

Commonwealth of Massachusetts



Supporting a Commonwealth of Communities

What's New in Municipal Law 2020 – Part One

New Legislation

Division of Local Services

Bureau of Municipal Finance Law





New Legislation

Part One

New Legislation





St. 2020, c. 53

**An Act to Address Challenges
Faced by Municipalities and
State Authorities Resulting
from COVID-19
St. 2020, c. 53**



St. 2020, c. 53, s. 1

Delay of Annual Town Meeting Beyond June 30

- **G.L. c. 39, s. 9 had required that towns must complete their Annual Town Meetings (ATM) by June 30**
- **Section 1 amends G.L. c. 39, s. 9 to allow for a delay of ATMs beyond June 30 in the event of an emergency declared by the Governor that poses an immediate threat to the health or safety of persons or property that prevents completion of ATM**



St. 2020, c. 53, ss. 2, 3 and 4

Continuance of ATM by Moderator

- **Sections 2, 3 & 4 amend G.L. c. 39, s. 10A by adding “public health” emergencies as reason for Moderator to recess and continue ATMs**
- **Prior to change, s. 10A applied to weather-related or public safety emergencies only**
- **Moderator may continue for 30-day periods**
- **Town public safety official to send report to Attorney General (AG)**
- **Also applies to district meetings**



St. 2020, c. 53, s. 5

Deficit Spending When Declared Emergency Prevents Adoption of Annual Budget by June 30

- **Section 5 amends G.L. c. 44, s. 31 to allow towns/districts to deficit spend on a monthly basis when declared emergency prevents adoption of annual budget**
- **DLS Director of Accounts approval is required each month**
- **Deficit expenditures are raised in FY21 tax rate if not otherwise appropriated**



St. 2020, c. 53, s. 6

Appropriation from July 1, 2019 Free Cash after June 30, 2020

- **Under G.L. c. 59, s. 23, free cash may be appropriated until the June 30th following its July 1 certification date**
- **Section 6 allows the Director of Accounts to authorize appropriations from free cash for FY21 expenditures after June 30, 2020 where the declared COVID emergency prevented a city/town/district from adopting its FY21 budget by June 30, 2020**



St. 2020, c. 53, s. 7

Amortization of FY20 deficits

- **Under G.L. c. 44, s. 31, deficit expenditures not otherwise provided for must be funded in full when setting the tax rate for the next FY**
- **Section 7 permits amortization over a three-year period of a city's, town's or district's FY20 deficit resulting from the coronavirus outbreak**
 - **However - amortization should not be needed due to funding from CARES Act and other sources to alleviate deficits – consult with your Bureau of Accounts Rep for more info, if needed**



St. 2020, c. 53, s. 8

Continuing Expenditure Authority for Departmental Revolving Funds

- **Under G.L. c. 44, s. 53 E ½, a city/town must vote before July 1 to establish the expenditure limit for each departmental revolving account**
- **Section 8 allows expenditure in FY21 at the same level as for FY20 until the city/town adopts its FY21 annual budget. At that time, the legislative body must adopt the FY21 expenditure limit for each departmental revolving fund**



St. 2020, c. 53, s. 9

Suspends Time for Municipal Actions Regarding Classified Lands

- **Section 9 “tolls” (suspends) the running of the time period within which a city or town must “act, effectuate or exercise an option to purchase” under G.L. c. 61, s. 8, c. 61A, s. 14, c. 61B, s. 9**
- **Usual time for required municipal action is within 120 days of mailing taxpayer’s notice of intent to sell for, or to convert to, residential, industrial, commercial use**





St. 2020, c. 53, s. 9

Suspends Time for Municipal Action Regarding Classified Lands (cont'd.)

- **City or town allowed to keep an offer for purchase open for the duration of the Governor's March 10, 2020 declaration of a state of emergency and for 90 days after the termination of the declared emergency**
- **If city/town receives a notice of intent to convert or sell classified land during the tolling period, consult local counsel for advice**





St. 2020, c. 56

**An Act
To Further Address Challenges
Faced by Municipalities,
School Districts and
State Authorities
Resulting from COVID-19
St. 2020, c. 56**





St. 2020, c. 56, s. 8

DESE Authorization of 1/12 Budget for Regional School District

- **Section 8 permits DESE to certify a 1/12 budget for the operation of a regional school district (RSD) for July, 2020 and for subsequent months, as needed, if member municipalities of the district are unable to vote on the approval of the RSD's budget by June 30, 2020 as a result of the outbreak of COVID-19**





St. 2020, c. 56, s. 8

DESE Authorization of 1/12 Budget for Regional School District

- **DESE has published guidelines on the FY21 Regional School District Interim or 1/12th budget process explaining the procedure under section 8 and providing information about the FY2021 regional school district budget process. They can be found on this webpage:
<http://www.doe.mass.edu/finance/regional/>**





St. 2020, c. 92

**An Act Relative to
Municipal Governance
During the
COVID-19 Emergency
St. 2020, c. 92**





St. 2020, c. 92, s. 7

Power of Selectboard to Reduce Town Meeting Quorum

- **Selectboard, with Town Moderator approval, can reduce the quorum required for any town meeting during the period covered by the Governor's March 10, 2020 declaration of a state of emergency**
- **Quorum cannot be reduced to less than 10 per cent of the quorum number that would otherwise be required**





St. 2020, c. 92, s. 7

Power of Selectboard to Reduce Town Meeting Quorum (cont'd)

- **Procedural requirements include publication of notice of Selectboard's intent to adjust the quorum at least 7 days before action**
- **“Publication” is not defined. DLS suggests, at least, posting at (i) prominent place on town's website, (ii) town meeting warrant posting sites and (iii) Selectboard meetings posting sites**





St. 2020, c. 92, s. 7

Power of Selectboard to Reduce Town Meeting Quorum (cont'd)

- **Selectboard must provide adequate public access to allow interested members of the public to follow its deliberations on reducing the quorum as deliberations occur**
- **Notice to AG required of the adjusted quorum requirement, if adopted**





St. 2020, c. 92, s. 8

Conducting a Representative Town Meeting through Remote Participation

- Applies during Governor's state of emergency declared on March 10, 2020**
- If Moderator determines not possible to safely assemble town meeting members and observers in common location and comply with state/local orders on public assemblies, Moderator may request Selectboard vote for a representative town meeting to be held through remote participation**





St. 2020, c. 92, s. 8

Conducting a Representative Town Meeting through Remote Participation

(cont'd.)

- Moderator request must be in writing and specify the video or telephone conferencing platform to be used and that it has been tested and found satisfactory
- Moderator must ensure that platform meets minimum requirements of functionality and ADA compliance





St. 2020, c. 92, s. 8

Conducting a Representative Town Meeting through Remote Participation (cont'd.)

- **Within 10 days of Moderator's request, Selectboard must vote**
- **If approved, Selectboard issues warrant that expressly states town meeting will be held remotely and provides necessary information for attendees and observers to access and witness the proceedings (Notice to AG)**
- **At the beginning of the meeting, town meeting members vote whether to commence business through remote access**





St. 2020, c. 92, s. 9

Holding a Town Meeting Outside the Geographic Location of the Town

- **Selectboard must determine it is not possible to adequately conduct town meeting within town limits in a manner that ensures health and safety**
- **Selectboard with approval of Moderator may choose to hold town meeting outside town geographic limits**
- **Post notice of location of meeting outside town limits at least 10 days before meeting**





St. 2020, c. 92, s. 10(a)

Local Option Suspension of Dedication of Revenues to Stabilization Funds

- **G.L. c. 40, s. 5B permits dedication of certain revenues to stabilization funds**
- **For FY21, section 10(a) provides local option to suspend dedications to stabilization funds or dedications to special funds by special act**
- **Option accepted in town by 2/3 vote of selectboard; and in city by 2/3 vote of city council with mayor approval**
- **If dedication is suspended, revenues go to general fund for FY21 only**





St. 2020, c. 92, s. 10(b)

Local Option Appropriation from Stabilization Funds

- **Section 10(b) provides FY21 local option for a city/town/district to appropriate from any stabilization fund created under G.L. c. 40, s. 5B or special fund created by special act**
- **\$ may be appropriated for any lawful purpose notwithstanding purpose of the fund**
- **Option exercised in town by 2/3 selectboard vote; in city by 2/3 vote of city council with mayor approval; and in district by 2/3 vote of district meeting**





St. 2020, c. 92, s. 10(b)

Local Option Appropriation from Stabilization Funds (cont'd.)

- **Process under section 10(b) not substantially different from existing process for cities or districts to change the purpose of or appropriate from stabilization funds**
- **In a town, however, section 10(b) removes the legislative body (town meeting) from process**
- **Select boards should use 10(b) option only to fund FY21 necessary expenditures when town meeting cannot meet to fund them due to COVID emergency**





New Legislation – Reference Materials

Reference Materials





New Legislation – Reference Materials

- **DLS Bulletin 2020-2 - An Act to Address Challenges Faced by Municipalities and State Authorities Resulting from COVID-19**
<https://dlsgateway.dor.state.ma.us/gateway/DLSPublic/BulletinMaintenance/487>
St. 2020, c. 53
- **DLS Bulletin 2020-4 (July 1, 2019 Free Cash Appropriation after June 30, 2020 for FY21) St. 2020, c. 53, s. 6**
<https://dlsgateway.dor.state.ma.us/gateway/DLSPublic/BulletinMaintenance/489>





New Legislation – Reference Materials

- **DLS Bulletin 2020-5 (Deficit Amortization)**
<https://dls.gateway.dor.state.ma.us/gateway/DLSPublic/BulletinMaintenance/490>
St. 2020, c. 53, s. 7

- **DLS Bulletin 2020-6 (Deficit Spending in Towns when FY21 Budget Cannot be Approved Due to COVID) St. 2020, c. 53, s. 5**
<https://dls.gateway.dor.state.ma.us/gateway/DLSPublic/BulletinMaintenance/491>





New Legislation – Reference Materials

- **DLS Bulletin 2020-7 (Accounting for COVID-19 Emergency Expenditures and for Reimbursements and Monies from CARES Act and FEMA)**
<https://dls.gateway.dor.state.ma.us/gateway/DLSPublic/BulletinMaintenance/492>
- **DLS Bulletin 2020-8 (An Act Relative to Municipal Governance During the COVID-19 Emergency) St. 2020, c. 92**
<https://dls.gateway.dor.state.ma.us/gateway/DLSPublic/BulletinMaintenance/493>





New Legislation – Reference Materials

- **DESE guidelines on the FY21 Regional School District Interim or 1/12th budget process and information about the FY21 regional school district (district) budget process**
<http://www.doe.mass.edu/finance/regional/>
- **COVID-19 Resources and Guidance for Municipal Officials**
<https://www.mass.gov/info-details/covid-19-resources-and-guidance-for-municipal-officials#cares-act-for-municipal-government->

