

SENATE No. 1671

The Commonwealth of Massachusetts

PRESENTED BY:

Brian A. Joyce

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 adoption of the accompanying bill:

An Act creating a commission to examine best borrowing practices.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Brian A. Joyce</i>	<i>Norfolk, Bristol and Plymouth</i>
<i>Antonio F. D. Cabral</i>	<i>13th Bristol</i>
<i>Carolyn C. Dykema</i>	<i>8th Middlesex</i>
<i>Claire D. Cronin</i>	<i>11th Plymouth</i>
<i>Jason M. Lewis</i>	<i>Fifth Middlesex</i>
<i>Richard J. Ross</i>	<i>Norfolk, Bristol and Middlesex</i>

SENATE No. 1671

By Mr. Joyce, a petition (accompanied by bill, Senate, No. 1671) of Brian A. Joyce, Carolyn C. Dykema, Claire D. Cronin, Jason M. Lewis and others for legislation to create a commission to examine best borrowing practices. State Administration and Regulatory Oversight.

The Commonwealth of Massachusetts

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

An Act creating a commission to examine best borrowing practices.

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

1 There shall be a commission which shall study the current standards and practices for
2 bonding and borrowing of the Commonwealth and municipalities, and make recommendations to
3 the legislature and the governor regarding best practices. As part of this evaluation, the
4 commission shall also review best practices in other states, and identify potential initiatives to
5 improve the credit rating of the Commonwealth and municipalities, and to reduce bonding and
6 borrowing costs. This review shall include, but not be limited to, the following measures:

7 (1) centralizing in the state treasurer's office borrowing by public agencies who have the
8 authority to issue bonds with a state guarantee;

9 (2) reducing cash flow borrowing by permitting the pooling of operating and stabilization
10 cash to enhance the Commonwealth's overall working cash position. This measure shall not
11 permit the appropriation of stabilization funds; and

(3) creating a Massachusetts Local Government Commission to review local government financial reports and making recommendations to municipalities.

The commission shall consist of 14 members, 1 of whom shall be the state treasurer or a designee, who shall be the chair of the commission; 1 of whom shall be the secretary of administration and finance or a designee;

1 of whom shall be the state comptroller or a designee; 1 of whom shall be the state auditor or a designee; 1 of whom shall be the chair of senate committee on bonding, capital expenditures and state assets; 1 of whom shall be the chair of house committee on bonding, capital expenditures and state assets; 1 of whom shall be appointed by the minority leader of the house of representatives; 1 of whom shall be appointed by the minority leader of the senate; and the following and the following members shall be appointed by the chair of the commission: 1 member of the Massachusetts Municipal Association; and 5 representatives from municipalities.

The commission shall file a report with its findings, including any legislative and regulatory recommendations, with the clerks of the senate and house of representatives, the senate committee on bonding, capital expenditures and state assets, and house committee on bonding, capital expenditures and state assets, not later than 12 months after the effective date of this act.