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: Public Meeting (§§ 2-5) – 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 (§§ 6-17) – These sections amend Chapter 30B in the following ways:

- exempts snow hauling from 30B (to match how snow removal's exemption);
- updates Chapter 30B section on exemption in a few areas to ensure the references correspond with the proper sections of general law, such as for design selection, roadway construction and energy procurements.
- Increases Chapter 30B thresholds for advertised procurements from $50k to $100k for all municipal purchasing, not just schools.
- Enables groups of cities and towns to award multiple contracts through the RFP process and purchase both supplies and services from collectively bid contracts;
- Eliminates the requirement to publish notice of invitations for competitive bids on COMMBUYS; and

Flexibilities in Post-Retirement Employment (§§ 18, 84, 88) – These sections establish 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 and provides this provision would sunset on January 1, 2028.

OPEB Liability Trust Fund Technical Correction (§ 19) – This section makes a technical change related to the OPEB Liability Trust Fund statute (G.L. c. 32B, § 20) by replacing the term "governing boards" with "governing body," allowing local legislative bodies to give said authorization for participation.

Local Option Taxes 1 (§§ 20, 66) – These sections establish a new local option Motor Vehicle Excise (MVE) surcharge of 5% and authorize municipalities to either dedicate the proceeds to a special purpose stabilization fund or treat as general fund revenue.

Collection of Water Charges on Non-Resident Customers (§ 21) – This section extends the option for municipalities and districts that provide utility services to impose liens when customers do not pay user charges when due to water services provided by water local departments to customers outside their borders.

Cybersecurity Incident Reporting (§ 22) – This section directs municipalities to report cybersecurity incidents to the Executive Office of Technology Services and Security.

Allow DIF Expenditure Efficiency (§ 23) – 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."

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 resolves a discrepancy in current law by increasing the allowable term for an executive secretary or town administrator to serve, up to 5 years.

Increase Intermunicipal Agreements for Local Finance Officials or Service (§ 26) – This section allows communities to enter into intermunicipal agreements 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 Regional Boards of Assessors, eliminating 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 years 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.

Regional School Districts Refunding Bonds Technical Correction (§§ 32-34) – This section makes a technical change that 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 1 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.

Clarify Local Acceptance and Expenditure of Gifts and Grants (§ 37) – 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 (§ 38) – 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 (§ 39) – 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 (§ 40) – This section allows a community to utilize enterprise fund accounting for Broadband-only MLPs and landfill purposes.

PEG Access Funds (§§ 41-42) – 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 (§ 43) – This section codifies that Chapter 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 (§ 44) – This section clarifies the voting threshold for land purchase using CPA proceeds as being a two-thirds vote.

Manufacturing/Research & Development Decisions (§ 45) – 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 (§ 46) – 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 (§ 47) – This section makes technical edits to statute concerning distribution of budgeted aid to cities and towns to conform to current practice.

Personal Exemptions/Trusts (§§ 48, 62) – These sections extend the local option cities and towns have for 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 (§ 49) – 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 (§ 50) – This section allows ownership criteria to be satisfied when a surviving minor is the only beneficiary.

Reporting and Tax Treatment of Solar PILOTS (§ 51) – This section inserts language found in G.L. c. 59, § 39H(b) to G.L. c. 59, § 5 Clause 45 to provide that any receipts derived from solar or wind PILOTs are considered part of the tax levy and constitute new growth within a community.

COLA for Property Tax Exemptions (§ 52) – 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 (§§ 53, 85) – These sections provide cities and towns with a local option 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 (§ 54) – This section allows municipalities to adopt a 1-year override for non-capital expenditures. Similar to a capital outlay exclusion, which is a 1-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 (§§ 55-58, 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 (§§ 59-61,64) – These sections make technical changes that 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 Appellate Tax Board appeal provision, rather than billing system statute.

Equalizing Property Tax Appeals (§ 63) – This section requires all property taxpayers to pay in full to appeal their property tax assessment. 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 (§ 65) – This section allows 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.

Allow Financing of Right of First Refusal Option (§§ 67-69) – 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 (§§ 70-71) – These sections increase the local option lodging tax on hotel, motel, and other rentals from a maximum of 6% to 7% (6.5% to 7.5% for Boston).

Local Option Taxes 3 (§ 72) – 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.

Bus Procurement (§ 73) – These sections repeal a dated section, MGL c.71, s.7c, which limits the availability of state funding to start in-house school bus services when private transportation companies are available.

Calculation of RSD Excess and Deficiency (E&D) (§ 74) – This section modifies G.L. c. 71, § 16B 1/2 to conform to joint guidance promulgated by the Division of Local Services (DLS) and the Department of Elementary and Secondary Education (DESE) concerning the divisions' calculation of E&D.

Fentanyl Strips (§§ 75-76) – These sections declassify fentanyl strips as drug paraphernalia and clarify that anyone who in good faith administers fentanyl test strips shall not be subject to criminal or civil liability.

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, 87) – These sections allow cities and towns to enforce the statutory prohibition on keeping double poles after passing a local ordinance authorizing them to do so. The current 90-day requirement timeline for replacement would be increased to 180 days and penalties authorized to be imposed are limited to up to $1,000 per occurrence. These sections also authorize the Department of Public Utilities and Department of Telecommunications and Cable to promulgate regulations to develop enforcement mechanisms and enhanced processes for addressing double poles.

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 (IMAs) 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) – This section requires communities that used a Proposition 2 ½ debt excluded premium on capital 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 look at opportunities to address unfunded liabilities from non-pension employee benefits.