the net school spending requirement based on the amount of the shortfall in revenue and reduce the minimum required local contribution of member municipalities accordingly. Qualifying revenue amounts shall include, but not be limited to, extraordinary amounts of excess and deficiency, surplus and uncommitted reserves.

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

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

(h) If a city or town has an approved budget that exceeds the recalculated minimum required local contribution and net school spending amounts for its local school system or its recalculated minimum required local contribution to its regional school

districts as provided in this section, the local appropriating authority shall determine the extent to which the community shall avail itself of any relief authorized by this section.

(i) The amount of financial assistance due from the commonwealth in fiscal year 2011 pursuant to chapter 70 of the General Laws or any other law shall not be changed on account of any redetermination of the minimum required local contribution pursuant to this section.

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

SECTION 202. Except as otherwise specified, this act shall take effect on July 1, 2010.

Approved (in part) June 30, 2009

CHAPTER 188 – MUNICIPAL RELIEF

Effective July 27, 2010

§ 1 Special Education Tuition Rates. Amends G.L. c. 7, § 22N to require that the Operational Services Division notify school superintendents of the estimated rate of inflation in the prices of special education and other social service programs by October 1. Previously, the notification deadline was December 1.

§§ 2-3, 70 State Cultural Districts. Amend G.L. c. 10, § 52 and add new section 58A to c. 10 to facilitate the development of state-designated cultural districts under guidelines established by the Massachusetts Cultural Council. The council is to establish criteria for the districts, develop an application process for municipalities seeking to create districts and identify state incentives and resources to support the development of the districts.

§§ 4-15, 62-63 Sound Bidding Practices and Flexibility. Amend G.L. c. 30B and c. 149, which govern local procurement of supplies, services, real property and public construction. In some cases, local governments will be able to purchase goods and services specified under United States General Services Administration (GSA) federal supply schedules from authorized GSA vendors, conduct a "reverse" auction bidding process and engage in intergovernmental cooperative purchasing under contracts let by the federal government, another state, or any political subdivision of the Commonwealth or another state. Also defines sound business practices for c. 30B purposes. For construction contracts, the dollar thresholds applicable to payment bonds and use of sound business practices were increased. **See Office of the Inspector General, Changes to Municipal Procurement Laws, (July 27, 2010) and Charts on Local Public Procurement Procedures (August 2010).**

§§ 16-19, 71 Pension Funding Relief. Add a new section 22F to G.L. c. 32, to allow local retirement systems to extend their funding schedules to 2040 subject to the approval of PERAC and certain minimum payment requirements. Payments for any year under the revised schedule cannot be less than the payment in a prior year under the current schedule. Any increase in the amortization component required by the schedule cannot be more than four percent. Amends G.L. c. 32, § 21 to require actuarial valuations at least once every two years rather than every three years. Amends G.L. c. 32, § 22D to

require that any yearly payment under a funding schedule established under that section shall be no less than 95 percent of the amount appropriated in the prior fiscal year. Also amends G.L. c. 32, § 103 to add a local option subsection (j) that allows retirement systems to increase in multiples of $1,000 the maximum base for calculating cost of living adjustments on pension payments. Currently, that base is $12,000. **See Public Employee Retirement Administration Commission (PERAC) Memorandum 2010 - 33 (August 12, 2010).**

§ 20-21 Municipal Life Insurance. Amend G.L. c. 32B, § 11A, to eliminate restrictions on the maximum amount of optional life and accidental death insurance benefits for municipal employees based on salary. The maximum amount is $150,000. Previously, it was $74,000.

§ 22 Municipal Leases. Amends G.L. c. 40, § 3, which related to municipal property, to allow cities and towns to lease public buildings for up to 30 years. Previously, the maximum lease term was 10 years.

§ 23 Intermunicipal Agreements. Amends G.L. c. 40, § 4A, which authorizes agreements among governmental entities to jointly perform governmental services and functions, to limit approval of the agreements, i.e., the decision to enter, to the entities' elected officials.

§ 24 Mutual Aid Agreements. Adds sections 4J and 4K to G.L. c. 40, to establish statewide mutual aid agreements that allow municipalities to share fire, police, emergency medical services, public works and other local services in the case of a public safety incident (G.L. c. 40, § 4J) and public works personnel, equipment, supplies and facilities in the case of a public works incident (G.L. c. 40, § 4K).

§ 25 Triennial Certification Schedule. Amends G.L. c. 40, § 56, which requires the Department of Revenue (DOR) to certify that a municipality's local assessments are at full and fair cash valuation every three years as a prerequisite to use of a classified tax system. The amendment allows DOR to revise the three-year schedule to balance the number of certifications each year, facilitate or implement regional or other cooperative assessing agreements and improve assessment performance.

§ 26 Joint or Regional Assessing Agreements. Amends G.L. c. 41, § 30B, which permits joint or cooperative assessing agreement, to allow cities and towns to share assessors as well as assessing department staff. Municipalities will now be able to form a single assessing department to share all departmental staff and perform all administrative functions or designate one person, one of their boards of assessors, or a regional board of assessors, to act as the assessors for all of them. The other boards would then terminate for the duration of the agreement. In addition, all parties to an agreement will now be responsible for sharing the costs of benefits provided personnel who served during its term.

§§ 27, 29, 32-33, 56 and 57 Flexibility in Municipal, Improvement District and Regional School District Borrowing. Amend G.L. c. 44, §§ 7 (inside debt limit) and 8 (outside debt limit), c. 70B, § 6(d) (School Building Authority approved projects) and c. 71, § 16(d) (regional school districts) to allow municipalities, improvement districts and

regional school districts to borrow for some projects over a term matching the useful life of the asset being financed, not to exceed 30 years, as determined under guidelines issued by the Division of Local Services (DLS) within DOR. A new clause 34 is added to G.L. c. 44, § 7 to provide general authority to borrow for other public works, improvements or assets not specifically described in that section, for a term of five years. That term could be longer under the DLS guidelines. Approval of emergency borrowings under G.L. c. 44, § 8(9) will now be approved by the municipal finance oversight board (MFOB) not the emergency board. Municipalities and districts may now use level debt service, or a schedule providing for more repaid amortization of principal, under G.L. c. 44, § 19.

§§ 28, 36, and 64 Renewable Energy Revolving Fund and Betterment Loan Program. Amend G.L. c. 44, § 7, to allow cities, towns and other governmental entities, to borrow for up to 20 years to fund loans to property owners for renewable energy and energy conservation projects on their property under a local program. Also add a new section 53E¾ to G.L. c. 44 that authorizes creation of local energy loan programs, creates a special revenue fund for the borrowed monies and provides for the loans to be treated as betterments and repaid over 20 years as part of their annual property tax bills.

§§ 30 and 31 Flexibility in Municipal and Regional School District Borrowing. Add new clauses, 17A, 32 and 33, to municipal and district borrowing authority under G.L. c. 44, § 7. Clause 17A allows borrowing for up to 10 years for the dredging of rivers, streams, harbors, channels and tide waters. Clause 32 allows borrowing for up to 10 years for the cost of cleanup or prevention activities at municipal facilities under G.L. c. 21E relating to the release of oil and hazardous materials, or G.L. c. 21H relating to solid waste. Cleanup and prevention plans must be approved by the Department of Environmental Protection.

§ 35 Elimination of Fee for State House Notes. Repeals G.L. c. 44, § 26 and eliminates the fee charged cities, towns and districts for the processing of state house notes by the Director of Accounts.

§ 37 Voter Information. Adds a new local option section 18B to G.L. c. 53, which governs elections. If accepted, municipalities may send information on local binding and non-binding referenda questions to voters before local elections. Binding referenda questions would include Proposition 2½ overrides, underrides, debt exclusions or capital exclusions. The information to be provided is similar to that provided by the Secretary of State before each biennial state election, *i.e.*, a fair summary of the question prepared by municipal counsel and arguments by proponents and opponents.

§ 38 Expedited Abatement Authority. Amends G.L. c. 58, § 8, which allows the DOR to authorize the board of assessors, or other board or officer, to abate taxes or charges where they no longer have the legal power to abate because the taxpayer did not timely apply for abatement. The DOR will now be able to issue guidelines authorizing local officials to abate in some circumstances on an expedited basis without having to obtain prior approval of each individual abatement. The delegation is subject to annual reporting and audit requirements and may be withdrawn.

§ 39 Interest Rate on Financial Hardship Deferral. Amends G.L. c. 59, § 5(18A), which authorizes a board of assessors to grant temporary property tax deferrals to

taxpayers experiencing financial hardships, to allow cities and towns to reduce the interest rate that accrues on the deferred taxes. The statutory rate is eight percent, but the legislative body will now be able to set a rate as low as zero percent. Any change in rate must be voted no later than July 1 of the fiscal year to which the tax relates.

§§ 40-42 Property Tax Exemptions. Amend two clauses in G.L. c. 59, § 5, which sets out the real and personal property exempt from local taxes. Amends Clause 22E, which provides a $1000 exemption for veterans, or their spouses and surviving spouses, who have a 100 percent disability rating as determined by the United Stated Department of Veteran Affairs (VA) and are incapable of working as determined by assessors. The amendment eliminates the incapable of working requirement for veterans applying for Clause 22E exemptions beginning in fiscal year 2012. Also amends Clause 41C½, which is one of the local option variations of the Clause 41 exemption for seniors. Under the amendment, the combined gross receipts of married applicants and their spouses must meet the limit found in the statute. Previously, the limit applied to just the applicant's income.

Also add two new local option exemptions, Clauses 56 and 57. If accepted, Clause 56 allows assessors to exempt up to 100 percent of the real and personal property taxes assessed to Massachusetts national guardsmen and reservists for any fiscal year they are deployed overseas. Assessors may establish eligibility criteria for the exemption and the exemption expires two years after acceptance unless extended by vote of the legislative body subject to charter. If accepted, Clause 57 will allow assessors to grant exemptions to seniors who qualify for the state circuit breaker income tax credit for their domicile. Exemptions would be up to the amount of the credit, but are subject to annual appropriation.

§ 43 Senior Work Abatements. Amends G.L. c. 59, § 5K, which authorizes communities to establish senior work-off abatement programs where seniors provide services to the community at an hourly rate no higher than the state minimum wage and their earnings are credited to reduce their property tax bills. The maximum reduction is $1,000. Under the amendment, however, that maximum may be based on 125 hours of service, rather than $1,000. In addition, a proxy may now perform the services on behalf of a senior who is physically unable to perform them.

§§ 44-46, 49-53 Audit of Personal Property. Add a new section 31A to G.L. c. 59 that allows local assessors to subpoena and audit the records of taxpayers required to file annual returns of their taxable personal property in order to verify that the returns are complete and accurate. The assessors will have three years after the return was due or was filed, whichever is later, to audit the records. If taxable property is discovered, they will have three years and six months after the return was due or was filed, whichever is later, to make an omitted or revised assessment under G.L. c. 59, §§ 75 or 76. Previously, assessors could only make additional assessments for certain unintentional clerical or data processing errors by June of the same fiscal year. Also add section 42A to G.L. c. 59 to give the DOR the same power to subpoena and audit the records of pipeline and telephone or telegraph companies subject to central valuation. If taxable personal property is discovered, the Commissioner can make an amended certification. The assessors will have two months to make the additional assessment and the companies will then have one month to appeal to the appellate tax board in the same manner as the

original certification. Also amend G.L. c. 59, § 29 to make the last date for granting an extension to file local returns the same as the due date for abatement applications, amends G.L. c. 59, § 32 to allow companies hired by the assessors or commissioner to value or audit personal property to review the returns, which are otherwise confidential, and amend G.L. c. 59, § 61 to make compliance with audit requests a condition for obtaining an abatement.

§ 47 and 48 Pre-assessment Information Returns. Amends G.L. c. 59, § 38D, which requires property owners to provide the assessors with requested information to help determine the fair cash value of real property. Commercial and industrial property owners who fail to comply with the requests will now be subject to a penalty of $250. Previously, that penalty was $50. In addition, if the property owner appeals the assessors' denial of an application for abatement on the property to the appellate tax board, or county commissioners if applicable, the owner's non-compliance with the request will be grounds for automatic dismissal. The appeal may still proceed, however, if the owner was unable to comply for reasons beyond the owner's control or had made a good faith attempt to respond.

§ 54 Electronic Billing and Joint Bills. Amends G.L. c. 60, § 3A, which governs the form, content and mailing of the annual property tax bill. Under the amendments, local tax collectors may now display on the actual tax bill certain personal exemptions granted to seniors, blind persons, veterans, surviving spouses and minors with deceased parents, as well as the amount of net tax due. In addition, collectors may implement voluntary e-billing programs subject to the approval of the selectboard or mayor. Bills for other municipal charges, such as those for water, sewer, solid waste and light plant services, may be included in the same envelope or e-billing as the tax bill, if authorized by by-law or ordinance and the bills for the other charges are separate and distinct. The by-law or ordinance may also provide that bills for an independent water and sewer commission operating in the municipality may be included as well.

§ 55 Motor Vehicle Excise Bills. Amends G.L. c. 60A, § 2 to require that motor vehicle excise bills display the date the excise is due.

§ 58 Regional School District Stabilization Funds. Amends G.L. c. 71, § 16G½, which governs regional school district stabilization funds. Under the amendment, districts may spend stabilization funds by a two-thirds vote of all members of the district school committee. Previously, districts wanting to make expenditures from the fund could not do so until after complying with the debt approval procedure applicable in the district under G.L. c. 71, § 16(d) or (n). In addition, use of stabilization funds for a purpose other than a purpose for which the district may borrow must now be approved by the director of accounts, rather than the emergency finance board which was abolished in 2003.

§ 59 Shared School Superintendents. Amends G.L. c. 71, § 37 to allow municipal and regional school districts to share superintendents.

§ 60 Special Education Mileage Reimbursement for Parents. Amends G.L. c. 71B, § 8 to allow school committees to adopt a program to reimburse parents who voluntarily choose to transport their disabled child to an approved out of district placement, provided the municipality can demonstrate savings in transportation costs.

§ 61 Ambulance Staffing. Adds a new section 25 to G.L. c. 111C that modifies current requirements regarding staffing of ambulances with licensed emergency medical technicians.

§ 65 Abandoned and Unclaimed Checks. Amends G.L. c. 200A, § 9A, the alternative procedure for municipal treasurers to follow in order to retain uncashed and abandoned checks (tailings) for the municipal treasury. The local procedure is now a local option statute. If accepted, it allows cities and towns to print a one year expiration date on checks it issues. Previously, checks had to remain uncashed for three years to be considered abandoned. Treasurers will still notify apparent owners of the checks of the procedure for claiming them by mail and by posting on the municipality's web site, if any. If unclaimed within 60 days, the treasurer must still publish a list in a newspaper of general circulation. However, an additional publication must be made for those checks of $100 or more that are not claimed within 60 days. Claims must still be made within one year of publication.

§ 66 Optional Early Retirement Program. Creates a local option early retirement program for municipal employees. If accepted, the chief executive of the city, town or light plant will have to limit the total number of employees who can participate and submit a plan to PERAC by September 28, 2010 (two months after effective date of act). The plan may include a grant of years and service up to 3 years. The municipality must demonstrate the value of its plan to PERAC. If approved, the plan must be submitted to the legislative body at the next meeting. Eligible employees must have at least 20 years of service and be members of a municipal, regional or county system. Participants must give up the right to accrued sick and vacation time and the monies saved must be used to offset the increased pension liabilities under the program. The increased pension liabilities must be amortized over 10 years and there are limits on filling the positions vacated. See PERAC Memorandum 2010-32 (August 2, 2010) and Memorandum (July 30, 2010).

§ 67 Massachusetts Water Resources Authority (MWRA) Water Supply. Exempts the three Chicopee Valley Aqueduct (CVA) communities, which receive their water supply from the MWRA, from the standard MWRA application process for certain types of expansions or extensions of water service.

§ 68 Local Option Tax Amnesty Program. Allows cities and towns to establish temporary tax amnesty programs, which must end by June 30, 2011. If accepted, municipalities may waive a uniform percentage up to 100 percent of collection costs and accrued interest due on outstanding property taxes, motor vehicle excises and boat excises, with some exceptions. The taxpayer must pay the principal amount owed and cannot have been subject of a criminal investigation for failure to pay taxes.

§ 69 School District Reporting Requirements. Requires the Department of Elementary and Secondary Education to revise and consolidate reporting requirements imposed on local school districts.

§ 72 School District Regionalization Commission. Creates a 16 member special commission to study efficient and effective strategies for collaboration and

regionalization among school districts. The commission is to report to the legislature by March 31, 2011.

CHAPTER 188 OF THE ACTS OF 2010
An Act Relative to Municipal Relief.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same as follows:

SECTION 1. Section 22N of chapter 7 of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by striking out, in lines 60 and 61, and in line 63, the word "December" and inserting in place thereof, in each instance, the following word:- October.

SECTION 2. Section 52 of chapter 10 of the General Laws, as so appearing, is hereby amended by striking out, in line 3, the words "fifty-three to fifty-eight" and inserting in place thereof the following words:- 53 to 58A.

SECTION 3. Said chapter 10 is hereby further amended by inserting after section 58 the following section:-

Section 58A. (a) The council shall establish criteria and guidelines for state-designated cultural districts. A cultural district shall be a geographical area of a city or town with a concentration of cultural facilities located within it. Cultural districts shall attract artists and cultural enterprises to a community, encourage business and job development, establish tourist destinations, preserve and reuse historic buildings, enhance property values and foster local cultural development. The council shall assist a city or town if the city or town wishes to develop or foster a cultural district. The council shall develop an application process, with specific guidelines and criteria, for a city or town that wishes to develop or foster a cultural district. Executive branch agencies, constitutional offices and quasi-governmental agencies shall identify programs and services that support and enhance the development of cultural districts and ensure that those programs and services are accessible to such districts. The council shall consult with the Massachusetts historical commission in developing and establishing criteria and guidelines regarding preservation and reuse of historic buildings.

(b) Notwithstanding any general or special law to the contrary, executive branch agencies, constitutional offices and quasi-governmental agencies including, but not limited to, the council and historic preservation programs, shall review and revise regulations and other economic development tools, including the evaluative criteria of such historic preservation programs, in order to support and encourage the development and success of state-designated cultural districts.

SECTION 4. Section 1 of chapter 30B of the General Laws is hereby amended by inserting after the word "section", in line 6, as appearing in the 2008 Official Edition, the following word:-11C or section.

SECTION 5. Said section 1 of said chapter 30B is hereby further amended by inserting after the word "commonwealth", in line 12, as so appearing, the following words:- , except as pertains to subsection (i) of section 16.

SECTION 6. Said section 1 of said chapter 30B, as most recently amended by section 41 of chapter 25 of the acts of 2009, is hereby further amended by adding the following subsection:-

(f) This chapter shall be deemed to have been complied with on all purchases made from a vendor pursuant to a General Services Administration federal supply schedule that is available for use by governmental bodies.

SECTION 7. Section 2 of said chapter 30B is hereby amended by inserting after the definition of "Contractor", as so appearing, the following 2 definitions:-

"Cooperative purchasing", procurement conducted by, or on behalf of, more than 1 public procurement unit or by a public procurement unit with an external procurement activity.

"Electronic bidding", the electronic solicitation and receipt of offers to contract for supplies and services; provided, however, that offers may be accepted and contracts may be entered into by use of electronic bidding.

SECTION 8. Said section 2 of said chapter 30B is hereby further amended by inserting after the definition of "Employment agreement", as so appearing, the following definition:-

"External procurement activity", (a) a public agency not located in the commonwealth which would qualify as a public procurement unit; (b) buying by the United States government.

SECTION 9. Said section 2 of said chapter 30B is hereby further amended by inserting after the definition of "Labor relations representative", as so appearing, the following definition:-

"Local public procurement unit", a political subdivision or unit thereof which expends public funds for the procurement of supplies.

SECTION 10. Said section 2 of said chapter 30B is hereby further amended by inserting after the definition of "Proposal", as so appearing, the following definition:-

"Public procurement unit", a local public procurement unit or a state public procurement unit.

SECTION 11. Said section 2 of said chapter 30B is hereby further amended by inserting after the definition of "Request for proposals", as so appearing, the following definition:-

"Reverse auction", an internet-based process used to buy supplies and services whereby the sellers of the supplies or services being auctioned anonymously bid against each other until time expires and until the governmental body determines from which sellers it will buy based on the pricing obtained during the process.

SECTION 12. Said section 2 of said chapter 30B is hereby further amended by inserting after the definition of "Services", as so appearing, the following 2 definitions:-

"Sound business practices", ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.

"State public procurement unit", the offices of the chief procurement officers and any other purchasing agency of the commonwealth or any other state.

SECTION 13. Section 4 of said chapter 30B, as so appearing, is hereby amended by striking out, in line 24, the words “generally accepted” and inserting in place thereof the following word:- sound.

SECTION 14. Said chapter 30B is hereby further amended by inserting after section 6, as so appearing, the following section:-

Section 6A. (a) A chief procurement officer may enter into procurement contracts for $25,000 or more, utilizing reverse auctions for the acquisition of supplies and services. The reverse auction process shall include a specification of an opening date and time when real-time electronic bids shall be accepted and shall provide that the procedure remain open until the designated closing date and time.

(b) All bids on reverse auctions shall be posted electronically on the internet and updated on a real-time basis and shall allow for registered bidders to lower the price of their bid below the lowest bid on the internet.

(c) The chief procurement officer shall require vendors to register before the reverse auction opening date and time and, as part of the registration, agree to any terms and conditions and other requirements of the solicitation.

(d) Any mechanism including, but not limited to, software, developed by the operational services division to conduct reverse auctions by the commonwealth, shall provide for the utilization of that mechanism by municipalities.

(e) The operational services division may assess a municipality utilizing the reverse auction mechanism a reasonable fee, calculated to compensate for any increased cost attributable to such utilization, which shall be credited to the General Fund.

(f) Reverse auctions shall not be subject to clause (1) of subsection (b) or subsection (d) of section 5 but shall be subject to all other provisions of said section 5.

SECTION 15. Said chapter 30B is hereby further amended by adding the following section:-

Section 22. A public procurement unit may participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of supplies with public procurement units or external procurement activities in accordance with an agreement entered into between the participants. The public procurement unit conducting the procurement of supplies shall do so in a manner that constitutes a full and open competition.

SECTION 16. Paragraph (f) of subdivision (3) of section 21 of chapter 32 of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by striking out the second paragraph and inserting in place thereof the following paragraph:-

An actuarial valuation of each system shall be conducted biennially and experience investigations shall be conducted every 6 years. Actuarial valuation reports and experience studies shall be conducted in such manner as the commissioner of administration, upon advice of the actuary, shall consider appropriate.

SECTION 17. The first paragraph of subdivision (1) of section 22D of said chapter 32, as amended by section 18 of chapter 21 of the acts of 2009, is hereby further amended by inserting after the first sentence, as so appearing, the following sentence:- A funding schedule established under this section shall provide that the payment in any year of the schedule is not less than 95 per cent of the amount appropriated in the previous fiscal year.

SECTION 18. Said chapter 32 is hereby further amended by inserting after section 22E the following section:-

Section 22F. (a) A system, other than the state employees' retirement system and the teachers' retirement system, which conducts an actuarial valuation of the retirement system as of January 1, 2009, or later, may establish a revised retirement system funding schedule, subject to the approval of the actuary, which reduces the unfunded actuarial liability of the system to zero not later than June 30, 2040, as long as: (1) the payment in a year under the revised schedule or a subsequent schedule is not less than the payment in a prior fiscal year under the then current schedule until the system is fully funded; and (2) the increase in the amortization component of the appropriations required by the schedule from year to year does not exceed 4 per cent and is so designed that the funding schedule and any updates to it reduce the unfunded actuarial liability of the system to zero on or before June 30, 2040.

(b) If an updated actuarial valuation allows for the development of a revised schedule with reduced payments, the revised schedule shall be adjusted to reduce the unfunded liability of the system to zero by an earlier date to the extent required to ensure that the appropriation required for a particular year under the new schedule shall not be less than the amount identified for that year under the prior schedule established under this section.

(c) If a schedule established under this section would result in an appropriation in the first fiscal year of the schedule that is greater than 8 per cent more than the appropriation in the previous fiscal year, the requirement of clause (2) of subsection (a) may be adjusted with the approval of the public employee retirement administration commission.

(d) Systems may establish a schedule under this section that provides for an increase in the maximum base amount on which the cost-of-living adjustment is calculated pursuant to section 103, in multiples of $1,000. Acceptance of this subsection shall be in accordance with paragraph (j) of section 103.

SECTION 19. Section 103 of said chapter 32, as so appearing, is hereby amended by adding the following paragraph: -

(j) Notwithstanding paragraph (a), the board of any system that establishes a schedule pursuant to section 22D or 22F, may increase the maximum base amount on which the cost-of-living adjustment is calculated, in multiples of $1,000. Each increase in the maximum base amount shall be accepted by a majority vote of the board of such system, subject to the approval of the legislative body. For the purpose of this section, "legislative body" shall mean, in the case of a city, the city council in accordance with its charter, in the case of a town, the town meeting, in the case of a district, the district members, and, in the case of an authority, the governing body. In the case of a county or region, acceptance shall be by the county or regional retirement board advisory council at a meeting called for that purpose by the county or regional retirement board that shall notify council members at least 60 days before the meeting. Upon receiving notice, the treasurer of a town belonging to the county or regional retirement system shall make a presentation to the town's chief executive officer, as defined in paragraph (c) of subdivision (8) of section 22, regarding the impact of the increase in the cost-of-living adjustment base, the failure of which by a treasurer shall not impede or otherwise nullify the vote by the advisory council. Acceptance of an increase in the maximum base amount shall be deemed to have occurred upon the filing of the certification of such vote with the

commission. A decision to accept an increase in the maximum base amount may not be revoked.

SECTION 20. Section 11A of chapter 32B of the General Laws, as so appearing, is hereby amended by striking out the first paragraph and inserting in place thereof the following paragraph:-

Each employee insured for the minimum amounts of group life and group accidental death and dismemberment insurance provided in section 5, subject to such conditions as the appropriate public authority shall approve, may be insured for amounts of group life insurance and group accidental death and dismemberment insurance in addition to the minimum amounts provided for in said section 5 in an amount not greater than $150,000.

SECTION 21. Said section 11A of said chapter 32B, as so appearing, is hereby further amended by striking out, in line 60, the words “outlined in the above schedule”.

SECTION 22. Section 3 of chapter 40 of the General Laws, as so appearing, is hereby amended by striking out, in line 4, the word "ten" and inserting in place thereof the following figure:- 30.

SECTION 23. The second paragraph of section 4A of said chapter 40, as so appearing, is hereby amended by adding the following sentence: A decision to enter into an intermunicipal agreement under this section, or to join a regional entity, shall be solely subject to the approval process of the towns’ elected bodies.

SECTION 24. Said chapter 40 is hereby further amended by inserting after section 4I the following 2 sections:-

Section 4J. (a) As used in this section, the following words shall have the following meanings unless the context clearly requires otherwise:

"Agency", the Massachusetts emergency management agency.

"Agreement", the statewide public safety mutual aid agreement established in subsection (b).

"Authorized representative", in the case of a city or town, the mayor, city manager, town manager, town administrator, executive secretary, police chief or on-duty shift commander of the police department, fire chief or on-duty shift commander of the fire department, health director or chairperson of the board of health and the emergency management director and, in the case of a governmental unit that is not a city or town, the chief executive officer or his designee.

"Employee", a person employed full-time or part-time by a governmental unit, a volunteer officially operating under a governmental unit, or a person contractually providing services to a governmental unit.

"Governmental unit", a city, town, county, regional transit authority established under chapter 161B, water or sewer commission or district established under chapter 40N or by special law, fire district, regional health district established under chapter 111, a regional school district or a law enforcement council.

"Incident command system", the standardized national incident management system that establishes an on-scene management system of procedures for controlling personnel, facilities, equipment and communications from different agencies at the scene of an emergency or other event for which mutual aid assistance is provided.

"Law enforcement council", a nonprofit corporation comprised of municipal police chiefs and other law enforcement agencies established to provide: (i) mutual aid to its members pursuant to mutual aid agreements; (ii) mutual aid or requisitions for aid to non-members consistent with section 8G of this chapter or section 99 of chapter 41; and (iii) enhanced public safety by otherwise sharing resources and personnel.

"Mutual aid assistance", the cross-jurisdictional provision of emergency services, materials or facilities from 1 party to another when existing resources are, or may be, inadequate.

"Party", a governmental unit that has joined the agreement.

"Public safety incident", an event, emergency or natural or man-made disaster, that threatens or causes harm to public health, safety or welfare and that exceeds, or reasonably may be expected to exceed, the response or recovery capabilities of a governmental unit including, but not limited to, a technological hazard, planned event, civil unrest, health-related event and an emergency, act of terrorism and training and exercise that tests and simulates the ability to manage, respond to or recover from any such event.

"Requesting party", a party that requests aid or assistance from another party pursuant to the agreement.

"Sending party", a party that renders aid or assistance to another party under the agreement.

(b) There shall be a statewide public safety mutual aid agreement to create a framework for the provision of mutual aid assistance among the parties to the agreement in the case of a public safety incident. The assistance to be provided under the agreement shall include, but not be limited to, fire service, law enforcement, emergency medical services, transportation, communications, public works, engineering, building inspection, planning and information assistance, resource support, public health, health and medical services, search and rescue assistance and any other resource, equipment or personnel that a party to the agreement may request or provide in anticipation of, or in response to, a public safety incident.

(c) (1) If a city or town wishes to join the agreement, the mayor in the case of a city, the city manager in the case of a Plan D or Plan E city, or the town manager, town administrator or chairman of the board of selectmen with the approval of the board of selectmen, may act on behalf of the city or town to join the agreement by notifying the director of the agency in writing. The municipality shall be a party to the agreement 30 days after receipt by the agency of the written notification.

A city or town that has joined the agreement may opt out of the agreement in the same manner as provided for joining the agreement and by notifying the agency in writing of its intention to opt out. The removal of the municipality from the agreement shall take effect 10 days after receipt by the agency of the written notification.

(2) If a governmental unit that is not a city or town wishes to join the agreement, the chief executive officer of the governmental unit may act on its behalf to join the agreement by notifying the director of the agency in writing. The governmental unit shall be a party to the agreement 30 days after receipt by the agency of the written notification. If a governmental unit that is not a city or town has joined the agreement but wishes to opt out of the agreement, the chief executive officer of the governmental unit may act on its behalf to opt out of the agreement by notifying the agency in writing. The removal of the municipality from the agreement shall take effect 10 days after receipt by the agency of the written notification.

(d)(1) A request by a party to receive mutual aid assistance under the agreement shall be made, either orally or in writing, by an authorized representative of the requesting party and shall be communicated to an authorized representative of the sending party or to the agency; provided, however, that if the request is communicated orally, the requesting party shall reduce the request to writing and deliver it to the sending party or to the agency at the earliest possible date, but not later than 72 hours after making the oral request. A party to the agreement may request mutual aid assistance during, in anticipation of or as a result of a public safety incident.

(2) An oral or written request for mutual aid assistance under the agreement shall include the following information:

(i) a description of the public safety incident;

(ii) the nature, type and amount of personnel, equipment, materials, supplies or other resources being requested;

(iii) the manner in which the resources shall be used and deployed;

(iv) a reasonable estimate of the length of time for which the resources shall be needed;

(v) the location to which the resources shall be deployed; and

(vi) the requesting party's point of contact.

(3) A party that receives a request for mutual aid assistance shall provide and make available, to the extent reasonable and practicable under the circumstances, the resources requested; provided, however, that a sending party may withhold requested resources to the extent necessary to provide reasonable protection and coverage for its own jurisdiction.

(e) The requesting party shall be responsible for the overall operation, assignment and deployment of resources and personnel provided by a sending party consistent with the incident command system. The sending party shall retain direct supervision, command and control of personnel, equipment and resources provided by the sending party unless otherwise agreed to by the requesting party and the sending party. During the course of rendering mutual aid assistance under the agreement, the sending party shall be responsible for the operation of its equipment and for any damage thereto unless the sending party and the requesting party agree otherwise.

(f)(1) All expenses incurred by the sending party in rendering mutual aid assistance pursuant to the agreement shall be paid by the sending party; provided, however, that a requesting party and a sending party may enter into supplementary agreements for reimbursement of costs associated with providing mutual aid assistance incurred by a sending party.

(2) A sending party shall document its costs of providing mutual aid assistance under the agreement, including direct and indirect payroll and employee benefit costs, travel costs, repair costs and the costs of materials and supplies. A sending party shall also document the use of its equipment and the quantities of materials and supplies used while providing mutual aid assistance under the agreement.

(3) Except as otherwise agreed to by the parties, the requesting party shall seek reimbursement under any applicable federal and state disaster assistance programs for the costs of responding to the public safety incident. The requesting party and each sending party shall receive, based on the documented costs of providing mutual aid assistance, its pro rata share of the disaster assistance reimbursement provided to the requesting party.

(g) While providing mutual aid assistance under the agreement, employees of a sending party shall: (i) be afforded the same powers, duties, rights and privileges as they are afforded in the sending party's geographical jurisdiction or location; and (ii) receive

the same salary, including overtime, that they would be entitled to receive if they were operating in their own governmental unit. In the absence of an agreement to the contrary, the sending party shall be responsible for all such salary expenses, including overtime.

(h)(1) While in transit to, returning from and providing mutual aid assistance under the agreement, employees of a sending party shall have the same rights of defense, immunity and indemnification that they otherwise would have under the law if they were acting within the scope of their employment under the direction of their employer. A sending party shall provide to, and maintain for, each of its employees who provide mutual aid assistance under the agreement the same indemnification, defense, right to immunity, employee benefits, death benefits, workers' compensation or similar protection and insurance coverage that would be provided to those employees if they were performing similar services in the sending party's jurisdiction.

(2) Each party to the agreement shall waive all claims and causes of action against each other party to the agreement that may arise out of their activities while rendering or receiving mutual aid assistance under the agreement, including travel outside of its jurisdiction.

(3) Each requesting party shall defend, indemnify and hold harmless each sending party from all claims by third parties for property damage or personal injury which may arise out of the activities of the sending party or its employees, including travel, while providing mutual aid assistance under the agreement.

(i) This section shall not affect, supersede or invalidate any other statutory or contractual mutual aid or assistance agreements involving parties to the agreement including, but not limited to, those established pursuant to section 4A or 8G. A party may enter into supplementary mutual aid agreements with other parties or jurisdictions.

Section 4K. (a) As used in this section, the following words shall, unless the context clearly requires otherwise, have the following meanings:-

"Advisory committee", the statewide public works municipal mutual aid advisory committee established in subsection (d).

"Agreement", the statewide public works municipal mutual aid agreement established in subsection (b).

"Employee", a person employed full-time or part-time by a governmental unit, a volunteer officially operating under a governmental unit, or a person contractually providing services to a governmental unit.

"Governmental unit", a city, town, county or district, however constituted, or water or sewer commission established under the provisions of chapter 40N or any other general or special law.

"Mutual aid assistance", cross-jurisdictional provision of services, materials or facilities from 1 party to another when existing resources are, or may be, inadequate.

"Party", a governmental unit that has joined the agreement.

"Public works incident", a foreseeable or unforeseeable event, emergency or natural or manmade disaster that affects or threatens to affect the public works operations of a governmental unit.

"Requesting party", a party that requests aid or assistance from another party pursuant to the agreement.

"Sending party", a party that renders aid or assistance to another party under the agreement.

(b) There shall be a statewide public works municipal mutual aid agreement to facilitate the provision of public works resources across jurisdictional lines in the case of

a public works incident that requires mutual aid assistance from 1 or more municipalities. The mutual aid assistance to be provided under the agreement shall include, but not be limited to, services related to public works, personnel, equipment, supplies and facilities to prepare for, prevent, mitigate, respond to and recover from public works incidents.

(c) (1) If a city or town wishes to join the agreement, the mayor in the case of a city, the city manager in the case of a Plan D or Plan E city, or the town manager, town administrator or chair of the board of selectmen upon approval by a majority vote of the board of selectmen, may act on behalf of the city or town to join the agreement by notifying the advisory committee in writing. The municipality shall be a party to the agreement 30 days after receipt by the advisory committee of the written notification.

If a city or town has joined the agreement but wishes to opt out of the agreement, the mayor in the case of a city, the city manager in the case of a Plan D or Plan E city, or the town manager, town administrator or chair of the board of selectmen upon approval by a majority vote of the board of selectmen in the case of a town, may act on behalf of the city or town to opt out of the agreement by notifying the advisory committee in writing. The removal of the municipality from the agreement shall take effect 10 days after receipt by the advisory committee of the written notification.

(2) If a governmental unit that is not a city or town wishes to join the agreement, the chief executive officer of the governmental unit may act on its behalf to join the agreement by notifying the advisory committee in writing. The governmental unit shall be a party to the agreement 30 days after receipt by the advisory committee of the written notification.

If a governmental unit that is not a city or town has joined the agreement but wishes to opt out of the agreement, the chief executive officer of the governmental unit may act on its behalf to opt out of the agreement by notifying the advisory committee in writing. The removal of the governmental unit that is not a city or town from the agreement shall take effect 10 days after receipt by the advisory committee of the written notification.

(3) If a governmental unit in a state contiguous to the commonwealth wishes to join the agreement, the governmental unit may join the agreement by notifying the advisory committee in writing. The governmental unit shall be a party to the agreement 30 days after receipt by the advisory committee of the written notification.

If a governmental unit in a state contiguous to the commonwealth has joined the agreement but wishes to opt out of the agreement, the governmental unit may opt out of the agreement by notifying the advisory committee in writing. The removal of the governmental unit from the agreement shall take effect 10 days after receipt by the advisory committee of the written notification.

(d) There shall be a statewide public works municipal mutual aid advisory committee to consist of the secretary of public safety and security or his designee, who shall serve as chair of the committee; and 1 member appointed by the secretary of public safety and security from each of the following: the Massachusetts Highway Association; the New England Chapter of the American Public Works Association, who shall be a resident of the commonwealth; the New England Water Environment Association, who shall be a resident of the commonwealth; the Massachusetts Tree Wardens' and Foresters' Association; the Massachusetts Water Works Association; and the Massachusetts Municipal Association.

The advisory committee shall develop procedural plans, protocols and programs for intrastate and interstate cooperation to be used by public works agencies in response

to a public works incident. The advisory committee shall be responsible for the administration and coordination of the statewide mutual aid agreement. The advisory committee shall develop and make available to parties forms to facilitate requests for aid, including a form to track the movement of public works equipment and personnel.

(e) Each party shall identify not more than 3 points of contact to serve as the primary liaison for all issues relating to the agreement.

(f)(1) A request by a party to receive mutual aid assistance shall be made, either orally or in writing, by the chief executive officer of the requesting party or by 1 of its designated points of contact and shall be communicated to the chief executive officer or 1 its designated points of contact from the sending party; provided, however, that if the request is communicated orally, the requesting party shall reduce the request to writing and deliver it to the sending party at the earliest possible date, but not later than 72 hours after making the oral request. (2) A requesting party may request the assistance of 1 or more parties to assist with or manage a public works incident, including recovery-related exercises, testing or training.

(2) An oral or written request for mutual aid assistance under the agreement shall include the following information:

(i) a description of the public works incident response and recovery functions for which assistance is needed;

(ii) the nature, type and amount of public works services, personnel, equipment, materials, supplies or other resources being requested;

(iii) the manner in which the resources shall be used and deployed;

(iv) a reasonable estimate of the length of time for which the resources shall be needed;

(v) the location to which the resources shall be deployed; and

(vi) the requesting party's point of contact.

(3) A party that receives a request for mutual aid assistance shall provide and make available, to the extent reasonable and practicable under the circumstances, the resources requested by the requesting party; provided, however, that a sending party may withhold requested resources to the extent necessary to provide reasonable protection and coverage for its own jurisdiction.

(g) The requesting party shall be responsible for the overall operation, assignment and deployment of resources, equipment and personnel provided by a sending party. The sending party shall retain direct supervision, command and control of personnel, equipment and resources provided by the sending party unless otherwise agreed to by the requesting party and the sending party. During the course of rendering mutual aid assistance under the agreement, the sending party shall be responsible for the operation of its equipment and for any damage thereto unless the sending party and the requesting party agree otherwise.

(h)(1) All expenses incurred by the sending party in rendering mutual aid assistance pursuant to the agreement shall be paid by the sending party; provided, however, that a requesting party and a sending party may enter into supplementary agreements for reimbursement of costs associated with providing mutual aid assistance incurred by a sending party.

(2) A sending party shall document its costs of providing mutual aid assistance under the agreement, including direct and indirect payroll and employee benefit costs, travel costs, repair costs and the costs of materials and supplies. A sending party shall also document the use of its equipment and the quantities of materials and supplies used while providing mutual aid assistance under the agreement.

(3) Except as otherwise agreed to by the parties, the requesting party shall seek reimbursement under any applicable federal and state disaster assistance programs for the costs of responding to the public works incident. The requesting party and each sending party shall receive, based on the documented costs of providing mutual aid assistance, its pro rata share of the disaster assistance reimbursement provided to the requesting party.

(4) While providing mutual aid assistance under the agreement, employees of a sending party shall: (i) be afforded the same powers, duties, rights and privileges as they are afforded in the sending party's geographical jurisdiction or location; (ii) be considered similarly licensed, certified or permitted in the requesting party's jurisdiction if the employee holds a valid license, certificate or permit issued by the employee's governmental unit; and (iii) receive the same salary, including overtime, that they would be entitled to receive if they were operating in their own governmental unit. In the absence of an agreement to the contrary, the sending party shall be responsible for all such salary expenses, including overtime.

(j)(1) While in transit to, returning from and providing mutual aid assistance under the agreement, employees of a sending party shall have the same rights of defense, immunity and indemnification that they otherwise would have under the law if they were acting within the scope of their employment under the direction of their employer. A sending party shall provide to, and maintain for, each of its employees who provide mutual aid assistance under the agreement the same indemnification, defense, right to immunity, employee benefits, death benefits, workers' compensation or similar protection and insurance coverage that would be provided to those employees if they were performing similar services in the sending party's jurisdiction.

(2) Each party to the agreement shall waive all claims and causes of action against all other parties that may arise out of their activities while rendering or receiving mutual aid assistance under the agreement, including travel outside of its jurisdiction.

(3) Each requesting party shall defend, indemnify and hold harmless each sending party from all claims by third parties for property damage or personal injury which may arise out of the activities of the sending party or its employees, including travel, while providing mutual aid assistance under the agreement.

(4) All equipment requested and deployed pursuant to the statewide municipal mutual assistance agreement shall be insured by the sending party.

(k) This section shall not affect, supersede or invalidate any other statutory or contractual mutual aid or assistance agreements involving parties to the agreement including, but not limited to, those established pursuant to section 4A. A party may enter into supplementary mutual aid agreements with other parties or jurisdictions.

SECTION 25. Section 56 of said chapter 40, as appearing in the 2008 Official Edition, is hereby amended by adding the following paragraph:-

Notwithstanding the first paragraph, the commissioner may, from time to time, issue a revised schedule for the year in which the commissioner shall certify whether the board of assessors is assessing property at full and fair cash valuation. After the schedule is issued, a city or town may classify in the manner set forth in this section for any year before the next year of certification established in the schedule for the city or town. In arranging the schedule, the commissioner shall, so far as is practicable and appropriate, consider at least the following goals: balancing the number of certification reviews conducted in each year of the triennial period; facilitating and implementing joint or cooperative assessing agreements or districts; assisting the boards of assessors to comply with minimum standards of assessment performance established under section 1 of

chapter 58; and producing uniformity in the valuation, classification and assessment of property within each city or town and throughout the commonwealth.

SECTION 26. Chapter 41 of the General Laws is hereby amended by striking out section 30B, as so appearing, and inserting in place thereof the following section:- Section 30B. (a) Notwithstanding any general or special law or municipal charter, vote, by-law or ordinance, 2 or more cities and towns, by vote of their legislative bodies, may enter into an agreement, for a term not to exceed 25 years, for joint or cooperative assessing, classification and valuation of property.

The agreement shall provide for:

(1) the division, merger or consolidation of administrative functions between or among the parties or the performances thereof by 1 city or town on behalf of all the parties;

(2) the financing of the joint or cooperative undertaking;

(3) the rights and responsibilities of the parties with respect to the direction and supervision of the work to be performed and with respect to the administration of the assessing office, including the receipt and disbursement of funds, the maintenance of accounts and records and the auditing of accounts;

(4) annual reports of the assessor to the constituent parties;

(5) the duration of the agreement and procedures for amendment, withdrawal or termination thereof; and

(6) any other necessary or appropriate matter.

(b) An agreement under this section may also provide for the formation of a single assessing department for the purpose of employing assistant assessors and necessary staff and for performing all administrative functions. An agreement may also vest in 1 person, the board of assessors of 1 of the parties or a regional board of assessors comprised of at least 1 representative from each of the parties and selected in the manner set forth in the agreement all of the powers and duties of the boards of assessors and assessing departments of the parties. In that case, the existing boards of assessors of the other parties, or of all the parties if their assessors' powers and duties are vested in 1 person, shall terminate in accordance with section 2 for the duration of the agreement. Unless the agreement provides for the board of assessors of 1 of the parties to serve as the assessors for all of the parties, or for 1 city or town to act on behalf of all parties, the agreement shall designate an appointing authority representing all of the parties. That appointing authority shall be responsible for the appointment of an assessor, assistant assessors, and other staff, and in the case of withdrawal or termination of the agreement, shall determine the employment of any employee of 1 of the parties that became part of a single assessing department. Subject to the rules and regulations established by the commissioner of revenue pursuant to section 1 of chapter 58, the agreement shall provide for qualifications, terms and conditions of employment for the assessor and employees of the assessor's office. The agreement may provide for inclusion of the assessor and the assessor's employees in insurance, retirement programs and other benefit programs of 1 of the constituent parties, but all parties to the agreement shall be pay a proportionate share of the current and future costs of benefits associated with the appointment or employment of all persons performing services for them during the duration of the agreement. A city or town party to such an agreement shall include employees under the joint assessing agreement in such programs in accordance with the terms of the agreement.

(c) A city or town may become a party to an existing agreement with the approval of the other parties.

(d) No agreement or amendment to an agreement for joint or cooperative assessing made pursuant to this section shall take effect until it has been approved in writing by the commissioner of revenue.

SECTION 27. Section 7 of chapter 44 of the General Laws, as so appearing, is hereby amended by inserting after the word "specified", in line 3, the following words:- or, except for clauses (3C), (11), (16), (18), (19), (21) and (22), within such longer period not to exceed 30 years based upon 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.

SECTION 28. The first paragraph of said section 7 of said chapter 44, as so appearing, is hereby amended by inserting after clause (3B) the following clause:-

(3C) For a revolving loan fund established under section 53E¾ 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.

SECTION 29. Said first paragraph of said section 7 of said chapter 44, as so appearing, is hereby further amended by striking out clause (9) and inserting in place thereof the following clause:-

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

SECTION 30. Said first paragraph of said section 7 of said chapter 44, as so appearing, is hereby further amended by inserting after clause (17) the following clause:-

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

SECTION 31. Said first paragraph of said section 7 of said chapter 44, as so appearing, is hereby further amended by adding following 3 clauses:-

(32) For the cost of cleaning up or preventing pollution caused by existing or closed municipal facilities not referenced in clause (21) 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) For any other public work, improvement or asset not specified in this section, with a maximum useful life of at least 5 years, determined as provided in this paragraph, 5 years.

SECTION 32. Section 8 of said chapter 44, as so appearing, is hereby amended by inserting after the word "specified", in line 3, the following words:- or except with respect to clauses (1), (2), (3A), (5), (6), (7), (9) and (19), within such longer period not to exceed 30 years based upon 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.

SECTION 33. Said section 8 of said chapter 44, as so appearing, is hereby further amended by striking out, in lines 77 and 78, the words "a board composed of the attorney general, the state treasurer and the director" and inserting in place thereof the following words: - the municipal finance oversight board.

SECTION 34. Said chapter 44 is hereby further amended by striking out section 19, as so appearing, and inserting in place thereof the following section:-
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.

SECTION 35. Section 26 of said chapter 44 is hereby repealed.

SECTION 36. Said chapter 44 is hereby further amended by inserting after section 53E½ the following section:-
Section 53E¾. (a) Notwithstanding section 53 to the contrary, a city or town may establish an Energy Revolving Loan Fund to provide loans to owners of privately-held real property in the city or town for energy conservation and renewable energy projects on their properties so as to prioritize energy efficiency as the first step toward reducing greenhouse gas emissions associated with buildings.

(b) The fund shall be established by ordinance or by-law. Before adoption of the ordinance or by-law, the board of selectmen, town council or the city council, as the case may be, shall conduct a public hearing on the question of its adoption. The ordinance or by-law shall designate an administrator for the fund and may provide for rules, regulations and procedures for administration of the fund and eligibility for loans the city or town considers necessary or proper to carry out this section. The administrator may consult with the division of green communities established in section 10 of chapter 25A in developing such regulations, rules and procedures for administration of the fund. The fund administrator may be a board, department or officer, or may consist of 1 or more members from 1 or more boards, departments or officers, of the city or town. A city or town which is a member of a regional planning commission may enter into a cooperative agreement with that commission to perform as administrator for the fund. A regional governmental entity or county, if the county may incur debt under chapter 35 or any other general or special law extending a county's debt limit, may establish a fund subject to this section and may appoint a person to be the administrator of the fund.

(c) As authorized by section 4A of chapter 40, 2 or more municipalities may, in a city by vote of the city council, or, in a town by vote of the board of selectmen, enter into an agreement to jointly establish and administer a common fund.

(d) The fund administrator shall have the following powers and duties:

(1) to make loans to owners of real property to finance or refinance the costs of energy conservation and renewable energy projects on their properties; provided, however, that no loan shall be made unless an energy audit of the property has been conducted on or after July 2, 2008, and any energy conservation measures established by the fund administrator for participation in the program have been implemented;

(2) to execute and deliver on behalf of the city or town all loan agreements and other instruments necessary or proper to make the loan and secure its repayment;

(3) to record the notice of the agreement required by subsection (f) and any other loan instruments;

(4) to apply for and accept grants or gifts for purposes of the fund; and

(5) to exercise any other powers or perform any other duties that the city or town may grant by ordinance or by-law to carry out this section.

(e) The city or town treasurer shall be the custodian of the fund, which shall be maintained as a separate account and into which shall be deposited:

(1) all monies appropriated and all proceeds from bonds issued under clause (3C) of the first paragraph of section 7 for purpose of providing loans to private property owners for energy conservation and renewable energy projects;

(2) all funds received from the commonwealth or any other source for those purposes;

(3) all repayments of the loans made by property owners under this section and any reserve or other required payments made by the owners in connection with the loans; and

(4) any other amounts required to be credited to the fund by any law.

The city or town treasurer may invest the monies in the manner authorized in section 55 and any interest earned thereon shall be credited to and become part of the fund.

The city or town treasurer shall annually certify, not later than June 30, in writing to the fund administrator and auditor or similar officer in cities or the town accountant in towns having a town accountant, the principal and interest due in the next fiscal year on any bonds issued under clause (3C) of the first paragraph of section 7 and not otherwise provided for, and the amount certified shall be reserved for payment of that debt service without further appropriation. Loans may be made from the fund by the fund administrator without further appropriation, subject to this section; provided, however, that no loans shall be made or liabilities incurred in excess of the unreserved fund balance and unless approved in accordance with sections 52 and 56 of chapter 41.

(f) Whenever a city or town enters into a loan agreement with a property owner under this section, a notice of the agreement shall be recorded as a betterment and shall be subject to chapter 80 relative to the apportionment, division, reassessment and collection of assessment, abatement and collections of assessments, and to interest; provided, however, that for purposes of this section, the lien shall take effect by operation of law on the day immediately following the due date of the assessment or apportioned part of the assessment and the assessment may bear interest at a rate determined by the city or town treasurer by agreement with the owner at the time the agreement is entered into between the city or town and the property owner. In addition to remedies available under said chapter 80, the property owner shall be personally liable for the repayment of

the total costs incurred by the city or town under this section; provided, however, that upon assumption of the personal obligation by a purchaser or other transferee of all of the original owner's interest in the property at the time of conveyance and the recording of the assumption, the owner shall be relieved of the personal liability.

A betterment loan agreement between an owner and a city or town under this section shall not be considered a breach of limitation or prohibition contained in a note, mortgage or contract on the transfer of an interest in property.

Notwithstanding any provision of chapter 183A to the contrary, the organization of unit owners of a condominium may enter into a betterment loan agreement under this section to finance an energy conservation and renewable energy project, provided that the project comprises part of the common areas and facilities; provided, however, that section 18 of said chapter 183A shall not apply to any improvements undertaken pursuant to an agreement entered into under this section. Such agreement shall: (i) be approved by a majority of the unit owners benefited by the project; (ii) include an identification of the units and unit owners subject to the agreement and the percentages, as set forth in the master deed, of the undivided interests of the respective units in the common area and facilities; and (iii) include a statement by an officer or trustee of the organization of unit owners certifying that the required number of unit owners have approved the agreement. As between the affected unit owners and the city or town, the certification shall be conclusive evidence of the authority of the organization of unit owners to enter into the agreement. A notice of the agreement shall be recorded as a betterment in the registry of deeds or registry district of the land court wherein the master deed is recorded and shall be otherwise subject to chapter 80 as provided in this section. The assessment under the agreement shall be charged or assessed directly to the benefited unit owners and if unpaid shall be added to the annual tax bill for their units in accordance with section 13 of said chapter 80. The allocable share of the assessment, prorated on the basis of the percentage interests of the benefited units in the common areas and facilities, shall attach as a lien only to the units identified in the recorded notice and benefited by the project and the owners of those units shall also be personally liable for their allocable share of the assessment as provided for in this section. For the purposes of this paragraph, the terms "common areas and facilities", "common expenses", "condominium", "master deed", "organization of unit owners", "units" and "unit owners" shall have the same meanings as ascribed to them in section 1 of said chapter 183A.

(g) The fund administrator shall file annually, not later than June 30, a report detailing the amount of money in the fund, loans made and repayments received, and shall also include the types of projects financed. The report shall be filed with the chief executive officer of the city or town, the executive office of administration and finance, the joint committee on municipalities and regional government, the senate and house committees on ways and means and the clerks of the senate and the house of representatives.

SECTION 37. Chapter 53 of the General Laws is hereby amended by inserting after section 18A the following section:-

Section 18B. (a) As used in this section "governing body" shall mean, in a city, the city council or board of aldermen acting with the approval of the mayor subject to the charter of the city, in a town having a town council, the town council, in every other town, the board of selectmen and in a district as provided in sections 113 to 119, inclusive, of chapter 41, the prudential committee, if any, otherwise the commissioners of the district.

(b) The governing body of a city, town or district which accepts this section in the manner provided in section 4 of chapter 4 shall print information relating to each question that shall appear on the city, town or district ballot. The information shall include: (1) the full text of each question; (2) a fair and concise summary of each question, including a 1 sentence statement describing the effect of a yes or no vote, which shall be prepared by the city solicitor, town counsel or counsel for the city, town or district; and (3) arguments for and against each question as provided in subsections (d) and (e). Not later than 7 days before an election at which the question shall be submitted to the voters in a city, town or district, the information in this subsection shall be sent to each household wherein a person whose name appears on the current voting list for the city, town or district resides.

(c) Not later than the day following the date of the determination that a question shall appear on the ballot in an election, the governing body shall provide written notification to the city solicitor or town or district counsel and to the city or town clerk.

(d) Not later than 7 days after the determination that a question shall appear on the ballot, the city solicitor or town or district counsel, as applicable, shall seek written arguments from the principal proponents and opponents of the question. For the purposes of this section, the principal proponents and opponents of a question shall be those persons determined by the solicitor or counsel to be best able to present the arguments for and against the question. The solicitor or counsel shall provide not less than 7 days' written notice to the opponents and proponents of the date on which the written arguments shall be received. Proponents and opponents shall submit their arguments, which shall be not more than 150 words, to the solicitor or counsel, together with a copy thereof to the city or town clerk or, in a district, to the clerk of each city and town within the district. The arguments and summary shall be submitted by the solicitor or counsel to the governing body not more than 20 days before the election for distribution to voters in accordance with subsection (b). A copy of the arguments and summary shall also be submitted by the solicitor or counsel to the city, town or district clerk.

(e) In determining the principal proponents and opponents of a ballot question, the solicitor or counsel shall contact each ballot question committee, if any, as defined in section 1 of chapter 55. The principal proponents or opponents of a ballot question may include officers of a ballot question committee or officers of a city, town or district office or committee including, but not limited to, a finance committee or a school committee. In addition, the principal proponents or opponents may include the first 10 signers or a majority of the first 10 signers of a petition initiating the placement of such question on the ballot. The solicitor or counsel shall determine, based on a review of arguments received, the person or group best able to present arguments for and against a question. If no argument is received by the solicitor or counsel within the time specified by the solicitor or counsel, the solicitor or counsel shall prepare an argument and submit the argument to the governing body and to the city or town clerk or, in a district, to the clerk of each city and town within the district within the time specified in subsection (d).

(f) All arguments filed or prepared pursuant to this section and the information prepared pursuant to subsection (b), shall be open to public inspection at the office of city or town clerk or, in a district, at the office of the clerk of each city and town within the district. In addition, each city or town clerk shall make such information available to the voters at all polling places within the city, town or district.

SECTION 38. Section 8 of chapter 58 of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by striking out the second and third paragraphs and inserting in place thereof the following paragraph:-

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.

SECTION 39. Section 5 of chapter 59 of the General Laws is hereby amended by inserting after the word "annum", in line 452, as so appearing, the following words:- or such lesser rate as may be determined by the legislative body of the city or town, subject to its charter, not later than the beginning of the fiscal year to which the tax relates.

SECTION 40. Said section 5 of said chapter 59 is hereby further amended by striking out in line 754, as so appearing, the words "and are incapable of working".

SECTION 41. Said section 5 of said chapter 59 is hereby further amended by inserting after the word "years", in line 1267, as so appearing, the following words:- ; and (4) utilizing income limits on a household basis rather than on a single applicant basis for real estate tax exemptions.

SECTION 42. Said section 5 of said chapter 59, as amended by section 66 of chapter 25 of the acts of 2009, is hereby further amended by adding the following 2 clauses:-

Fifty-sixth. Upon the acceptance of this section by a city or town, the board of assessors may grant, real and personal property tax abatement up to 100 per cent of the total tax assessed to members of the Massachusetts National Guard and to reservists on active duty in foreign countries for the fiscal year they performed such service subject to eligibility criteria to be established by the board of assessors.

The authority to grant abatements under this section shall expire after 2 years of acceptance unless extended by a vote of the city or town.

Fifty-seventh. Upon the acceptance of this section by a city or town, the board of assessors may appropriate monies for and grant property tax rebates in an amount not to exceed annually the amount of the income tax credit set forth under subsection (k) of section 6 of chapter 62.

SECTION 43. Section 5K of said chapter 59, as amended by section 24 of chapter 27 of the acts of 2009, is hereby further amended by adding the following paragraph:-

A city or town, by vote of its legislative body, subject to its charter, may adjust the exemption in this clause by: (1) allowing an approved representative, for persons physically unable, to provide such services to the city or town; or (2) allowing the maximum reduction of the real property tax bill to be based on 125 volunteer service hours in a given tax year, rather than $1,000.

SECTION 44. Section 29 of said chapter 59, as appearing in the 2008 Official Edition, is hereby amended by striking out, in line 20, the words "thirty days after the mailing of the tax bills" and inserting in place thereof the following words:- the last day for filing an application for abatement of the tax.

SECTION 45. Said chapter 59 is hereby further amended by inserting after section 31 the following section:-
Section 31A. For the purpose of verifying that a person required to file a true list of taxable personal property under section 29 has made a complete and accurate accounting of that property, the assessors may at any time within 3 years after the date the list was due, or within 3 years after the date the list was filed, whichever is later, examine the books, papers, records and other data of the person required to file the list. The assessors may compel production of books, papers, records and other data of the person through issuance of a summons served in the same manner as summonses for witnesses in criminal cases issued on behalf of the commonwealth, and all provisions of law relative to summonses in such cases shall, so far as applicable, apply to summonses issued under this section. A justice of the supreme judicial court or of the superior court may, upon the application of the assessors, compel the production of books, papers, records and other data in the same manner and to the same extent as before those courts.

SECTION 46. Section 32 of said chapter 59, as appearing in the 2008 Official Edition, is hereby amended by striking out the first sentence and inserting in place thereof the following 2 sentences:- Lists filed under section 29 and books, papers, records and other data obtained under section 31A shall be open to the inspection of the assessors, the commissioner, the deputies, clerks and assistants of either the assessors or the commissioner and any designated private auditor of the commissioner or the assessors as may have occasion to inspect the lists, books, papers, records and other data in the performance of their official, contractual or designated duties, but so much of the lists, books, papers, records and other data as shows the details of the personal estate shall not be open to any other person except by order of a court. For purposes of this section, a "designated private auditor" shall be an individual, corporation or other legal entity selected by the commissioner or a city or town to value personal property or perform an audit which includes the assessing department of a city or town under any legal authority, including the examination of records under said section 31A, an audit under sections 40 or 42A of chapter 44 or an investigation under section 46A of said chapter 44 but only if the individual, corporation or other legal entity shall be compensated for the audit work pursuant to an arrangement under which neither the payment nor the amount of their fees and expenses for the work are contingent on either the results of the audit or whether the results withstand any appeal by a taxpayer.

SECTION 47. The second paragraph of section 38D of said chapter 59, as so appearing, is hereby amended by striking out the first sentence and inserting in place thereof the following 2 sentences:- Failure of an owner or lessee of real property to comply with

such request within 60 days after it has been made by the board of assessors shall be automatic grounds for dismissal of a filing at the appellate tax board. The appellate tax board and the county commissioners shall not grant extensions for the purposes of extending the filing requirements unless the applicant was unable to comply with such request for reasons beyond his control or unless he attempted to comply in good faith.

SECTION 48. Said section 38D of said chapter 59, as so appearing, is hereby further amended by striking out the third paragraph and inserting in place thereof the following 2 paragraphs:-

If an owner or lessee of Class one, residential property fails to submit the information within the time and in the form prescribed, the owner shall be assessed an additional penalty for the next ensuing tax year in the amount of $50 but only if the board of assessors informed the owner or lessee that failure to submit such information would result in the penalty.

If an owner or lessee of Class three, commercial or Class four, industrial property fails to submit the information within the time and in the form prescribed, the owner or lessee shall be assessed an additional penalty for the next ensuing tax year in the amount of $250 but only if the board of assessors informed the owner or lessee that failure to so submit such information would result in the penalty.

SECTION 49. Said chapter 59 is hereby further amended by inserting after section 42 the following section:-

Section 42A. For the purpose of verifying that an owner of a pipeline or a telephone or telegraph company required to make a return under section 38A or section 41 has made a complete and accurate accounting of the property required to be returned, the commissioner shall have all the powers and remedies provided by said section 31A to assessors of cities and towns. If the commissioner reasonably believes, as a result of an examination of the books, papers, records and other data or otherwise, that taxable personal property for a fiscal year was not valued or was incorrectly valued, the commissioner may, not later than 3 years and 6 months after the date the return was due or 3 years and 6 months after the date the return was filed, whichever is later, certify an amended valuation to the owner of the pipeline or telephone or telegraph company and to the boards of assessors of the cities and towns wherein the property was subject to taxation for that year. Not later than 2 months after the date of the amended certification, the assessors shall assess and commit to the collector with their warrant for collection an additional tax to the owner of the pipeline or telephone or telegraph company. An owner or company aggrieved by the assessment of the additional tax may, within 1 month after the bill or notice of the additional assessment is first sent, appeal the valuation to the appellate tax board. The appeal shall name as appellees the commissioner and the board of assessors. Except as otherwise provided in this section, the hearing and appeal before the appellate tax board shall proceed in the same manner as an appeal of the valuations originally certified by the commissioner.

SECTION 50. Section 61 of said chapter 59, as appearing in the 2008 Official Edition, is hereby amended by striking out, in line 4, the word ”twenty-nine”, and inserting in place thereof the following words:- 29 and complied with any requests by the assessors to examine books, papers, records and other data under section 31A.

SECTION 51. Said section 61 of said chapter 59, as so appearing, is hereby further amended by striking out, in line 6, the word “twenty-nine”, and inserting in place thereof the following words:- 29 or the person has not complied with any requests by the assessors to examine books, papers, records and other data under said section 31A.

SECTION 52. Section 75 of said chapter 59, as so appearing, is hereby amended by striking the first sentence and inserting in place thereof the following 3 sentences:- If a parcel of real property or the personal property of a person has been unintentionally omitted from the annual assessment of taxes due to a clerical or data processing error or some other good faith reason or, if the personal property of a person was omitted from the annual assessment of taxes but discovered upon an examination of the books, papers, records and other data under section 31A, the assessors shall, in accordance with any rules, regulations and guidelines as the commissioner may prescribe, assess such person for such property. Except for personal property found after an examination under said section 31A which shall be made not later than 3 years and 6 months after the date the true list in which such property should have been returned was due or not later than 3 years and 6 months after the date the return was filed, whichever is later, no such assessment shall be made later than June 20 of the taxable year or 90 days after the date on which the tax bills were mailed, whichever is later. The assessors shall annually, not later than June 30 of the taxable year or 100 days after the date on which the tax bills were mailed if mailed after March 22, return to the commissioner a statement showing the amounts of additional taxes so assessed.

SECTION 53. Section 76 of said chapter 59, as so appearing, is hereby amended by inserting after the word “reason”, in line 3, the following words:- or due to discovery upon an examination of the books, papers, records and other data under section 31A that the property was not accurately or properly reported.

SECTION 54. Chapter 60 of the General Laws is hereby amended by striking out section 3A, as so appearing, and inserting in place thereof the following section:- 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.

SECTION 55. Section 2 of chapter 60A of the General Laws, as so appearing, is hereby amended by inserting after the word “section”, in line 42, the following words:- and the due date shall be clearly indicated on the tax notice.

SECTION 56. Section 6 of chapter 70B of the General Laws is hereby amended by inserting after the word “dates”, in line 66, as so appearing, the following words:- or up to 30 years if consistent with the guidelines established in section 7 of chapter 44.

SECTION 57. Clause (d) of section 16 of chapter 71 of the General Laws, as so appearing, is hereby amended by striking out the first paragraph and inserting in place thereof the following paragraph: -

To incur debt for the purpose of acquiring land and constructing, reconstructing, adding to and equipping a school building or for the purpose of remodeling and making extraordinary repairs to a school building and for the construction of sewerage systems and sewerage treatment and disposal facilities, or for the purchase or use of such systems with municipalities, and for the purpose of purchasing department equipment; or for the purpose of constructing, reconstructing or making improvements to outdoor playground, athletic or recreational facilities; or for the purpose of constructing, reconstructing or resurfacing roadways and parking lots; or for the purpose of any other public work or improvement of a permanent nature required by the district; or for the purpose of any planning, architectural or engineering costs relating to any of the above purposes;

provided, however, that written notice of the amount of the debt and of the general purposes for which it was authorized shall be given to the board of selectmen in each of the towns comprising the district not later than 7 days after the date on which the debt was authorized by the district committee; provided further, that no debt may be incurred until the expiration of 60 days after the date on which the debt was authorized; and provided further, that before the expiration of this period any member town of the regional school district may hold a town meeting for the purpose of expressing disapproval of the amount of debt authorized by the district committee, and if at that meeting a majority of the voters present and voting express disapproval of the amount authorized by the district committee, the debt shall not be incurred and the district school committee shall prepare another proposal which may be the same as any prior proposal and an authorization to incur debt therefor. Debt incurred under this section shall be payable within 30 years, but no such debt shall be issued for a period longer than the maximum useful life of the project being financed as determined in accordance with guidelines established by the division of local services of the department of revenue.

SECTION 58. Section 16G½ of said chapter 71, as so appearing, is hereby amended by striking out the third paragraph and inserting in place thereof the following paragraph:-
The stabilization fund may be appropriated by vote of two-thirds of all of the members of the regional district school committee for any purpose for which regional school districts may borrow money or for such other district purpose as the director of accounts may approve.

SECTION 59. Section 37 of said chapter 71, as so appearing, is hereby amended by adding the following sentence:- The school committee in each city, town and regional school district may select a superintendent jointly with other school committees and the superintendent shall serve as the superintendent of all of the districts that selected him.

SECTION 60. Section 8 of chapter 71B of the General Laws, as so appearing, is hereby amended by adding the following paragraph:-
A school committee may adopt a program to reimburse parents who voluntarily choose to transport their disabled child to a school approved by the department that is located outside of the city or town of residence of the parent or guardian. The reimbursement program may utilize rates in excess of the standard state mileage reimbursement amounts and may be based on a mileage, daily or weekly rate. Committees choosing to utilize this option shall be able to demonstrate that parental reimbursements represent a cost savings compared to other modes of available transportation. An eligible parent shall not be required to participate in the program.

SECTION 61. Chapter 111C of the General Laws is hereby amended by adding the following section:-
Section 25. When a class I, II or V ambulance transports a patient receiving care at the paramedic level of advanced life support the ambulance shall be staffed in accordance with regulations promulgated by the department, with a minimum of 2 emergency medical technicians, only 1 of whom shall be certified at the EMT-Paramedic level; provided, however, that the service staffing a class I, II or V ambulance may staff the ambulance with more than 1 emergency medical technician certified at the EMT-Paramedic level.

SECTION 62. Section 29 of chapter 149 of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by striking out, in lines 6 and 7, the words "in the case of the commonwealth is more than five thousand dollars, and in any other case is more than two thousand dollars," and inserting in place thereof the following words:- is more than $25,000.

SECTION 63. Subsection (2) of section 44A of said chapter 149, as amended by section 30 of chapter 166 of the acts of 2009, is hereby further amended by striking out paragraphs (A) and (B) and inserting in place thereof the following 2 paragraphs:-

(A) Every contract or procurement for the construction, reconstruction, installation, demolition, maintenance or repair of a building by a public agency estimated to cost less than $10,000, shall be obtained through the exercise of sound business practices; provided, however, that the public agency shall make and keep a record of each such procurement; and provided further, that the record shall, at a minimum, include the name and address of the person from whom the services were procured.

(B) Every contract for the construction, reconstruction, installation, demolition, maintenance or repair of any building estimated to cost not less than $10,000 but not more than $25,000 shall be awarded to the responsible person offering to perform the contract at the lowest price. The public agency shall make public notification of the contract and shall seek written responses from persons who customarily perform such work. The public notification shall include a scope-of-work statement that defines the work to be performed and provides potential responders with sufficient information regarding the objectives and requirements of the public agency and the time period within which the work shall be completed. For the purposes of this paragraph, "public notification" shall include, but need not be limited to, posting at least 2 weeks before the time specified in the notification for the receipt of responses, the contract and scope-of-work statement on the website of the public agency, on the COMPASS system or in the central register published pursuant to section 20A of chapter 9 and in a conspicuous place in or near the primary office of the public agency.

SECTION 64. Section 14 of chapter 183A of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by inserting after the word "section", in line 5, the following words:- 53E¾ of chapter 44 and section.

SECTION 65. Chapter 200A of the General Laws is hereby amended by striking out section 9A, as so appearing, and inserting in place thereof the following section:-
Section 9A. (a) In any city, town or district that accepts this section in the manner provided in section 4 of chapter 4, there shall be an alternative procedure for disposing of abandoned funds held in the custody of the city, town or district as provided in this section.

(b) Any funds held in the custody of a city, town or district may be presumed by the city, town or district treasurer to be abandoned unless claimed by the corporation, organization, beneficiary or person entitled thereto within 1 year after the date prescribed for payment or delivery; provided, however, that the last instrument intended as payment shall bear upon its face the statement "void if not cashed within 1 year from date of issue". After the expiration of 1 year after the date of issue, the treasurer of a city, town or district may cause the financial institution upon which the instrument was drawn to stop payment on the instrument or otherwise cause the financial institution to decline payment on the instrument and any claims made beyond that date shall only be paid by

the city, town or district through the issuance of a new instrument. The city, town or district and the financial institution shall not be liable for damages, consequential or otherwise, resulting from a refusal to honor an instrument of a city, town or district submitted for payment more than a year after its issuance.

(c) The treasurer of a city, town or district holding funds owed to a corporation, organization, beneficiary or person entitled thereto that are presumed to be abandoned under this section shall post a notice entitled "Notice of names of persons appearing to be owners of funds held by (insert city, town or district name), and deemed abandoned". The notice shall specify the names of those persons who appear from available information to be entitled to such funds, shall provide a description of the appropriate method for claiming the funds and shall state a deadline for those funds to be claimed; provided, however, that the deadline shall not be less than 60 days after the date the notice was either postmarked or first posted on a website as provided in this section. The treasurer of the city, town or district may post such notice using either of the following methods: (1) by mailing the notice by first class mail, postage prepaid, to the last known address of the beneficiary or person entitled thereto; or (2) if the city, town or district maintains an official website, by posting the notice conspicuously on the website for not less than 60 days. If the apparent owner fails to respond within 60 days after the mailing or posting of the notice, the treasurer shall cause a notice of the check to be published in a newspaper of general circulation, printed in English, in the county in which the city or town is located.

(d) In the event that funds appearing to be owed to a corporation, organization, beneficiary or person is $100 or more and the deadline as provided in the notice has passed and no claim for the funds has been made, the treasurer shall cause an additional notice, in substantially the same form as the aforementioned notice, to be published in a newspaper of general circulation in the county in which the city, town or district is located; provided, however, that the notice shall provide an extended deadline beyond which funds shall not be claimed and such deadline shall be at least 1 year from the date of publication of the notice.

(e) Once the final deadline has passed under subsection (d), the funds owed to the corporation, organization, beneficiary or person entitled thereto shall escheat to the city, town or district and the treasurer thereof shall record the funds as revenue in the General Fund of the city, town or district and the city, town or district shall not be liable to the corporation, organization, beneficiary or person for payment of those funds or for the underlying liability for which the funds were originally intended. Upon escheat, the funds shall be available to the city, town or district's appropriating authority for appropriation for any other public purpose. In addition to the notices required in this section, the treasurer of the city, town or district may initiate any other notices or communications that are directed in good faith toward making final disbursement of the funds to the corporation, organization, beneficiary or person entitled thereto.

Prior to escheat of the funds, the treasurer of the city, town or district shall hear all claims on funds that may arise and if it is clear, based on a preponderance of the evidence available to the treasurer at the time the claim is made, that the claimant is entitled to disbursement of the funds, the treasurer shall disburse funds to the claimant upon receipt by the treasurer of a written indemnification agreement from the claimant wherein the claimant agrees to hold the city, town or district and the treasurer of the city, town or district harmless in the event it is later determined that the claimant was not entitled to receipt of the funds. If it is not clear, based on a preponderance of the evidence before the treasurer at the time of the claim that the claimant is entitled to disbursement of the

funds, the treasurer shall segregate the funds into a separate, interest-bearing account and shall notify the claimant of such action within 10 days. A claimant affected by this action may appeal within 20 days after receiving notice thereof to the district, municipal or superior court in the county in which the city, town or district is located. The claimant shall have a trial de novo. A party adversely affected by a decree or order of the district, municipal or superior court may appeal to the appeals court or the supreme judicial court within 20 days from the date of the decree.

If the validity of the claim shall be determined in favor of the claimant or another party, the treasurer shall disburse funds in accordance with the order of the court, including interest accrued. If the validity of the claim is determined to be not in favor of the claimant or another party or if the treasurer does not receive notice that an appeal has been filed within 1 year from the date the claimant was notified that funds were being withheld, then the funds, plus accrued interest, shall escheat to the city, town or district in the manner provided in this section.

If the claimant is domiciled in another state or country and the city, town or district determines that there is no reasonable assurance that the claimant will actually receive the payment provided for in this section in substantially full value, the superior court, in its discretion or upon a petition by the city, town or district, may order that the city, town or district retain the funds.

SECTION 66. (a) Notwithstanding chapter 32 of the General Laws or any other general or special law to the contrary, a municipality which accepts this section may establish and implement an early retirement incentive program for its employees in accordance with this section.

(b) The chief executive officer of the municipality shall limit the total number of participating employees, with preference given to those with greater years of creditable service, and shall have the authority to determine which eligible municipal employees may participate and to approve early retirement benefits for each employee in order to avoid adverse impacts on municipal operations and services.

(c) In order to be eligible to participate in a program established under this section, in addition to any other requirements imposed by the municipality, an employee must be an active member of a municipal, regional or county retirement system with at least 20 years of service whose salary is paid from the operating budget and not from federal, trust or other capital funds.

(d) An employee who is eligible for the early retirement incentive program may request in an application for retirement that the retirement board credit the employee with an additional retirement benefit of a combination of years of creditable service and years of age, in full year increments, the sum of which shall not be greater than 3 years, or a lesser amount established by the municipality, for the purposes of determining the employee's superannuation retirement allowance under paragraph (a) of subdivision (2) of section 5 of chapter 32 of the General Laws. Notwithstanding the credit, the total normal yearly amount of the retirement allowance, as determined in accordance with said section 5 of said chapter 32, of any employee who retires and receives the retirement incentive program benefit shall not exceed 80 per cent of the average annual rate of the employee's regular compensation as determined in accordance with said section 5 of said chapter 32. All participants shall forego the right to accrued sick and vacation time, and the amount that would have been paid to a retiree for accrued sick and vacation time shall be paid into the municipal, regional or county retirement system to reduce the additional pension liability resulting from this program.

(e) In filling positions which have been vacated by employees who participate in an early retirement incentive program under this section, the chief executive officer of the municipality shall be limited to paying compensation, contract and professional services in an amount that does not exceed the following percentage of the total annual salary of all participants in the program calculated as of their respective retirement dates: 30 per cent in fiscal year 2011, 45 per cent in fiscal year 2012 and 60 per cent in fiscal year 2013.

(f) A municipality that establishes an early retirement incentive program under this section shall provide the public employee retirement administration commission with information demonstrating the value of the plan and any information requested by the public employee retirement administration commission in order to allow it to evaluate the plan and confirm the analysis, including historic data upon which the plan is based, the elements of the municipal plan including the total number of participants, the types of eligible employees, the salaries of participating employees, the benefits to be received and the limits on refilling vacated positions. In addition, the municipality shall certify to the public employee retirement administration commission that the present value cost of its plan is estimated to be less than the present value savings and provide the commission with all information it requests to evaluate the plan and confirm a cost analysis.

(g) In order to establish an early retirement incentive program under this section, a municipality shall:

(i) require the chief executive officer of a municipality that chooses to participate to submit its plan to the public employee retirement administration commission for approval within 2 months after the effective date of this act;

(ii) once the plan has been approved, submit to the legislative body of the municipality for acceptance not later than the next meeting of the legislative body at which the plan can practicably be submitted;

(iii) publish and make available to employees the approved plan within 1 month after its acceptance by the legislative body;

(iv) require employees to participate within 2 months of the plan's publication;

(v) determine which applicants shall be allowed to participate in the program and notify them within 1 month of the application deadline; and

(vi) require that participating employees retire within 2 months of notification of acceptance.

(h) The chief executive officer of a municipality that establishes a program under this section shall submit an annual report to the public employee retirement administration commission, the executive office for administration and finance and the municipal legislative body. The report shall include the salaries and positions of participants, the amount of sick and vacation time being contributed by participants, the salaries and positions of those being hired as replacements and whether the positions of participants have been permanently eliminated.

(i) A municipality's increased pension liability resulting from participation in a program established under this section shall be amortized over 10 years, starting in the next fiscal year after all participating employees retire, in equal installments, and shall be separately identified in the municipal, regional or county retirement system's pension funding schedule.

(j) For purposes of sections (a) to (i), inclusive, the powers and duties of the chief executive officer shall be vested in the manager of the municipal lighting plant for all matters affecting municipal lighting plant employees.

SECTION 67. (a) Notwithstanding subsection (d) of section 8 of chapter 372 of the acts of 1984 or any other general or special law to the contrary, each of the towns of Chicopee and Wilbraham and the South Hadley Fire District #1, each having the responsibility for providing potable water in their respective service areas and each presently receiving its wholesale supply of potable water from the Massachusetts Water Resources Authority through the Chicopee Valley Aqueduct may furnish water to new service connections to properties located in other communities when, in the exercise of discretion by the community furnishing the water, such service is deemed necessary exclusively for the public health, safety or welfare.

(b) Each of the towns of Chicopee and Wilbraham and the South Hadley Fire District #1 may provide water for new single service connections upon such reasonable terms as may be agreeable to the municipality providing water service and may extend their respective water supply systems to properties contiguous to, or in the vicinity of, their respective local community-owned water supply pipelines that extend from the Chicopee Valley Aqueduct. For the purposes of this section, the term single service connection shall refer to either a single, individual new customer connection or to a distinct water service expansion project involving multiple new customers. Each such connection or each such water service expansion project shall be regarded as a single service connection so long as additional demand upon safe yield from the sources of water available to the authority, per connection or per project, does not exceed 100,000 gallons per day. The prior consent of the authority shall not be required for new single service connections, but advance written notification to the authority shall be required. Notification to, and the approval of, the chief executive officer in the municipality to which the single service connection is located is required. An entrance fee shall be paid to the Authority unless waived by all 3 of the aqueduct municipalities. If not waived, the entrance fee shall be in an amount equal to the new service connection's proportional share of the net asset value of the Chicopee Valley aqueduct system. The entrance fee shall be collected by the municipality of the aqueduct which shall extend its system and which shall provide the water supply connection. The entrance fee shall inure to the benefit of the aqueduct system.

(c) For all new service connections that do not qualify as single service connections, as defined in subsection (b), the recipient municipality, on behalf of its residents, businesses or other customers, shall follow the procedures and requirements and obtain each of the applicable approvals, as set forth in subsection (d) of section 8 of chapter 372 of the acts of 1984 as are required of a new member community or water district seeking admission to the authority service area. Compliance with said subsection (d) of said section 8 of said chapter 372 shall remain the sole means for approval of any proposed new service connection which is either intended to provide and extend water service to any significant additional segment of the population of a municipality not now served by the authority or which is otherwise beyond the scope of the requirements established in subsection (b). All authority entrance fees for additional wholesale and retail connections to municipalities served through the aqueduct shall inure to the benefit of the aqueduct municipalities.

SECTION 68. (a) The terms used in this section shall have the following meanings unless the context clearly requires otherwise:

"Amnesty period", a period of time commencing not earlier than the date a local legislative body establishes a municipal tax amnesty program according to this act and expiring not later than June 30 2011, as the local legislative body might determine, during

which the municipal tax amnesty program established by the local legislative body shall be in effect in that city or town.

"Collector", a person receiving a tax list and a warrant to collect the same.

"Covered amount", the aggregate of all penalties, fees, charges and accrued interest assessed by the collector or treasurer for the failure of a certain taxpayer to timely pay a subject liability; provided, however, that the covered amount shall not include the subject liability itself or any fees and charges authorized or incurred for the collection of a past due subject liability for which notice has been issued; and provided further, that nothing in this section shall authorize the waiver of penalties, fees, charges and accrued interest resulting from the violation of any law, municipal by-law or ordinance.

"Municipal tax amnesty program", a temporary policy by a city or town to forever waive its right to collect all or any uniform proportion of the covered amount, as determined by the local legislative body, then due from any person who, prior to the expiration of the amnesty period, voluntarily pays the collector or treasurer the full amount of the subject liability that serves as the basis for the covered amount; provided, however, that a municipal tax amnesty program shall not include a policy that enables or requires a city or town to waive its right to collect the covered amount from a person who, at the time of commencement of the amnesty period is or was the subject of a criminal investigation or prosecution for failure to pay the city or town any subject liability or covered amount.

"Subject liability", the principal amount of a particular tax or excise liability payable by a taxpayer under chapter 59, 60, 60A or 60B of the General Laws, as determined by the local legislative body.

"Treasurer", as described in chapter 41 of the General Laws.

(b) Notwithstanding any general or special law to the contrary, the local legislative body in any city or town may vote to establish a municipal tax amnesty program according to the provisions of this section and shall, at the same time as such vote, determine the amnesty period. Tax amnesty periods shall not extend beyond June 30, 2011. The commissioner of revenue may issue such guidelines as he deems appropriate to carry out this section.

SECTION 69. The department of elementary and secondary education shall review and revise reporting requirements imposed on local school districts. Wherever possible, the department shall consolidate and eliminate the reporting requirements. The department shall file a report not more than 6 months after the effective date of this act to the clerks of the house of representatives and senate and the joint committee on education detailing the number of requirements that were eliminated and consolidated, as well as reasons for why certain reports could not be consolidated or eliminated.

SECTION 70. The Massachusetts cultural council, in cooperation with the executive branch, constitutional offices, quasi-governmental agencies and the joint committee on tourism, arts and cultural development, shall identify state incentives and resources to enhance cultural districts pursuant to section 52A of chapter 10 of the General Laws and shall report its findings and recommendations, if any, together with drafts of legislation necessary to carry those recommendations into effect by filing the same with the clerk of the senate and house of representatives not later than January 1, 2011.

SECTION 71. The first actuarial valuation to be conducted pursuant to the second paragraph of paragraph (f) of subdivision (3) of section 21 chapter 32 of the General

Laws, as appearing in section 16, shall be completed by January 1, 2011, or by January 1 of the third year following the last actuarial valuation of the system, whichever first occurs.

SECTION 72. There shall be a special commission to examine efficient and effective strategies to implement school district collaboration and regionalization. The commission shall consist of the senate and house chairs of the joint committee on education, who shall serve as co-chairs of the commission; the secretary of education or his designee; the commissioner of elementary and secondary education or his designee; the executive director of the Massachusetts School Building Authority or her designee; 1 member of the house of representatives to be appointed by the minority leader, 1 member of the senate to be appointed by the minority leader; and 9 persons to be appointed by the secretary of education, 1 of whom shall be from a list of 3 persons nominated by the Massachusetts Association of School Superintendents, 1 of whom shall be selected from a list of 3 persons nominated by the Massachusetts Association of School Committees, 1 of whom shall be selected from a list of 3 persons nominated by the Massachusetts Association of Regional Schools, 1 of whom shall be selected from a list of 3 persons nominated by the Massachusetts Teachers Association, 1 of whom shall be selected from a list of 3 persons nominated by the American Federation of Teachers, Massachusetts, 1 of whom shall be selected from a list of 3 persons nominated by the Massachusetts Association of School Business Officials, 1 of whom shall be selected from a list of 3 persons nominated by the Massachusetts Business Alliance for Education, 1 of whom shall be selected from a list of 3 persons nominated by the Massachusetts Municipal Association and 1 of whom shall be selected from a list of 3 persons nominated by the Massachusetts Organization of Educational Collaboratives.

The commission shall examine and make recommendations on model approaches regarding, but not limited to, the following areas: (1) identifying indicators for assessing the academic and programmatic quality, overall district capacity, including the effectiveness of the central office and the fiscal viability, efficiency and long-term sustainability of school districts; (2) cooperative purchasing of materials and services; (3) interdistrict academic and extracurricular programs; (4) merger of school district central office buildings, staff and operational systems; (5) merger of collective bargaining agreements; (6) merger of debt obligations, including for school building projects; (7) the effect of school district regionalization on educational and instructional outcomes; (8) the effect of school district regionalization on school funding allocations; (9) school consolidation; (10) transitional costs associated with school district regionalization; (11) appropriate time frames for implementing school district regionalization; (12) incentives for school districts to increase collaboration and/or regionalize; (13) revisions of chapter 71 of the General Laws to facilitate the effective implementation of existing and future regional school district agreements; (14) school building capacity and facilities; (15) the feasibility of adopting a regional district finance structure in which the local contribution of the member cities or towns that the regional district serves is assessed on the basis of a uniformly measured fiscal capacity; and (16) in-district collaborations between schools, including consolidating buildings, programs, school and central office administration, special education and food service.

The commission shall conduct its first meeting not less than 45 days after the effective date of this act and shall issue its final report to the general court on the results of its study and its recommendations, if any, together with drafts of legislation necessary to carry out such recommendations, by filing the same with the clerk of the senate and

house of representatives not later than March 31, 2011, and the clerks shall forward the same to the senate and house chairs of the joint committee on education and the chairs of the senate and house committees on ways and means.

Approved July 27, 2010

CHAPTER 240 – ECONOMIC DEVELOPMENT

Effective August 1, 2010 unless otherwise noted

§§ 75-78, 109 & 206 Tax Increment Financing Exemptions. Allow a municipality and property owner to negotiate the property tax exemption percentage for personal property located on a parcel covered by a tax increment financing (TIF) agreement. Under prior TIF agreements, the parties specified the exemption percentage for the real property and then all tangible personal property on the site was exempt even if owned by lessees. Sections 75, 77, and 78 amend the three TIF statutes (G.L. c. 40, § 59 to promote economic development; c. 40, § 60 to promote urban center affordable housing; and c. 40, § 60A to promote manufacturing workforce training) to require the personal property exemption percentage to be specified in the agreement. Section 109 amends Clause 51 of G.L. c. 59, § 5, which provides the property tax exemption for TIF parcels, to include the exemption of the percentage of personal property valuation specified in the agreement.

§§ 99-104 & 198 District Improvement Financing Increment. Sections 99-104 amend G.L. c. 40Q, which allows cities and towns to create districts to develop infrastructure, housing and other capital projects and improve the area. Municipalities may borrow to fund the projects by issuing general obligation or revenue bonds for up to 30 years. If they issue revenue bonds, they can dedicate a "tax increment" from future property taxes to secure the bonds. The amendments will let municipalities calculate that tax increment without adjusting the base year assessed value of property in the district for inflation. To do so, they must affirmatively elect that option when they create the district. Section 198 makes these amendments applicable to districts created after August 1, 2010.

§§ 108 & 200 Optional Disregarded Limited Liability Company Exemption. Section 108 amends G.L. c. 59, § 5(16)(3) to add a new local acceptance exemption for some disregarded limited liability companies (LLCs) whose sole members are manufacturing or research and development corporations. If accepted, the LLCs would get the same local property tax exemption for their personal property as those corporations. Unlike manufacturing corporations (and by local option, research and development corporations), which are exempt for almost all of their personal property, these disregarded LLCs are now taxed locally for all of their personal property. Section 200 makes this option effective January 1, 2011.

§§ 105, 110 & 206 Gateway Community Housing Incentive Program Exemption. Section 110 adds G.L. c. 59, § 5M, which provides a property tax exemption of between 10-100 percent of the incremental value of market rate units in certified housing projects approved by the Department of Housing and Community Development (DHCD) under the Gateway Community Housing Development Incentive Program established by G.L. c. 40V. See Section 105. Under the new G.L. c. 40V, DHCD may designate housing

development zones within gateway municipalities based on a need for multi-unit market rate residential properties, which is defined as housing priced for households above 110 per cent of the area's household median. The exemption is similar to a TIF exemption in that it is negotiated with each developer within statutory parameters. Exemption agreements must be approved by the municipality's legislative body and DHCD. Exemptions must last at least five years and no more than 20 years. Under Section 199, G.L. c. 40V, § 3, which authorizes DHCD to approve these exemption agreements, takes effect on January 1, 2011.

CHAPTER 240 OF THE ACTS OF 2010 (EXCERPTS)
An Act Relative to Economic Development Reorganization.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to provide forthwith a business-friendly environment that will stimulate job growth and improve the ease with which businesses can operate in the markets they serve, and to coordinate economic development activities funded by the commonwealth, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same as follows:

SECTION 75. Section 59 of chapter 40 of the General Laws, as so appearing, is hereby amended by striking out clause (iii) and inserting in place thereof the following clause:-

(iii) authorizes tax increment exemptions from property taxes, under clause Fifty-first of section 5 of chapter 59, for a specified term not to exceed 20 years, for any parcel of real property which is located in the TIF zone and for which an agreement has been executed with the owner of the real property under clause (v); provided, however, that the TIF plan shall specify the level of the exemptions expressed as exemption percentages, not to exceed 100 per cent to be used in calculating the exemptions for the parcel, and for personal property situated on that parcel, as provided under said clause Fifty-first of said section 5 of said chapter 59; provided, further, that the exemption for each parcel of real property shall be calculated using an adjustment factor for each fiscal year of the specified term equal to the product of the inflation factors for each fiscal year since the parcel first became eligible for an exemption under this clause; provided, further that the inflation factor for each fiscal year shall be a ratio;

(a) the numerator of which shall be the total assessed value of all parcels of commercial and industrial real estate that are assessed at full and fair cash value for the current fiscal year minus the new growth adjustment for the current fiscal year attributable to the commercial and industrial real estate as determined by the commissioner of revenue under subsection (f) of section 21C of chapter 59; and

(b) the denominator of which shall be the total assessed value for the preceding fiscal year of all the parcels included in the numerator; provided, however, that the ratio shall not be less than 1;.

SECTION 76. Said section 59 of said chapter 40, as so appearing, is hereby further amended by adding the following clause:-

(viii) requires of an owner of a parcel pursuant to clause (v) to submit to the city or town clerk and the economic assistance coordinating council a report detailing the status of the construction laid out in the plan; the current value of the property; and the number of jobs created to date as a result of the plan; provided, however, that a report shall be filed every 5 years for the term of the tax increment exemption allowed under clause Fifty-first of section 5 of chapter 59; and provided further, that a final report shall be filed in the final year of the exemption.

SECTION 77. Clause (iii) of subsection (a) of section 60 of said chapter 40, as so appearing, is hereby amended by striking out the introductory paragraph and inserting in place thereof the following introductory paragraph:-
authorize tax increment exemptions from property taxes, under clause Fifty-first of section 5 of chapter 59, for a specified term not to exceed 20 years, for any parcel of real property which is located in the UCH-TIF zone and for which an agreement has been executed under clause (v); provided, however, that the UCH-TIF plan shall specify the level of exemptions expressed as exemption percentages, not to exceed 100 per cent to be used in calculating the exemptions for the parcel, and for personal property situated on that parcel, as provided under said clause Fifty-first of said section 5 of said chapter 59; provided, further, that the exemption for each parcel of real property shall be calculated using an adjustment factor for each fiscal year of the specified term equal to the product of the inflation factors for each fiscal year since the parcel first became eligible for such exemption under this clause; provided, further, that the inflation factor for each fiscal year shall be a ratio:.

SECTION 78. Clause (iii) of subsection (a) of section 60A of said chapter 40, as so appearing, is hereby amended by striking out the introductory paragraph and inserting in place thereof the following introductory paragraph: -
authorize tax increment exemptions from property taxes, under clause Fifty-first of section 5 of chapter 59, for a specified term not to exceed 20 years, for any parcel of real property which is located in the MWT-TIF zone and for which an agreement has been executed with the owner of the parcel under clause (iv); provided, however, that the MWT-TIF plan shall specify the level of exemptions expressed as exemption percentages, not to exceed 100 per cent, to be used in calculating the exemptions for the parcel, and for personal property situated on that parcel, as provided under said clause Fifty-first of said section 5 of said chapter 59; provided, further, that the exemption for each parcel of real property shall be calculated using an adjustment factor for each fiscal year of the specified term equal to the product of the inflation factors for each fiscal year since the parcel first became eligible for such exemption pursuant to this clause; provided,

SECTION 99. Section 1 of chapter 40Q of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by striking out the definition of “Base date” and inserting in place thereof the following 2 definitions:-

“Adjustment factor”, for each fiscal year of the term of a given development program, the product of the inflation factors for each fiscal year subsequent to the first fiscal year immediately following the base date.

“Base date”, the last assessment date of the real property tax immediately preceding the creation of the district.

SECTION 100. The definition of “Development program” in said section 1 of said chapter 40Q, as so appearing, is hereby amended by striking out clause (8) and inserting in place thereof the following clause:-

(8) the duration of the program which shall not exceed the longer of: (i) 30 years from the date of designation of the district; or (ii) 30 years from project stabilization, as defined in the development program.

SECTION 101. Said section 1 of said chapter 40Q, as so appearing, is hereby further amended by striking out the definition of “Inflation factor” and inserting in place thereof the following definition:-

“Inflation factor”, a ratio: (1) the numerator of which shall be the total assessed value of all parcels of residential, commercial and industrial real estate that are assessed at full and fair cash value for the current fiscal year minus the new growth adjustment factor for the current fiscal year attributable to the residential, commercial and industrial real estate as determined by the commissioner of revenue under paragraph (f) of section 21C of chapter 59; and (2) the denominator of which shall be the total assessed value for the preceding fiscal year of all the parcels included in the numerator; provided, however, the ratio shall not be less than 1; provided, further, that if the proposed Invested Revenue District does not include residential property, the assessed value attributable to residential property shall not be included in either the numerator or the denominator in calculating the inflation factor.

SECTION 102. Said section 1 of said chapter 40Q, as so appearing, is hereby further amended by striking out, in line 59, the word “and”.

SECTION 103. Said section 1 of said chapter 40Q, as so appearing, is hereby further amended by inserting after the word ”located”, in line 61, the following clause:- ; and (8) if applicable, a statement of the city or town electing that the original assessed value not be increased by the adjustment factor.

SECTION 104. Said section 1 of said chapter 40Q, as so appearing, is hereby further amended by striking out the definition of “Original assessed value” and inserting in place thereof the following definition:-

“Original assessed value”, the aggregate assessed value of the invested revenue district as of the base date; provided, however, that if the city or town has not included an election statement in its investment district development program, the original assessed value in any year shall be equal to the original assessed value as of the base date multiplied by the adjustment factor for that fiscal year.

SECTION 105. The General Laws are hereby amended by inserting after chapter 40U the following 2 chapters:-

CHAPTER 40V
Housing Development Incentive Program

Section 1. As used in this chapter, the following words shall, unless the context clearly requires otherwise, have the following meanings:-

“Certified housing development project”, a housing development project that has been approved by the department for participation in the housing development incentive program.

”Department”, the department of housing and community development as established by chapter 23B

“Gateway municipality”, gateway municipality as defined in section 3A of chapter 23A.

“Housing development incentive program” or “HDIP”, a program designed to promote increased residential growth, expanded diversity of housing supply, neighborhood stabilization, and economic development within housing development zones in gateway municipalities.

“Housing development project”, a multi-unit residential rehabilitation project that is located in a gateway municipality and once rehabilitated, shall contain at least 80 per cent market rate units.

“Housing development zone” or “HD zone”, a zone designated by a gateway municipality which shall be characterized by a need for multi-unit market rate residential properties.

“Market rate residential unit”, a residential unit priced for households above 110 per cent of the area’s household median income.

“Qualified substantial rehabilitation expenditure”, the cost of substantial rehabilitation meeting the following criteria: (i) an initial certification by the department that the structure meets the definition of certified housing development project; (ii) a second certification by the department, to be issued prior to construction, certifying that if completed as proposed, the rehabilitation work meets the standards required for a certified rehabilitation; and (iii) a final certification by the department, issued when the property is leased or sold by the taxpayer.

“Sponsors”, sponsors, as defined in section 25 of chapter 23B.

“Substantial rehabilitation” and ”substantially rehabilitated”, the needed major redevelopment, repair and renovation of a property, excluding the purchase of the property, as determined by the department of housing and community development.

Section 2. The department may from time to time designate 1 or more areas of a gateway municipality as an HD Zone and take any and all actions necessary or appropriate to such a designation, upon receipt of a municipal application requesting such designation and representing in its application that the municipality, based on its own independent investigation, has determined that the area proposed for designation has a need for multi-unit residential properties. The application shall include a plan which shall include a detailed description of the construction, reconstruction, rehabilitation and related activities, public and private, contemplated for such zone as of the date of the adoption of the zone plan.

Section 3. Under section 5M of chapter 59, the department may approve a municipality’s application for a tax exemption for a housing development project located within an approved housing development zone.

Section 4. (a) A project may be eligible to be a certified housing development project under this chapter; provided, however, that the proposed project:

(i) contains 2 or more residential units; provided, however, the project may be a mixed-use development that includes commercial uses in addition to residential units;

(ii) contains not more than 50 market rate residential units;

(iii) is located in a designated or proposed HD zone;

(iv) contains at least 80 per cent market rate units upon completion of the rehabilitation, to be sold or leased;

(v) has received from the municipality a property tax exemption under section 5M of chapter 59; and

(vi) is a substantial rehabilitation of an existing property.

(b) The department may from time to time approve 1 or more housing development projects, located in HD zones designated as certified projects under section 2 and take any and all actions necessary or appropriate to such a designation, upon compliance with the following:

(i) receipt of a project proposal for such a designation requesting such designation from the municipality, submitted in a timely manner, in such form and with such information as the department prescribes, supported by independently verifiable information and signed under the penalties of perjury by a person authorized to bind the sponsors;

(ii) receipt of an executed agreement by the municipality which contains a tax exemption under section 5M of chapter 59 and this section so long as the municipality has determined and incorporated in a formal written determination, based on the information submitted with the project proposal and such additional investigation as the municipality shall make, that the project as described in the proposal and all documentation submitted with the proposal:

(A) is consistent with and can reasonably be expected to benefit significantly from the gateway municipality's plans relative to the project property tax exemption;

(B) together with all other projects previously certified and located in the same project HDIP zone, shall not overburden the municipality's supporting resources; and

(C) together with the municipal resources committed to the project, shall, if certified, have a reasonable chance of increasing residential growth, diversity of housing supply, supporting economic development and promoting neighborhood stabilization in 1 of the municipality's housing development zones of the municipality as advanced in the proposal; and

(iii) receipt with such written approval by the municipality of a request for a designation of the project as a certified project for a specified number of years, which shall be not less than 5 years and not more than 20 years.

(c) The department shall evaluate and either grant or deny any project proposal not later than 90 days from the date of its receipt of a complete project proposal and failure to do so by the department shall result in approval of such project for a term of 20 years. Approval of a project due to the department's failure to act within 90 days shall not constitute approval by the department of any tax incentives provided under chapter 62 or 63.

(d) The department may impose a fee for the processing of applications for the certification of any project under this section.

(e) The department shall review such certified project at least once every 2 years. A certified project shall retain its certification for the period specified by the department in its certification decision unless such certification is revoked prior to the expiration of the specified period. The certification of a project may be revoked only by the department and only upon: (i) the petition of the municipality that approved the project proposal, if the petition satisfies the authorization requirements for a municipal application or the petition of the director of the department; and (ii) the independent investigation and

determination of the department that representations made by the sponsors in its project proposal are materially at variance with the conduct of the sponsors subsequent to the certification and such variance is found to frustrate the public purposes that such certification was intended to advance. Upon such a revocation, the commonwealth and the municipality, may bring a cause of action against the sponsors for the value of any economic benefit received by the sponsors prior to or subsequent to such revocation.

Under this section, revocation shall take effect on the first day of the tax year in which the department determines that a material variance commenced. The commissioner of revenue may, as of the effective date of the revocation, disallow any credits, exemptions or other tax benefits allowed by the original certification under this section. The commissioner shall issue regulations to recapture the value of any credits, exemptions or other tax benefits allowed by the certification under this section.

Annually, on or before the first Wednesday in December, the department shall file a report detailing its findings of the review of all certified projects that it evaluated in the prior fiscal year to the commissioner of revenue, to the joint committee on revenue and the joint committee on housing and community development.

Section 5. The department may award to a sponsor of a certified project tax credits available under subsection (q) of section 6 of chapter 62 and section 38BB of chapter 63 not to exceed 10 per cent of the cost of qualified substantial rehabilitation expenditures of the market rate units in the project. The amount and duration of the credit awarded shall be based on the following factors:

(i) the need for residential development and diversity of housing supply in the gateway municipality;

(ii) the extent to which the project will encourage residential development, expansion of diversity of housing supply, support neighborhood stabilization, and promote economic development in the zone; and

(iii) the percentage of market rate units contained in the project.

(b) The department may, limit any incentive or credit available to a project under subsection (q) of section 6 of chapter 62 and section 38BB of chapter 63 to a dollar amount or in any other manner deemed appropriate by the department.

SECTION 108. Clause Sixteenth of section 5 of chapter 59 of the General Laws is hereby amended by striking out paragraph (3), as amended by section 4 of chapter 173 of the acts of 2008, and inserting in place thereof the following paragraph:-

(3) In the case of (i) a manufacturing corporation or a research and development corporation, as defined in section 42B of chapter 63, or (ii) a limited liability company that; (a) has its usual place of business in the commonwealth; (b) is engaged in manufacturing in the commonwealth and whose sole member is a manufacturing corporation as defined in section 42B of chapter 63 or is engaged in research and development in the commonwealth and whose sole member is a research and development corporation as defined in said section 42B; and (c) is a disregarded entity, as defined in paragraph 2 of section 30 of chapter 63, all property owned by the corporation or the limited liability company other than real estate, poles and underground conduits, wires and pipes; provided, however, that no property, except property entitled to a pollution control abatement under clause forty-fourth or a cogeneration facility, shall be exempt from taxation if it is used in the manufacture or generation of electricity and it has not received a manufacturing classification effective on or before January 1, 1996. For the purposes of this section, a cogeneration facility shall be an electrical generating unit

having power production capacity which, together with any other power generation facilities located at the same site, is not greater than 30 megawatts and which produces electric energy and steam or other form of useful energy utilized for industrial, commercial, heating or cooling purposes. For purposes of this paragraph, in determining whether the sole member of a limited liability company treated as a disregarded entity is a manufacturing corporation or a research and development corporation, the attributes and activities of the limited liability company shall be taken into account by the member along with the member's other attributes and activities. This clause as it applies to a research and development corporation, as defined in section 42B of said chapter 63, and as it applies to a limited liability company that is a disregarded entity and whose sole member is a manufacturing corporation or a research and development corporation shall take effect only upon its acceptance by the city or town in which the real estate, poles and underground conduits, wires and pipes are located.

SECTION 109. Said section 5 of said chapter 59, as appearing in the 2008 Official Edition, is hereby amended by striking out clause Fifty-first and inserting in place thereof the following clause:-

Fifty-first, the value of a parcel of real property which is included within an executed agreement under clause (v) of section 59, clause (v) of subsection (a) of section 60 or clause (iv) of subsection (a) of section 60A of chapter 40, and the value of personal property situated on that parcel, but taxes on real and personal property eligible for exemption under this clause shall be assessed only on that portion of the value of the property that is not exempt under section 59, section 60 or section 60A of chapter 40, and this exemption shall be for a term not longer than the period specified for the exemption in the agreement. The amount of the exemption under this clause for a parcel of real property shall be the exemption percentage adopted under clause (iii) of section 59, subsection (a) of section 60 or of section 60A of said chapter 40 multiplied by the amount by which the parcel's value exceeds the product of its assessed value for the last fiscal year before it became eligible for exemption under this clause multiplied by the adjustment factor determined under said section 59, section 60 or section 60A of said chapter 40. The amount of the exemption under this clause for personal property shall be the exemption percentage adopted under clause (iii) of section 59, subsection (a) of section 60 or of section 60A of said chapter 40 multiplied by the fair cash valuation of the personal property. Taxes on property eligible for exemption under this clause shall be assessed only on that portion of the value of the property that is not exempt under this clause.

SECTION 110. Said chapter 59 is hereby further amended by inserting after section 5L the following section:-

Section 5M. A gateway municipality, as defined in section 1 of chapter 40V, may, by vote of its legislative body, subject to the charter of the municipality, establish an exemption in an amount not less than 10 per cent and not more than 100 per cent of the incremental value of the market rate units contained in a certified housing development project within a housing development zone under chapter 40V, for a period of not less than 5 years and not more than 20 years. For the purposes of this section, “market rate residential unit” shall mean a market rate residential unit as defined in section 1 of chapter 40V. Such exemption shall be approved by the department of housing and community development, as established in chapter 23B. The department shall promulgate applicable rules and regulations to carry out this section.

SECTION 198. Sections 99 to 104, inclusive, shall apply only to district created on or after the effective date of this act.

SECTION 200. Section 108 shall be effective for tax years beginning on or after January 1, 2011.

SECTION 206. Except as otherwise provided, this act shall take effect on August 1, 2010.

Approved (in part) August 5, 2010

CHAPTER 258 – MORTGAGE FORECLOSURE PROTECTIONS

Effective August 7, 2010

§ 1 Optional Charitable Exemption for Affordable Housing Development. Adds a new local acceptance option to G.L. c. 59, § 5(3) in order to exempt real property owned by or held in trust by a charitable organization where the property (1) is held to create community housing, as defined for Community Preservation Act (CPA) purposes in G.L. c. 44B, § 2, and (2) was purchased from an entity that acquired it by a mortgage foreclosure sale. The CPA defines community housing as housing for low income individuals and families (annual income less than 80 percent of the United States Department of Housing and Urban Development (HUD) area-wide median income) or low and moderate income seniors 60 or older (annual income less than 100 percent of HUD area-wide median income). The exemption would end when the property is rented or sold, but no more than seven years from acquisition. As a result, charities would be able to hold the property tax-exempt, even if development cannot begin due to financing or other issues, for at least seven years. Ordinarily, they would not be entitled to exemption under G.L. c. 59, § 5(3) for land passively held for future development.

CHAPTER 258 OF THE ACTS OF 2010 (EXCERPT)
An Act to Stabilize Neighborhoods.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to protect forthwith the citizens and neighborhoods of the commonwealth, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. The second paragraph of subsection (e) of Clause Third of section 5 of chapter 59 of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by adding the following sentence:- In any city or town that accepts this paragraph, any real estate owned by, or held in trust for, a charitable organization for the purpose of creating community housing, as defined in section 2 of chapter 44B, that was purchased from an entity that acquired the property pursuant to section 14 of chapter 244

shall be exempt until such real estate is leased, rented or otherwise disposed of, but not for more than 7 years after such purchase.

Approved August 7, 2010

PUBLIC LAW 111-97 – MILITARY SPOUSES RESIDENCY RELIEF ACT

Approved November 11, 2009

Amends the federal Servicemembers Civil Relief Act to provide rules for the determination of the residence or domicile for some purposes, including state or local tax purposes, of a spouse of a servicemember. Under the amendments, a servicemember's spouse, whose domicile is the same as that of the servicemember, may also retain that domicile when living in another state with the servicemember because of the member's military orders.

50 UNITED STATES CODE APP. § 571
As Amended by § 3 of P.L. 111-97

§ 571. Residence for tax purposes

(a) Residence or domicile

(1) In General.

A servicemember shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the servicemember by reason of being absent or present in any tax jurisdiction of the United States solely in compliance with military orders.

(2) Spouses

A spouse of a servicemember shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the spouse by reason of being absent or present in any tax jurisdiction of the United States solely to be with the servicemember in compliance with servicemember's military orders if the residence or domicile, as the case may be, is the same as for the servicemember and the spouse.

(b) Military service compensation

Compensation of a servicemember for military service shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the servicemember is not a resident or domiciliary of the jurisdiction in which the servicemember is serving in compliance with military orders.

(c) Income of a Military Spouse

Income for services performed by the spouse of a servicemember shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the spouse is not a resident or domiciliary of the jurisdiction in which the

income is earned because the spouse is in the jurisdiction solely to be with the servicemember servicing in compliance with military orders.

(d) Personal property

(1) Relief from personal property taxes

The personal property of a servicemember or the spouse of a servicemember shall not be deemed to be located or present in, or to have a situs for taxation in, the tax jurisdiction in which the servicemember is serving in compliance with military orders.

(2) Exception for property within member's domicile or residence

This subsection applies to personal property or its use within any tax jurisdiction other than the servicemember's or the spouse's domicile or residence.

(3) Exception for property used in trade or business

This section does not prevent taxation by a tax jurisdiction with respect to personal property used in or arising from a trade or business, if it has jurisdiction.

(4) Relationship to law of State of domicile

Eligibility for relief from personal property taxes under this subsection is not contingent on whether or not such taxes are paid to the State of domicile.

(e) Increase of tax liability

A tax jurisdiction may not use the military compensation of a nonresident servicemember to increase the tax liability imposed on other income earned by the nonresident servicemember or spouse subject to tax by the jurisdiction.

(f) Federal Indian reservations

An Indian servicemember whose legal residence or domicile is a Federal Indian reservation shall be taxed by the laws applicable to Federal Indian reservations and not the State where the reservation is located.

(g) Definitions

For purposes of this section:

(1) Personal property

The term "personal property" means intangible and tangible property (including motor vehicles).

(2) Taxation

The term "taxation" includes licenses, fees, or excises imposed with respect to motor vehicles and their use, if the license, fee, or excise is paid by the servicemember in the servicemember's State of domicile or residence.

(3) Tax jurisdiction

The term "tax jurisdiction" means a State or a political subdivision of a State.