

HOUSE No. 01449

The Commonwealth of Massachusetts

PRESENTED BY:

Stephen Kulik

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act to improve municipal borrowing procedures.

PETITION OF:

NAME:

Thomas M. Menino

DISTRICT/ADDRESS:

Mayor of Boston

HOUSE No. 01449

By Mr. Stephen Kulik of Worthington, petition (accompanied by bill, House, No. 01449) of [petitioners] relative to municipal borrowing procedures. Joint Committee on Municipalities and Regional Government.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act to improve municipal borrowing procedures.

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

1 SECTION 1. Section 21A of chapter 44 of the General Laws, as appearing in the 2008 Official
2 Edition, is hereby amended by striking out, the first sentence and inserting in place thereof the
3 following:

4 The city council of a city, the board of selectmen of a town and the prudential committee,
5 if any, otherwise, the commissioners of a district, may authorize and provide for the issuance of
6 refunding bonds or notes of the city, town or district for the purpose of paying or refunding all or
7 any designated part of an issue of bonds or notes then outstanding, including the amount of any
8 redemption premium thereon; provided, however, that no such refunding bonds or notes shall be
9 payable over a period longer than the period during which the original bonds or notes so
10 refunded must be paid pursuant to law; and provided, further, that, notwithstanding any provision
11 of any general or special law, city charter, city ordinance or city council rule or order to the

12 contrary, any vote of the city council of a city authorizing and providing for the issuance of
13 refunding bonds or notes of the city may be introduced and given final passage at one meeting of
14 the city council, shall not be subject to any publication requirement, shall not be subject to any
15 referendum provision, and shall be effective upon passage.

16 SECTION 2. Section 21A of chapter 44 of the General Laws, as appearing in the 2008 Official
17 Edition, is hereby amended by deleting the first clause of the second sentence and by inserting in
18 place thereof, the following new clause:

19 The first annual payment of principal on account of an issue of refunding bonds or notes shall
20 not be later than the last day of the fiscal year in which any of the bonds or notes being refunded
21 would otherwise have been payable and the annual payments thereafter shall be arranged in
22 accordance with the provisions of section nineteen;

23 SECTION 3. Section 19 of chapter 44 of the General Laws, as appearing in the 2008 Official
24 Edition, is hereby amended by adding at the end of said section, the following new paragraph:

25 Notwithstanding any general or special law to the contrary, the final payment on account of any
26 bonds issued by a city, town or district may be made not later than the end of the fiscal year in
27 which such bonds would otherwise have been payable in accordance with the provisions of
28 Sections 7 and 8 of chapter 44 of the General Laws, or in accordance with any other statutory
29 authority pursuant to which the issuance of any such bonds was otherwise authorized.