

HOUSE No. 3773

The Commonwealth of Massachusetts

PRESENTED BY:

Stephen Kulik and Karen E. Spilka

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:

An Act relating to the issuance of temporary notes by cities, towns and districts.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Stephen Kulik</i>	<i>1st Franklin</i>
<i>Karen E. Spilka</i>	<i>Second Middlesex and Norfolk</i>
<i>David Paul Linsky</i>	<i>5th Middlesex</i>
<i>Cory Atkins</i>	<i>14th Middlesex</i>
<i>Paul McMurtry</i>	<i>11th Norfolk</i>
<i>Anne M. Gobi</i>	<i>5th Worcester</i>
<i>Chris Walsh</i>	<i>6th Middlesex</i>
<i>John W. Scibak</i>	<i>2nd Hampshire</i>
<i>James M. Cantwell</i>	<i>4th Plymouth</i>
<i>Jason M. Lewis</i>	<i>31st Middlesex</i>
<i>Gailanne M. Cariddi</i>	<i>1st Berkshire</i>
<i>Angelo J. Puppolo, Jr.</i>	<i>12th Hampden</i>
<i>Jennifer E. Benson</i>	<i>37th Middlesex</i>
<i>Lori A. Ehrlich</i>	<i>8th Essex</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>
<i>Josh S. Cutler</i>	<i>6th Plymouth</i>
<i>Peter V. Kocot</i>	<i>1st Hampshire</i>
<i>Aaron Vega</i>	<i>5th Hampden</i>

<i>Michael J. Finn</i>	<i>6th Hampden</i>
<i>James R. Miceli</i>	<i>19th Middlesex</i>
<i>Michael Barrett</i>	<i>Third Middlesex</i>
<i>Claire D. Cronin</i>	<i>11th Plymouth</i>
<i>Michael O. Moore</i>	<i>Second Worcester</i>
<i>Denise C. Garlick</i>	<i>13th Norfolk</i>
<i>Peter J. Durant</i>	<i>6th Worcester</i>
<i>Brian M. Ashe</i>	<i>2nd Hampden</i>

HOUSE No. 3773

By Representative Kulik of Worthington and Senator Spilka, a joint petition (subject to Joint Rule 12) of Stephen Kulik, Karen E. Spilka and others relative to borrowing by municipalities. Municipalities and Regional Government.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act relating to the issuance of temporary notes by cities, towns and districts.

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 17 of chapter 44 of the General Laws as appearing in the 2012
2 Official Edition is hereby amended in its entirety to provide as follows:-

3 Section 17 .11 a city, town or district votes to issue bonds, notes or certificates of
4 indebtedness in accordance with law, the officers authorized to issue the same may, in the name
5 of such city, town or district, make a temporary loan for a period of not more than two years in
6 anticipation of the money to be derived from the sale of such bonds, notes or certificates, and
7 may issue notes therefor. A city, town or district may refund, by the issue of other notes, a
8 temporary loan issued under the authority of the first sentence; provided, however, that the
9 period from the date of issue of the original loan to the date of maturity of the refunding loan
10 shall not exceed two years, unless such temporary loan is paid in part from revenue funds of the
11 city, town or district as hereinafter provided for, in which case the period from the date of issue
12 of the original loan to the date of maturity of the refunding loan shall not exceed ten years. A
13 temporary loan refunded under this section shall be paid in part from revenue funds of the city,
14 town or district at or before the maturity date of any such refunding loan that is issued to mature
15 more than two years, but not more than three years, from the date of issue of the original loan. A
16 like payment from revenue funds shall be made at or before the maturity date of any such
17 refunding loan that is issued to mature: more than three years, but not more than four years; more
18 than four years but not more than five years; more than five years, but not more than six years;
19 more than six years, but not more than seven years; more than seven years, but not more than
20 eight years; more than eight years, but not more than nine years, from the date of issue of the
21 original loan, and again at or before the maturity date of any such refunding loan that is issued to
22 mature more than nine years from the date of issue of the original loan. Each such payment from

23 revenue funds shall be at least equal to the minimum annual payment which would have been
24 required if such temporary loan had been converted to a serial loan prior to its first refunding that
25 required a payment from revenue funds under this section, and the authorized amount of the
26 serial loan shall be reduced by the aggregate amount of all such payments. Each payment made
27 by a city, Town or district as provided in the preceding sentence shall be reported by the auditor
28 or Accountant of the city or town or other officer having similar duties, or by the treasurer if
29 there be no such officer, to the assessors, who shall include the amount so reported in the
30 determination of the next annual tax rate, unless the city, town or district has otherwise made
31 provision therefor. The amount of a payment from revenue funds made by a regional school
32 district or regional refuse disposal district as provided herein shall be included in the next annual
33 district operating and maintenance budget, unless the regional district committee has otherwise
34 made provision therefor. The time within which a serial loan shall be due and payable shall not
35 be extended by reason of the making of a temporary loan hereunder beyond the time fixed by
36 law. If a balance remains in the proceeds of a temporary loan issued in anticipation of a serial
37 loan at the time when the serial loan is issued, said balance may be applied to the payment of
38 such temporary loan.

39 Notes issued under sections four, six and six A for a shorter period than is permitted by
40 said sections may be refunded by the issue of other notes within the required period; provided,
41 however, that the period from the date of issue of the original loan to the date of maturity of the
42 refunding loan shall be not more than the statutory authorization; and provided, further, that no
43 notes shall be refunded under this section except under authority of such vote, if any, as is
44 required for the original borrowing.

45 SECTION 2. This act shall take effect upon its passage.