

Municipal Empowerment Act

Section by Section Summary

Public Health Council Membership (1) – This section adds a member to the Public Health Council, to be appointed by the Governor from a list of 3 nominated by the Coalition for Local Public Health.

Make Permanent COVID-era Flexibilities 1: Public Meeting (2-6) – These sections make permanent COVID-era flexibilities related to hybrid public meetings. They permit public bodies to hold meetings in a remote or hybrid format and make technical corrections to open meeting requirements.

Municipal Procurement (7-15, 84, 87) – These sections amend Ch. 30B in the following ways: (1) equalize Ch. 30B thresholds for advertised procurements to \$100K for all municipal purchasing, not just schools; (2) enable groups of cities and towns to award multiple contracts through the RFP process and purchase both supplies and services from collectively bid contracts; (3) eliminate the requirement to publish notice of invitations for competitive bids on COMMBUYS; and (4) streamline procurement for electric school buses and charging infrastructure by allowing single procurements for both under Ch. 30B.

Flexibilities in Post-Retirement Employment (16) – This section establishes a process by which municipalities and executive departments may apply to the Executive Office for Administration and Finance for a "critical shortage" exemption from certain post-retirement limitations on employment for specific job titles or classes, a direct response to concerns raised by municipal leaders during the Administration's listening sessions about critical local staffing shortages.

OPEB Liability Trust Fund Technical Correction (17) – This technical change related to the OPEB Liability Trust Fund statute (G.L. c. 32B, § 20) replaces the term "governing boards" with "governing body," allowing the local legislative body to give said authorization for participation.

Collection of Water Charges on Non-Resident Customers (18) – There is a common statutory scheme that lets municipalities and districts, by local option, establish liens when customers of municipal utility services - gas, electricity, steam, water and sewer - do not pay user charges when due. Lighting plants, water departments and sewer departments often provide utility services to ratepayers living in neighboring communities. While lighting plants and sewer departments may impose liens for customers located in those municipalities, water departments cannot. This section extends that option to municipalities and districts that provide water services to customers outside their borders.

Eliminate Requirement to Print Annual Town Report (19) – This section eliminates the requirement that a town print and maintain physical copies of their annual town report. Said copies will only be required to be maintained in electronic format.

Cybersecurity Incident Reporting (20) – This section directs municipalities to report cybersecurity incidents to the Executive Office of Technology Services and Security.

Make Permanent COVID-era Flexibilities 2: Outdoor Dining (21) – This section makes permanent COVID-era flexibilities related to outdoor dining. It makes local control over outdoor dining and alcohol service permanent.

Allow DIF Expenditure Efficiency (22) – This section allows the “sinking fund” and “project cost” receipts, which are already being reserved, to be spent without appropriation. It would also change the name of the “sinking fund” to “debt service fund.”

Collection of Housing, Sanitary and Snow and Ice Fine Collection (23) – This section revises municipal enforcement authority over violations of municipal housing, sanitary and ice removal requirements by allowing the municipality to impose a lien on the related property, using the same procedures used for liens on real property for any unpaid local charge or fee.

Appointed and Combined Treasurer-Collector (24) – This section enables cities and towns to combine the appointed positions of collector of taxes and treasurer to a single appointed treasurer-collector position.

Town Administrator Contracts (25) – This section increases the allowable term for an executive secretary or town administrator to serve, up to five years, resolving a discrepancy in current law.

Increase Intermunicipal Agreements for Local Finance Officials or Service (26) – This section allows communities to enter into an intermunicipal agreement for the sharing of any municipal finance official or service, including accountants, auditors, treasurers, collectors, finance directors, or their equivalent, and relevant support staff.

Regional Board of Assessors (27) – This section allows multiple communities to implement a Regional Board of Assessors. This eliminates the necessity of each town having a local board and aims to streamline the duties imposed upon such officials while reducing challenges communities have in filling vacancies.

Borrowing for Acquisition of Interest in Land (28-30) – These sections clarify municipal borrowing authority for acquisition of interests in land, construction or renovation of improvements to real estate, and improvements to waterways by requiring that the

property interest, waterways, improvements to real estate, or projects for renovation or construction for which borrowing is undertaken under authority of § 7(1) be municipally owned or leased.

Borrowing for School Projects (31) – This section increases from 30 years to 40 the maximum bond term for school projects so that the costs are realized in a manner that more closely reflects the life expectancy of the project.

RSD Refunding Bonds Technical Correction (32-34) – This technical change adds regional school districts to governmental entities authorized to issue refunding bonds.

Amortization of Emergency Spending Deficit (35) – This section gives municipalities the ability to amortize emergency related deficit spending over the subsequent 3 fiscal years, rather than having to fund them in one fiscal year.

Clarify City Budget Process (36) – This section clarifies that should there be a continuing budget, said budget shall be implemented without further approvals by the legislative body (including no ability to reduce or reject) and that the continuing budget cannot implement any new initiatives.

Town Budget Process (37) – This section requires towns to delineate appropriations in a minimal manner as required of cities per the opening paragraphs of G.L. c. 44, § 32.

Clarify Local Acceptance and Expenditure of Gifts and Grants (38) – This section clarifies G.L. c. 44, § 53A to allow the Selectboard in a town, City Council in a city, or school committee for school-related gifts or grants to be the default acceptor of any gifts or grants made to the community, even if the gift is made to a specific department or person.

Departmental Revolving Payment of Employees (39) – This section amends the revolving fund statute to eliminate the requirement that payment from a revolving fund for wages or salaries for full-time employees may only be made if the revolving fund is also charged for the costs of fringe benefits associated with the wages or salaries so paid.

Departmental Revolving Fund Spending Cap (40) – This section allows municipalities to maintain a previously approved spending cap for each departmental revolving fund until another vote, as opposed to the current inefficient system that requires a new vote each year even if the cap has not changed.

Enterprise Fund Accounting (41) – This section allows a community to utilize enterprise fund accounting for Broadband-only MLPs and landfill purposes.

PEG Access Funds (42-43) – These sections allow municipalities who have accepted G.L. c. 44, § 53F 3/4 (PEG Access and Cable Related Fund) to spend the receipts credited to the fund without appropriation.

Ch. 90 Expenditures (44) – This section codifies that Ch. 90 apportionments approved by MassDOT are spent without appropriation. The community would also be permitted to spend in anticipation of funds in a manner similar to anticipated grants pursuant to G.L. c. 44, § 53A. While language allowing the expenditure to be spent without appropriation is traditionally included in each bond bill, this change would streamline that process.

CPA Land Purchase (45) – This section clarifies the voting threshold for land purchase using CPA proceeds as being a 2/3's vote.

Manufacturing/Research & Development Decisions (46) – This section allows assessors to abate personal property taxes, or assess additional taxes, to put into effect a final decision about the classification of a corporation as a manufacturing (M) or research and development (R&D) corporation.

8 of 58 Paid Tax Bills (47) – This section eliminates the requirement that a paid tax be the result of an obvious clerical error (would still be limited to the last 3 fiscal years). This limitation currently prevents DLS from authorizing abatements in scenarios where a taxpayer would otherwise qualify.

Technical Corrections to Distribution of Budgeted Aid (48) – This section makes technical edits to statute concerning distribution of budgeted aid to cities and towns to conform to current practice.

Personal Exemptions/Trusts (49,63) – These sections extend the local option cities and towns have to let veterans whose domicile is held in trust, conservatorship or other fiduciary arrangement qualify as the owner for exemption purposes to seniors, blind persons and other individuals eligible for personal exemptions.

Elderly Exemptions (50) – This section allows municipalities to increase existing senior property tax exemptions (“clause exemptions”) by any amount above the current amount of \$500.

Personal Exemptions/Trusts (51) – This section allows ownership criteria to be satisfied when a surviving minor is the only beneficiary.

Reporting and Tax Treatment of Solar PILOTS (52) – This section inserts language found in G.L. c. 59, § 39H(b) to G.L. c. 59, § 5 Clause 45 so that any receipts derived from solar or

wind PILOTs are considered part of the tax levy and constitute new growth within the community.

COLA for Property Tax Exemptions (53) – This local option statute allows municipalities to increase property tax “clause exemptions” by an amount equal to the cost of living.

Senior Means Tested Exemption (54,85) – This local option allows cities and towns to grant an additional property tax exemption to qualifying seniors. Criteria for exemption includes owning and living in the subject home, having durational residency, and qualifying based on certain other income and asset levels. The amount of the exemption is determined locally and provided for within the residential class, similar to the residential exemption.

One Time Override for Non-Capital Expenses (55) – This section allows municipalities to adopt a one-year override for non-capital expenditures. Similar to a capital outlay exclusion, which is a one-year only increase in the amount to be raised by taxation to pay for a capital item for which a municipality could borrow, this would be for operating expenses.

Central Valuation of Telecommunication and Utility Personal Property (56-59,86) – These sections centralize the valuation of telecommunication company personal property and utility company personal property in the Department of Revenue’s Division of Local Services (DLS) to promote consistency in assessing and utility reporting throughout the Commonwealth. Extending central valuation to all telecom companies and to utility companies would result in a more efficient and cost-effective process for both municipalities and industry.

Payment Date for ATB Jurisdiction (60-62,65) – These technical changes relocate the “postmark” rule to determine when interest is incurred on property tax payments received by local tax collectors after their due date for purposes of appealing a local assessors’ denial of an abatement application to the ATB appeal provision, rather than billing system statute.

Equalizing Property Tax Appeals (64) – This section requires all property taxpayers to pay in full to appeal. Currently, personal property taxpayers, such as utilities, need only pay half of the tax bill to preserve their right to appeal while residents and commercial taxpayers are required to pay in full.

Collection of Motor Vehicle Excise (66-67) – These sections allow a tax collector notify the Registry of Motor Vehicles of non-payment of the motor vehicle excise directly, after

notifying the delinquent taxpayer of the intent to “mark” their license or registration for non-payment.

Local Option Taxes 1 (68) – This section establishes a new local option Motor Vehicle Excise (MVE) surcharge of 5%.

Allow Financing of Right of First Refusal Option (69-71) – These sections allow cities and towns, when exercising their right of first refusal under G.L. c. 61, 61A or 61B, to pay for the cost of the relevant chapterland purchase by utilizing the financing mechanism described in the Qualified Bond Act, G.L. c. 44A.

Local Option Taxes 2 (72-73) – These sections increase the local option lodging tax on hotel, motel, and other rentals from a maximum of 6% to 7% (6.5 percent to 7.5 percent for Boston).

Local Option Taxes 3 (74) – This section increases the local option meals tax from 0.75% to 1% of the sales price of a meal at a restaurant or local store.

Calculation of RSD Excess and Deficiency (E&D) (75) – This section modifies G.L. c. 71, § 16B 1/2 to conform to joint guidance promulgated by DLS and DESE concerning DLS’ calculation of E&D.

Make Permanent COVID-era Flexibilities 3: Alcoholic Beverages To-Go (76) – This section makes permanent COVID-era flexibilities related to Alcoholic Beverages To-Go. It permits takeaway liquor sales from restaurants on a permanent basis.

Unemployment Insurance (77-78) – These sections extend existing exemptions from unemployment insurance benefits – which are applicable to school employees absent during sabbaticals and school vacations with a “reasonable assurance” of returning to work – to employees who provide services to or on behalf of schools, but are paid by municipalities. These sections also reduce the amount of unemployment insurance benefits to 65% for employees receiving government pensions.

Double Pole Enforcement (79) – This section allows cities and towns to enforce the statutory prohibition on keeping double poles up after ninety days, after passing a local ordinance authorizing them to do so. Penalties authorized to be imposed are limited to up to \$1,000 per occurrence.

Shared Employees (80) – This section creates a limited exception to the conflict of interest law in order to address potential violations of the law that arise when cities and towns share employees under inter-municipal agreements (IMA’s) or other regional

arrangements. It allows an employee of one city or town to take actions consistent with the shared goals of the agreement.

Bond and Note Premiums (81) – A recent amendment to G.L. c. 44, § 20 required premiums received on a borrowing for which a Proposition 2½ debt exclusion had been approved at the time of sale to be used for project costs and reduce the borrowing. This eliminated the need for the community to adjust the debt exclusion to reflect the true interest costs of the borrowing, which is still required by G.L. c. 44, § 20. However, this accounting and budgeting issue persists for communities who used a Proposition 2½ debt excluded premium on capital prior to the amendment. The proposal requires communities to report the premium without adjusting the debt exclusion.

Election Cost Reimbursement (82) – This section allows state reimbursements for Early Voting and Extended Polling Hours to both be accounted for in a special revenue fund, simplifying the budgeting process for elections. Currently, the former is treated as General Fund revenue and the latter is accounted for in a special revenue fund.

Other Post Employee Benefit (OPEB) Commission (83) – This section establishes an OPEB Commission to take a fresh look at opportunities to address unfunded liabilities from non-pension employee benefits.