The Commonwealth of Massachusetts

In the Year Two Thousand Fourteen

SENATE, July 19, 2016

The committee on Senate Committee on Bonding, Capital Expenditures and State Assets, to whom was referred the House Bill the House Bill financing improvements to municipal roads and bridges (House, No. 4424, amended),-- reports, recommending that the same ought to pass with an amendment striking out all after the enacting clause and inserting in place thereof the text of Senate document numbered 2447. [Bond issue: \$185,000,000]

For the committee, John F. Keenan **SENATE No. 2447**

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1 SECTION 1. To provide for a program of transportation development and improvements, 2 the sums set forth in sections 2 to 2A, inclusive, for the several purposes and subject to the 3 conditions specified in this act, are hereby made available, subject to the laws regulating the 4 disbursement of public funds. The sums made available in this act shall be in addition to any 5 amounts previously appropriated or made available for these purposes. 6 SECTION 2. 7 MASSACHUSETTS DEPARTMENT OF TRANSPORTATION **Highway Division** 8 9 6121-1714. For projects on the interstate and non-interstate federal highway system; 10 provided, that funds may be expended for the costs of these projects including, but not limited to, 11 the nonparticipating portions of these projects and the costs of engineering and other services 12 essential to these projects; provided further, that notwithstanding this act or any other general or 13 special law to the contrary, the department shall not enter into any obligations for projects which 14 are eligible to receive federal funds under this act unless state matching funds exist which have been specifically authorized and are sufficient to fully fund the corresponding state portion of the 15

federal commitment to fund these obligations; and provided, further, that the department shall

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SECTION 2A.

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MASSACHUSETTS DEPARTMENT OF TRANSPORTATION

Highway Division

6121-1718. For the design, construction, preservation, reconstruction and repair of or improvements to nonfederally-aided bridges and approaches with span lengths no greater than 20 feet; provided, that expenditures from this item may include the costs of engineering, design, permitting and other services essential to these projects; provided further, that a city or town shall comply with the procedures established by the Massachusetts Department of Transportation with respect to the Small Bridge Program, so-called; provided, further, that the department shall only enter into obligations for projects under this item based upon a prior or anticipated future commitment of funds or equivalent services from one or more cities or towns in which such project is located or which is or are otherwise served by such project, and the availability of corresponding municipal funding authorized or equivalent services provided for use in connection with such project for which the obligation applies; provided further, that the Massachusetts Department of Transportation shall develop a plan for project selection that takes into account need-based criteria and geographic distribution to be filed with the joint committee on transportation on or before September 1, 2016; and, provided further, that no amounts appropriated under this item shall be expended for bridges or approaches owned by or under the

39	control of the Massachusetts Department of Transportation or the Massachusetts Bay
40	Transportation Authority\$50,000,000
41	SECTION 3. The General Laws, as appearing in the 2014 Official Edition, are hereby
42	amended by striking out chapter 90I in its entirety and inserting in place thereof the following
43	chapter:-
44	Chapter 90I
45	Complete Streets Program
46	Section 1. As used in this chapter, the following words, unless the context clearly
47	requires otherwise, shall have the following meanings:
48	"Complete streets", streets that provide safe and accessible options for multiple travel
49	modes for people of all ages and abilities, which shall include, but not be limited to, walking,
50	cycling, public transportation, automobiles and freight.
51	"Department", the Massachusetts Department of Transportation.
52	"Program", the complete streets program established pursuant to this chapter.
53	Section 2. There shall be within the department a complete streets program to provide
54	grants to municipalities in order to encourage them to regularly and routinely include complete
55	streets design elements and infrastructure during the construction on new or existing locally-
56	funded roads.
57	Section 3. In order to be eligible to receive funding under the program, a municipality
58	shall: (a) apply to the department in a form and manner prescribed by the department; (b) adopt a

complete streets by-law, ordinance or administrative policy in a manner which shall be approved by the department and which shall include at least 1 public meeting; provided, however, that the by-law, ordinance or administrative policy shall identify the body, individual or entity responsible for implementing the complete streets program; (c) ensure that the municipal employees responsible for the program participate in a training administered by the department; (d) develop a complete streets prioritization plan; and (e) comply with other requirements of the department relative to the program.

Section 4. The department may adopt rules, regulations and guidelines for the administration of this chapter including, but not limited to, criteria for awarding grants under the program, application procedures, and other requirements. The department shall consult with the Massachusetts bicycle and pedestrian advisory board established in section 11A of chapter 21 and the healthy transportation compact established in section 33 of chapter 6C on the development and management of the program.

SECTION 4. Chapter 79 of the Acts of 2014 is hereby amended by inserting after section 41 the following new section:-

Section 41A. Notwithstanding any general or special law to the contrary, bonds or notes issued under section 20 as special obligation bonds pursuant to section 20 of chapter 29 of the General Laws shall not be included in the computation of outstanding bonds for purposes of the limit imposed by the second paragraph of section 60A of chapter 29 of the General Laws, nor shall debt service with respect to these bonds and notes be included in the computation of the limit imposed by section 60B of said chapter 29.

SECTION 5. Section 6 of chapter 257 of the Acts of 2014 is hereby amended by striking out subsection (b) and inserting in place thereof the following subsection:-

(b) All interest and payments on account of principal of these obligations shall be payable solely from the State Lottery and Gaming Fund. Bonds and interest thereon issued under this section shall be general obligations of the commonwealth; provided, however, that any bonds issued by the state treasurer under this section, upon the request of the governor, may be issued as special obligation bonds pursuant to section 2O of chapter 29 of the General Laws; provided further, that in deciding whether to request the issuance of particular bonds as special obligations, the governor shall take into account: (1) generally prevailing financial market conditions; (2) the impact of each approach on the overall capital financing plans and needs of the commonwealth; (3) any ratings assigned to outstanding bonds of the commonwealth and any ratings expected to be assigned by any nationally-recognized credit rating agency to the bonds proposed to be issued; and (4) any applicable provisions of a trust agreement or credit enhancement agreement entered into pursuant to section 2O of said chapter 29. Bonds issued under the authority of this section shall be excluded from the debt limit established in section 60A of chapter 29 of the General Laws.

SECTION 6. Section 2 of chapter 286 of the Acts of 2014 is hereby amended by striking out item 6720-1336.

SECTION 7. Said section 2 of said chapter 286 is hereby further amended by inserting after the header "MASSACHUSETTS DEPARTMENT OF TRANSPORTATION, Office of the Secretary" the following item:-

SECTION 8. To meet a portion of the expenditures necessary in carrying out section 2, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time but not exceeding, in the aggregate, \$135,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on their face, Transportation Improvement Loan Act of 2016, and shall be issued for a maximum term of years, not exceeding 30 years, as the governor herein recommends to the general court under section 3 of Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall be payable not later than June 30, 2051. All interest and payments on account of principal on such obligations shall be payable from the Commonwealth Transportation Fund. Bonds and interest thereon issued under this section shall be general obligations of the commonwealth.

SECTION 9. To meet the expenditures necessary in carrying out section 2A, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time but not exceeding, in the aggregate, \$50,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on their face, Small Bridge Preservation and Improvement Act of 2016, and shall be issued for a maximum term of years, not exceeding 30 years, as the governor herein recommends to the

general court under section 3 of Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall be payable not later than June 30, 2051. All interest and payments on account of principal on such obligations shall be payable from the Commonwealth Transportation Fund. Bonds and interest thereon issued under this section shall be general obligations of the commonwealth.

SECTION 10. Notwithstanding any general or special law to the contrary, all construction contracts funded in whole or in part by the funds authorized in section 2A of this act shall include a price adjustment clause for each of the following: fuel, including both diesel and gasoline; asphalt; concrete; and steel. A base price for each material shall be set by the awarding authority or agency and included in the bid documents at the time a project is advertised. The awarding authority or agency shall also identify in the bid documents the price index to be used for each material and supply. The adjustment clause shall provide for a contract adjustment to be made on a monthly basis when the monthly cost change exceeds plus or minus 5 per cent.

SECTION 11. Notwithstanding any general or special law to the contrary, the bonds that the state treasurer may issue pursuant to sections 8 and 9 of this act shall be issued for a term not to exceed 30 years, as recommended by the governor in a message to the general court dated March 31, 2016 under Section 3 of Article LXII of the Amendments to the Constitution. All such bonds shall be payable not later than June 30, 2051, pursuant to Section 3 of Article LXII of the Amendments to the Constitution.

SECTION 12. Notwithstanding any general or special law to the contrary, in carrying out this act, the Massachusetts Department of Transportation may enter into contracts, agreements or transactions that may be appropriate with other federal, state, local or regional public agencies or

authorities. The contracts, agreements or transactions may relate to such matters as the department shall determine including, without limitation, the research, design, layout, construction, reconstruction or management of construction of all or a portion of these projects. In relation to any such contracts, agreements or transactions, the department may advance monies to such agencies or authorities, without prior expenditure by the agencies or authorities, and the agencies and authorities may accept monies necessary to carry out these agreements; provided, however, the department shall certify to the comptroller the amounts so advanced and these agreements shall contain provisions satisfactory to the department for the accounting of monies expended by any other agency or authority. All monies not expended under these contracts, agreements or transactions shall be credited to the account of the department from which they were advanced.