

HOUSE **No.**

The Commonwealth of Massachusetts



CHARLES D. BAKER
GOVERNOR

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EXECUTIVE DEPARTMENT
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March 12, 2015

To the Honorable Senate and House of Representatives,

I am filing for your consideration a bill entitled “An Act Financing Improvements to Municipal Roads and Bridges.”

This bill authorizes the Commonwealth to borrow \$200 million to fund improvements to municipally-owned roads and bridges. This winter season has caused significant damage to roads and bridges in cities and towns throughout the Commonwealth. Swift action on this legislation will maximize the ability of our cities and towns to plan to complete much needed repairs in the upcoming construction season.

Accordingly, I urge you to enact this legislation promptly.

Respectfully submitted,

Charles D. Baker,
Governor

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act financing improvements to municipal roads and bridges.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to forthwith finance improvements to the commonwealth’s transportation system, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

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. To provide for a program of transportation development and improvements,
2 the sum set forth in section 2, for the several purposes and subject to the conditions specified in
3 this act, is hereby made available, subject to the laws regulating the disbursement of public
4 funds. The sum made available in this act shall be in addition to any amounts previously
5 appropriated or made available for these purposes.

6 SECTION 2.

7 MASSACHUSETTS DEPARTMENT OF TRANSPORTATION

8 Highway Division

9 6122-1524. For the construction and reconstruction of municipal ways as described in
10 clause (b) of the second paragraph of section 4 of chapter 6C of the General Laws; provided, that

11 a city or town shall comply with the procedures established by the Massachusetts Department of
12 Transportation; provided further, that a city or town may appropriate for these projects amounts
13 not in excess of the amount provided to the city or town under this item, preliminary notice of
14 which shall be provided by the department to the city or town not later than April 1 of each year;
15 provided further, that the appropriation shall be considered as an available fund upon approval of
16 the commissioner of revenue under section 23 of chapter 59 of the General Laws; and provided
17 further, that the commonwealth shall reimburse a city or town under this item, subject to the
18 availability of funds as provided in section 9G of chapter 29 of the General Laws, within 30 days
19 after receipt by the department of a request for reimbursement from the city or town, which
20 request shall include certification by the city or town that actual expenses have been incurred on
21 projects eligible for reimbursement under this item and that the work has been completed to the
22 satisfaction of the city or town according to the specifications of the project and in compliance
23 with applicable laws and procedures established by the
24 department..... \$200,000,000

25 SECTION 3. To meet the expenditures necessary in carrying out section 2, the state
26 treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an
27 amount to be specified by the governor from time to time but not exceeding, in the aggregate, the
28 sum of \$200,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on
29 their face, Municipal Ways, Act of 2015, and shall be issued for a maximum term of years, not
30 exceeding 30 years, as the governor may recommend to the general court under Section 3 of
31 Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall
32 be payable not later than June 30, 2050. All interest and payments on account of principal on
33 these obligations shall be payable from the General Fund. Notwithstanding any other general or

34 special law to the contrary, bonds issued under this section and interest thereon shall be general
35 obligations of the commonwealth.

36 SECTION 4. Notwithstanding any general or special law to the contrary, all construction
37 contracts funded in whole or in part by the funds authorized in this act shall include a price
38 adjustment clause for each of the following: fuel, including both diesel and gasoline; asphalt;
39 concrete; and steel. A base price for each material shall be set by the awarding authority or
40 agency and included in the bid documents at the time a project is advertised. The awarding
41 authority or agency shall also identify in the bid documents the price index to be used for each
42 material and supply. The adjustment clause shall provide for a contract adjustment to be made on
43 a monthly basis when the monthly cost change exceeds plus or minus 5 per cent.