

HOUSE No. 4095

The Commonwealth of Massachusetts

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

An Act financing improvements to municipal roads.

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 sums set forth in sections 2, inclusive, for the several purposes and subject to the conditions
3 specified in this act, are hereby made available, subject to the laws regulating the disbursement
4 of public funds. The sums made available in this act shall be in addition to any amounts
5 previously appropriated or made available for these purposes.

6 SECTION 2.

7 MASSACHUSETTS DEPARTMENT OF TRANSPORTATION

8 Highway Division

9 6122-1724. 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; provided further, that
14 the appropriation shall be considered as an available fund upon approval of the commissioner of
15 revenue under section 23 of chapter 59 of the General Laws; and provided further, that the
16 commonwealth shall reimburse a city or town under this item, subject to the availability of funds
17 as provided in section 9G of chapter 29 of the General Laws, within 30 days after receipt by the
18 department of a request for reimbursement from the city or town, which request shall include
19 certification by the city or town that actual expenses have been incurred on projects eligible for
20 reimbursement under this item and that the work has been completed to the satisfaction of the
21 city or town according to the specifications of the project and in compliance with applicable laws
22 and procedures established by the department..... \$200,000,000

23 SECTION 3. To meet the expenditures necessary in carrying out section 2, the state
24 treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an
25 amount to be specified by the governor from time to time but not exceeding, in the aggregate, the
26 sum of \$200,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on
27 their face, Municipal Ways Act of 2016, and shall be issued for a maximum term of years, not
28 exceeding 30 years, as the governor herein recommends to the general court under Section 3 of
29 Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall
30 be payable not later than June 30, 2051. All interest and payments on account of principal on
31 these obligations shall be payable from the General Fund. Notwithstanding any other general or
32 special law to the contrary, bonds issued under this section and interest thereon shall be general
33 obligations of the commonwealth.

34 SECTION 4. Notwithstanding any general or special law to the contrary, all construction
35 contracts funded in whole or in part by the funds authorized in section 2 of this act shall include

36 a price adjustment clause for each of the following: fuel, including both diesel and gasoline;
37 asphalt; concrete; and steel. A base price for each material shall be set by the awarding authority
38 or agency and included in the bid documents at the time a project is advertised. The awarding
39 authority or agency shall also identify in the bid documents the price index to be used for each
40 material and supply. The adjustment clause shall provide for a contract adjustment to be made on
41 a monthly basis when the monthly cost change exceeds plus or minus 5 per cent.