



September 2nd, 2021

**New Updates and Helpful Reminders**

**Sean Cronin - Senior Deputy Commissioner of Local Services**



**In this edition:**

- **New Updates and Helpful Reminders**
- **FY21 State House Notes Program Summary**
- **Data Highlight: State House Notes**
- **Ask DLS: Effective Exemption/PILOT Dates for Recent Solar Legislation**

The transitional time between the end of summer and early fall represents that busy time of year in local government where local officials are reviewing the first quarter of the current fiscal year, nearing completion of the prior fiscal year-end processes, planning for Fall town meetings/city council meetings to take budget actions, submitting balance sheets for Free Cash certification purposes, and preparing for classification hearings in order to set a tax rate. Clearly, there's lots going on! To that, add the close-out of the Coronavirus Relief Fund Municipal Program (CvRF-MP), use of Elementary and Secondary School Emergency Relief Fund (ESSER) funds and determining the usage of American Recovery Plan Act (ARPA) monies. From there, attention turns to the FY23 budget, proving once again that there's very little downtime in the world of municipal financial management! To that end, I want to remind all our colleagues in local government that DLS is always here to help in any way we can.

Here are a few things I'd like to update you on:

- As highlighted in the August 5th edition of *City & Town*, Lt. Governor Polito announced the kick-off of the FY22 Community Compact Cabinet (CCC) programs. We are very excited to not only have funding for the three existing programs (Best Practice, IT Grant, Efficiency & Regionalization Grant), but also for a new Municipal Fiber Grant

- **Community Preservation Forms Due Sept. 15th**

**By the Numbers**

*City & Town* provides updates on the progress of the tax rate and certification season while also allowing you to follow the tax rate setting process in real time. Thanks to our Municipal Databank staff, this public information is available 24/7 by [clicking here](#).

Preliminary Certifications

Approved: 8

Final Certification: 3 (of 74 total)

LA4 (Assessed Values)

Approved: 17 (21 submitted)

LA13 (New Growth) Approved:

16 (20 submitted)

Tax Rates Approved: 5

Balance Sheets Approved: 25

Total Aggregate Free Cash

Approved: \$127,164,133

**Important Dates & Information**

program. Check out [mass.gov/CCC](http://mass.gov/CCC) for information on each of these programs.

- We recently also highlighted the modernization of the State House Notes program process. Click [here](#) for a recorded webinar hosted by DLS that provides more detail about the new and improved process.
- While you're welcome to submit your balance sheet for Free Cash certification at any time, we'd like to remind everyone that unless Free Cash is planned for appropriation at an upcoming town meeting or city council meeting, we'll hold off on certification so that we can focus on approving tax rates. With most communities setting tax rates in November and December, the workload at DLS reaches its peak then, requiring us to prioritize and focus our efforts.
- On a related note, while most municipalities set their tax rates in November and December that doesn't mean it has to be that way. By taking actions earlier in the fiscal year, tax rate recaps can be submitted earlier, thereby avoiding the issues that arise when municipalities try to set the tax rate late in the cycle – issues that can prevent a city or town from getting a tax rate set in time for tax bill mailings. We recently hosted a webinar that showcased Yarmouth's approach to getting the tax rate set earlier (yes, it's already been set for FY22!). You can watch a recording of the webinar [here](#). Please feel free to share this helpful presentation with your colleagues and consider setting your tax rate earlier.
- Our "What's New in Municipal Law" conference will be offered virtually again this year. Attendees will receive narrated, prerecorded videos discussing recent cases related to municipal finance and municipal law. On the day of the virtual sessions, DLS staff will host live, interactive workshops. Thank

**Recent Weather Events:  
Procedures to Request  
Permission to Make Payments  
for Liabilities Incurred in Excess  
of Appropriation in the Event  
of Certain Emergencies Under  
G.L. c. 44 § 31**

Due to recent weather events, the Division of Local Services (DLS) Bureau of Accounts (BOA) is reminding communities that there is a new Gateway form for requesting emergency spending permission. Bulletin (BUL) 2021-8 outlines the new procedure to request emergency spending permission under G.L. c. 44 § 31 in the DLS Gateway system.

[BUL-2021-8](#): Procedures to Request Permission to Make Payments for Liabilities Incurred in Excess of Appropriation in the Event of Certain Emergencies Under G.L. c. 44 § 31

For additional information and guidance regarding emergency procedures, please visit our webpage [here](#). To access additional IGRs and Bulletins, please click [here](#).

**Webinar on Yarmouth's  
Streamlined Tax Rate Recap  
Process**

you to those of you who pre-registered. Those that did received a direct email today with registration information. If you haven't registered yet, please [click here](#).

- City and town clerks should regularly review the Local Officials Directory (LOD) for accurate contact information so that our informational mailings, Bulletins, IGRs, LFOs, Free Cash certification approvals, information on COVID-related federal funding, and other important items are sent to the correct local officials. If you haven't done so, please take a look at our [City & Town article](#) about the importance of maintaining accurate LOD information. It include some very helpful guidance.
- Information related to COVID-related federal funding is located on multiple websites, including [DLS](#), the [Executive Office for Administration and Finance](#) (A&F) and the [Department of Elementary and Secondary Education](#) (DESE). Among other information, the DLS page provides guidance documents; the A&F page provides funding levels for various federal programs; and the DESE page provides allocations for each round of ESSER funding.
- Lastly, please make sure to visit both our [Training & Resource Center](#) and our [DLS YouTube page](#) for tons of information on all subjects related to municipal finance!

I wish you nothing but the best for your FY21 actuals, FY22 budget finalization and FY23 budget planning! If we can be of any assistance, make sure to reach out to me at [croninse@dor.state.ma.us](mailto:croninse@dor.state.ma.us).

**FY21 State House Notes Program Summary  
Bill Arrigal - Bureau of Accounts Public Finance Section**

On August 4th, local officials from Yarmouth joined DLS in hosting a webinar to walk through how their financial management team completes prepares the tax rate recap. In their presentation, the team in Yarmouth highlighted not only the technical aspects that streamlines this process, but also how collaboration amongst the financial management team leads to success.

The town is routinely amongst the first communities to submit its tax rate recap to DLS for review each year. The [recorded version](#) of the webinar is now available online. In addition, the slides from their presentation are available for reference [here](#). You can also find [DLS' Budget and Tax Rate Planning Tool](#), which the team Yarmouth uses as part of their automated process, on our website, along with other helpful [tools and templates](#).

### **Municipal Audits Webinar and Training Materials**

Thank you to all who joined our *Overview of Municipal Audits* webinar hosted by the Office of the Inspector General and the Division of Local Services. The [recorded webinar](#) is now available on [the DLS Municipal](#)

Established in 1911, the Massachusetts State House Notes Program is a convenient, no-cost note certification procedure for the issuance of short-term debt and long-term serial and refunding notes by a governmental entity. Administered by the Public Finance Section of the Bureau of Accounts, the program provides an alternative to the certification of Notes procedure by commercial banks.

### **What are State House Notes?**

State House Notes are borrowing instruments for local governmental entities for the short-term. They are known by different names and acronyms:

- Revenue Anticipation Note (RAN)
- Renewal of Revenue Anticipation Note (RRAN)
- Bond Anticipation Note (BAN)
- Renewal of Bond Anticipation Note (RBAN)
- State Aid Anticipation Note (SAAN)
- Renewal of State Aid Anticipation Note (RSAAN)
- Federal Aid Anticipation Note (FAAN)
- Renewal of Federal Aid Anticipation Note (RFAAN)
- Refunding Note
- Serial Note

They all, however, must receive certain local approvals and submit required supporting documentation to the Bureau of Accounts for certification. Lenders await this certification before forwarding funds to the borrower.

### **State House Notes by the Numbers: FY2012 to FY2021**

*Graph 1* shows the dollar amount of State House Notes approved from FY2012 to FY2021.

### **Graph 1- State House Notes (\$ approved)**

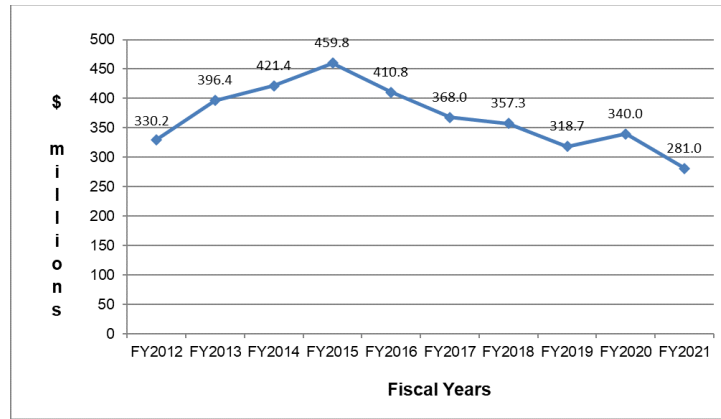
[Finance Training & Resource Center](#). The training provides information on the different components of the audit, the benefits of having an audit completed, the best practices for procuring a local audit, and how often a community is required to have an external audit completed. DLS and OIG staff also answered other questions from attendees. The [slides](#) from the presentation are also available online.

In addition, you can review the [Municipal Audits: FAQs](#) document that provides answers to common questions regarding municipal audits, including procurement and preparing for audits.

We look forward to offering training opportunities on this and other municipal finance topics in the future! Be sure to bookmark the [Municipal Finance Training & Resource Center](#) and subscribe to our [YouTube channel](#) to stay updated on new items added.

**Latest Issue of OSD's *Buy the Way* Now Available**

Don't miss Issue #11 of [Buy the Way](#), the monthly magazine of the Operational Services Division (OSD).



The dollar value of State House Notes certified in FY2012 was \$330.2 million and \$281.0 million in FY2021. The FY2021 dollar amount is \$49.2 million (14.9%) lower than FY2012 and 17.4% lower than FY2020.

The following table displays the number of State House Notes approved each year from FY2012 to FY2021.

Fiscal Year	# of Notes Approved	Fiscal Year	# of Notes Approved
FY2012	494	FY2017	428
FY2013	500	FY2018	392
FY2014	474	FY2019	359
FY2015	476	FY2020	363
FY2016	477	FY2021	334

The general decline in the number of State House Notes approved and their dollar value over the last several fiscal years may reflect complexity of today's capital market. As a result, there is a growing trend toward the purchase of notes with full disclosure. Full disclosure includes a full legal opinion, an official statement, a short-term rating by a rating agency (e.g. Moody's, S&P, Fitch), recent audited financial statements and a municipal financial advisor. With full disclosure, notes have a much wider bidding pool than just local banks.

In addition, the decline in the number of notes approved during FY2021 could also reflect the impacts of the pandemic, such as the closing of city and town halls, closing of certain businesses, and delays in major projects.

[Click here](#) to get news and updates from OSD delivered to your inbox.

**Register Now for the MA Municipal Cybersecurity Summit**

The Massachusetts Municipal Cybersecurity Summit will be held on Thursday, October 7th, 2021 as part of Massachusetts Cybersecurity Month. This is an event created by the MassCyberCenter at the Mass Tech Collaborative for the Commonwealth’s 351 municipalities. This event will bring together cybersecurity experts from state and federal organizations and the private sector to give municipalities a better understanding of current cybersecurity issues and practical ideas for improving cybersecurity.

If you are interested municipal cybersecurity, please visit [www.MassCyberCenter.org](http://www.MassCyberCenter.org). To register for the event, [click here](#).

**Land of Low Value Post Affidavit Process and Deeds in Lieu of Foreclosure IGR**

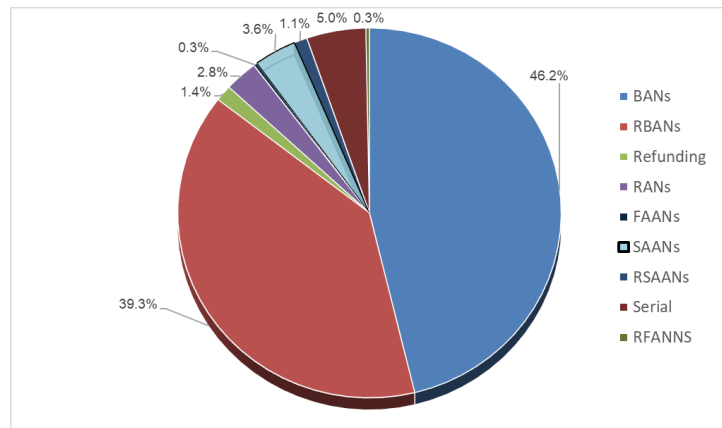
The Division of Local Services (DLS) has issued and posted Informational Guideline

The following table displays the number of State House Notes approved in FY2019 to FY2021 by type.

Type of Note	FY2021	FY2020	FY2019
BANs	108	157	166
RBANs	174	151	141
Refunding Notes	3	5	5
RANs	7	8	10
RRANs	0	0	0
FAANs	1	1	1
RFAANs	0	0	1
SAANs	11	12	13
RSAANs	3	3	4
Serial Notes	27	26	18

The above shows that for the 334 Notes approved for FY2021, the highest number of Notes approved by type was Renewal Bond Anticipation Notes followed by Bond Anticipation Notes and Serial Notes. It is presumed that BANs once issued outside of the State House Notes Program were renewed through the State House Notes Program.

The following charts the percentage of FY2021 State House Notes approved for each note type.



The above chart indicated that approval of BANs and RBANs amounted to 85.5% of notes approved by the program. This percentage approval is the same as in FY2020.

Below find the number of State House Notes approved in FY2019 to FY2021 by purpose.



Release (IGR) 2021-22 informing local officials of the administrative foreclosure process following the receipt of a Commissioner of Revenue's affidavit pursuant to a Land of Low Value tax title foreclosure application and how communities may accept title from the owners of properties on which there are municipal liens as an alternative to tax taking and foreclosure proceedings.

IGR-2021-22 – [LAND OF LOW VALUE POST AFFIDAVIT PROCESS AND DEEDS IN LIEU OF FORECLOSURE](#)

To access additional IGRs and Bulletins, please visit this [webpage](#).

**Tax Agreements for Affordable Housing Developers & "Brownfields" IGR**

The Division of Local Services (DLS) has issued and posted Informational Guideline Release (IGR) 2021-21 informing local officials about tax collection and tax abatement agreements with developers of affordable housing, including changes made by the Municipal Modernization Act in 2016. It also includes standards and procedures for tax agreements

	FY2019	FY2020	FY2021		FY2019	FY2020	FY2021
Airport	4	2	5	Land Acq	9	14	16
Bridge	3	1	1	Landfill	2	2	1
Building	10	6	5	Library	0	5	5
Building Repair	23	19	19	Medical Payments	0	0	0
Cable (Broadband)	11	21	21	Municipal Purpose Loan	125	120	110
Capital Projects	1	2	1	Public Way	4	6	10
Computer Hardware	1	1	0	Recreation	6	4	4
Conservation Land	1	0	0	Revenue	10	8	7
Court Judgment	0	0	0	School	3	6	3
Dam Repair	4	1	2	School Building	8	9	4
Deficit	2	2	1	School Feasibility	5	4	4
Dept'l Equip	48	43	40	School Remodeling	14	17	14
Emergency	1	2	0	Sewer	8	11	9
Energy Conservation	1	0	0	Sewer Treatment Plant	3	4	2
Eng & Arch	3	5	4	Solid Waste Transfer	1	1	1
Environmental	2	7	6	Street	10	17	12
Harbor	1	0	1	Urban Renewal	1	1	1
Highway	3	2	2	Water	31	20	23

Of the 334 Notes approved for FY2021, the largest number of Notes were utilized for Municipal Purpose Loans (MPLs), followed by Departmental Equipment and Water. Municipal Purpose Loans are loans for which there are two or more separate authorizations for separate purposes.

**Additional FY2021 Statistics**

For the 334 Notes approved in FY2021: 12 were for cities, 262 for towns, 31 for special purpose districts, 25 for regional school districts and 4 for counties. Other statistics include:

- Highest dollar amount (\$5,525,893), lowest (\$20,000) and median (\$504,363)
- Highest interest rate for a Serial Note (3.25%), lowest (0.57%)
- Highest interest rate for a non-Serial Note (2.25%), lowest (0.2%), and median (0.59%)
- Longest number of days to maturity for non-serial (407 days), shortest (16 days), and median (364 days)
- Longest term for Serial Note (10 years), shortest term (2 years)

and accepting and implementing a local option law that permits tax agreements in connection with the cleanup of contaminated sites or "Brownfields."

IGR-2021-21 – [Tax Agreements for Affordable Housing Developers & "Brownfields"](#)

To access additional IGRs and Bulletins, please visit this [webpage](#).

### **Annual End-of-Year Letters**

The Division of Local Services has posted on its website the FY2021 Bureau of Accounts (BOA) Annual End-of-Year Letters for:

- [Accountant/Auditor](#)
- [Treasurer](#)
- [Collector](#)
- [Clerk](#)
- [Regional School Business Official](#)

For information related to the [COVID-19 Emergency](#) or [American Rescue Plan Act](#) funds, please visit our website.

**Senior Citizen and Veteran Property Tax Work-off Abatement Program IGR**

- The three top purchasers of Notes were Newburyport Five Cents Savings Bank, Greenfield Cooperative Bank and Century Bank
- Monthly notes processed showed the highest amount in June (61), lowest total in February (10)

Effective Tuesday, September 7th, 2021, the Bureau of Accounts' (BOA) Public Finance section will transition to a paperless process, thereby eliminating the need to mail documents via any mail delivery service or private courier service. The review and approval of SHN will instead be done in Gateway, via an upload by city, town, district or county personnel and signed by the treasurer. Once approved, city, town, district, or county personnel will be responsible for immediately forwarding the original executed note to the winning bank.

BOA has developed a process in the Gateway system for users to access the State House Notes Maintenance form in the Other Apps module. [Click here to view our recent webinar](#). To learn more about State House Notes, please visit the Bureau of Accounts' Public Finance Section's [website](#).

### **Data Highlight: State House Notes**

**Donnette Benvenuto - Data Analytics and Resources Bureau**

The State House Note Program is a low-cost alternative for the issuance of debt for cities, towns, counties, and districts whereby notes are certified by the Director of Accounts. This program provides a useful service to municipal issuers, especially the smaller towns and districts. Counties are required to have all short-term notes certified by the Director of Accounts. It is optional for cities, towns, and districts. The State House Note Program also assists cities, towns, and districts with their financing needs through the certification of long-term note issues known as serial notes.



The Division of Local Services has issued and posted Informational Guideline Release (IGR) 2021-20 informing local officials about two local acceptance statutes that allow cities and towns to establish property tax work-off programs for senior citizens and veterans.

IGR-2021-20 – [SENIOR CITIZEN AND VETERAN PROPERTY TAX WORK-OFF ABATEMENT PROGRAMS](#)

To access additional IGRs and Bulletins, please visit this [webpage](#).

### **Accelerating Clean Transportation for All**

Please view the following announcement from the Massachusetts Clean Energy Center regarding funding opportunities for Accelerating Clean Transportation for All. Please [click here](#).

### **Procedures to Request Permission to Make Payments for Liabilities Incurred in Excess of Appropriation in the Event of Certain Emergencies Under G.L. c. 44 § 31**

The Division of Local Services (DLS) Bureau of Accounts (BOA)

You can find Excel files including Notes certified by the Director of Accounts for the last two years on our [State House Note Program and Other Borrowing Guidelines](#) page.

We have recently modernized our State House Notes process. The main changes include:

- No mailing of any documents
- Notes submitted in Gateway by city, town, district and county treasurers
- The Public Finance (PF) Section receive a scanned copy of the note via upload to Gateway
- No signature on the actual note; Director's Approval Letter will take the place of the director's signature
- Treasurer responsible for sending the actual executed note to the winning bank

Learn more about the State House Notes modernization from our [webinar](#) on the DLS YouTube Channel and download the slides from the webinar [here](#). Gateway can be accessed [here](#) and our Gateway user guide can be found [here](#).

For any Gateway access questions, please email [dlsgateway@dor.state.ma.us](mailto:dlsgateway@dor.state.ma.us)

### ***Ask DLS: Effective Exemption/PILOT Dates for Recent Solar Legislation***

This month's *Ask DLS* features frequently asked questions concerning payment in lieu of tax (PILOT) agreements and property tax exemption changes made in [Chapter 8 of the Acts of 2021, An Act Creating A Next-Generation Roadmap for Massachusetts Climate Policy, \(the Act\)](#). The Act was effective on June 24, 2021, 90 days after Governor Baker

has issued and posted Bulletin (BUL) 2021-8. This Bulletin outlines a new procedure to request emergency spending permission under G.L. c. 44 § 31 in the DLS Gateway system.

[BUL-2021-8](#): Procedures to Request Permission to Make Payments for Liabilities Incurred in Excess of Appropriation in the Event of Certain Emergencies Under G.L. c. 44 § 31

#### **Assessment IGRs**

The Division of Local Services (DLS) has issued and posted Informational Guideline Releases (IGR) 2021-18 and 2021-19 informing local officials that assessors no longer are required to obtain prior written approval from the Commissioner of Revenue to assess taxes on commonland in cluster developments or planned unit developments to owners of individual lots in the development and about the requirements for local assessors to assess partially completed construction improvements in common areas of phased unit condominium developments.”

IGR-2021-18: [ASSESSMENT OF CLUSTER DEVELOPMENT COMMONLAND](#)

signed the Act into law. For additional details on the Act, please see [Bulletin 2021-3](#).

Please let us know if you have other areas of interest or send a question to [cityandtown@dor.state.ma.us](mailto:cityandtown@dor.state.ma.us). We would like to hear from you.

#### **G.L. c. 59, § 38H(b) PILOT Agreement Questions:**

**Are PILOT agreements pursuant to [G.L. c. 59, § 38H\(b\)](#) still permissible?**

Yes. [38H\(b\)](#) PILOT agreements, as described in [Informational Guideline Release \(IGR\) 2021-17](#), for electric generating facilities are still allowable. However, they no longer are authorized for a facility that generates electricity through solar or wind power as of June 24, 2021. [38H\(b\) PILOT agreements entered into prior to June 24, 2021 are still valid and do not need to be amended or otherwise altered as a result of the Act, as noted below.](#)

**If I entered into a solar or wind PILOT agreement pursuant to [38H\(b\)](#) prior to June 24, 2021, is the agreement still valid?**

Yes. Section 97 of the Act provides “Notwithstanding [clause forty-fifth of section 5 of chapter 59](#) of the General Laws, the owner of a solar or wind powered system and the municipality in which the system is located shall not be required by sections 61 and 63 to amend, modify or renegotiate an existing payment in lieu of tax agreement that was entered into or executed before the effective date of this act.” As a result, section 97 grandfathers section [38H\(b\)](#) PILOT agreements entered into or executed before June 24, 2021.

**If I entered into a solar or wind PILOT agreement pursuant to [38H\(b\)](#) prior to June 24, 2021, do I have to amend or otherwise alter that agreement?**

No.

IGR-2021-19: [ASSESSMENT OF PRESENT INTERESTS IN PARTIALLY-COMPLETED CONDOMINIUM CONSTRUCTION](#)

**2022 State Revolving Fund Project Solicitation Offering Loan Forgiveness for Lead in Drinking Water, Zero Interest Loans for PFAS and Expanded Financing Offerings**

The Massachusetts Clean Water Trust (the Trust), in collaboration with Massachusetts Department of Environmental Protection (MassDEP), administers the Commonwealth's State Revolving Fund (SRF) programs that help communities build or replace water infrastructure that enhances ground and surface water resources, ensures the safety of drinking water, protects public health, and develops resilient communities.

MassDEP has launched its annual SRF project solicitation. Between July 1 and August 20, MassDEP will accept applications for the CY 2022 round of SRF financing. For 2022, the SRF program has detailed a number of program expansions and incentives beyond the standard 2%

**G.L. c. 59, § 5 Clause 45 PILOT Agreement and Exemption**

**Questions:**

**When do the exemption and PILOT provisions of the amended [G.L. c. 59, § 5 Clause 45](#) (Clause 45) go into effect?**

For fiscal year 2023.

**Can PILOT agreements made pursuant to the amended [G.L. c. 59, § 5 Clause 45](#) be entered into for Fiscal Year (FY) 2022?**

No. PILOT agreements pursuant to the amended [Clause 45](#) cannot be entered into for FY22. The assessment date for FY22 is Jan 1, 2021, which was far before the legislation's effective date of June 24, 2021. The legislation applies prospectively. As such, PILOT agreements can be entered into pursuant to the amended [Clause 45](#) if entered into before the FY23 assessment date of Jan 1, 2022 for FY23.

**How do I assess or consider exemptions under [Clause 45](#) for FY22?**

The same as you did for FY21.

**What are the FY21 standards for [Clause 45](#) exemptions that I should use to evaluate personal property exemption eligibility for FY22?**

[Clause 45](#) prior to the 2021 amendments exempted a "solar or wind powered system or device which is being utilized as a primary or auxiliary power system for the purpose of heating or otherwise supplying the energy needs of property taxable under this chapter...." In a previous Appellate Tax Board (ATB) case, [KTT, LLC v. Board of Assessors of the Town of Swansea, Docket No. F322736, October 13, 2016](#), the ATB decided the taxpayer was entitled, subject to review by the Appeals Court or Supreme Judicial Court, to an exemption under [Clause 45](#) for its solar device because the device was: "(1) a solar or wind powered system or device; (2) utilized as a primary or auxiliary power system for the purpose of heating or otherwise supplying energy; and (3) utilized to

interest rate subsidized loans, including:

- Loan forgiveness for projects [addressing lead in drinking water](#)
- Incentivized [Lead Service Line Replacement program](#)
- Zero interest loans for projects addressing [Per- and polyfluoroalkyl substances \(PFAS\)](#) in drinking water
- Asset Management Planning (AMP) grants expanded eligibility to include [cybersecurity risk assessments](#)
- [Housing Choice loan program](#)
- Zero interest loan for clean water projects [removing nitrogen from wastewater](#)
- Fixed percentage loan forgiveness for [disadvantaged communities](#)

The Trust administers two SRF programs, the Clean Water and Drinking Water SRFs. These programs provide subsidized

supply the energy needs of property that is subject to Massachusetts property tax.” If the owner of the solar device does not own the land, the real estate would have to be separately assessed to the owner of the land. This exemption never applied to real property in the absence of common ownership with personal property or when an allowable [38H\(b\)](#) PILOT agreement was in effect concerning the same property.

**As the assessment date for FY23 (Jan 1, 2022) approaches and the [Clause 45](#) changes go into effect, how should we handle presently exempt properties?**

Communities should work with their current [Clause 45](#) recipients to see if a grandfathering provision pursuant to section 98 of the Act, noted below, will apply to them or if the recipient needs to reapply for [Clause 45](#) consideration or consider entering into a [Clause 45](#) PILOT agreement under the amended statute. Cities and towns are not required to enter a [Clause 45](#) PILOT agreement and instead may choose to assess solar and wind power-generating facilities like personal property generally, as allowed under the new [Clause 45](#).

Section 98 provides “Notwithstanding sections 61 and 63, a solar or wind system determined to be exempt under [clause Forty-fifth of section 5 of chapter 59](#) of the General Laws prior to the effective date of this act and that has not executed a payment in lieu of taxes agreement with the municipality in which such system is located shall remain exempt; provided, however, that the system produces less than 150 per cent of the annual electricity needs of the real property on which it is located.”

This section grandfathers solar or wind systems that were determined exempt under [Clause 45](#) before its amendment. However, it is limited to the remaining term of that exemption (“twenty years from the date of the installation of such system or device”) and is limited to smaller facilities that produce “less than 150 per cent of the annual electricity needs of the real property on which it is located.” Moreover, the decision in [KTT, LLC](#) is not authoritative for interpreting

loans to cities, towns, and water utilities. Since its establishment in 1989, the SRFs have financed approximately \$7.9 billion of water infrastructure projects serving an estimate 97% of the residents of the Commonwealth.

For questions about the 2022 SRF solicitation or program please feel free to contact Robin McNamara ([Robin.McNamara@mass.gov](mailto:Robin.McNamara@mass.gov)), or visit [MassDEP's webpage](#).

### **Special Injury Leave Indemnity Fund IGR**

The Division of Local Services (DLS) has issued and posted Informational Guideline Release (IGR) 2021-16 informing local officials about a local option provision allowing the establishment of a Special Injury Leave Indemnity Fund for the payment of injury leave compensation and medical bills of police officers and firefighters injured on duty.”

[IGR-2021-16: Special Injury Leave Indemnity Fund](#)

To access additional IGRs and Bulletins, please visit this [webpage](#).

the new [Clause 45](#) or grandfathering provisions beginning in FY23.

### **Can we renegotiate our pre-June 24, 2021 wind or solar [38H\(b\)](#) PILOT agreement so it is under the new [Clause 45](#) PILOT provisions for FY23?**

Yes, but the value under the new [Clause 45](#) does not count as new growth and will be considered an estimated receipt. Cities and towns are under no obligation to enter a [Clause 45](#) PILOT agreement.

### **Community Preservation Forms Due September 15th Data Analytics and Resources Bureau**

The CP1 and CP3 forms are due by September 15th. This information is necessary to calculate the FY22 CPA State Matching Grants.

The CP1 is completed in [Gateway](#), and it needs to be signed by the Board of Assessors and signed and submitted by the accounting officer. The CP3 is completed in the CPC Inventory Database found [here](#).

Any password questions for the CP3 can be sent to [databank@dor.state.ma.us](mailto:databank@dor.state.ma.us). Questions on how to fill out the CP3 can be sent to [chase.mack@communitypreservation.org](mailto:chase.mack@communitypreservation.org).

## **Owners Unknown IGR**

The Division of Local Services (DLS) has issued and posted Informational Guideline Release (IGR) 2021-15 informing local officials about assessing property to an owner unknown.

[IGR-2021-15 – Owners Unknown Assessments](#)

To access additional IGRs and Bulletins, please visit this [webpage](#).

## **Cybersecurity and IT Health Check Programs**

The Office of Municipal and School Technology has announced the following programs available to Massachusetts municipalities and schools. If you have any questions, please contact [Catherine.Marques@mass.gov](mailto:Catherine.Marques@mass.gov)

[Cybersecurity Health Check](#)

The Cybersecurity Health Check Program provides opportunities for local government to access basic cyber security services at no cost.

These services can be a good first step in discovering, assessing and identifying cybersecurity gaps that could

impact IT systems that support essential business functions.  
This is a rolling application.

### [IT Health Check](#)

An IT Health Check is a high-level assessment of current IT assets. A Health Check can be a good first step in discovering, assessing and identifying gaps that could impact IT systems that support essential business functions.

The discovery will results in a completed score card that will identify the current state of critical IT systems, and platform and vendor agnostic suggestions. This is a rolling application.

### **DLS Links:**

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[Municipal Finance Training and Resource Center](#)

[Local Officials Directory](#)

[Municipal Databank](#)

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