

HOUSE No. 3980

The Commonwealth of Massachusetts



CHARLES D. BAKER
GOVERNOR

OFFICE OF THE GOVERNOR
COMMONWEALTH OF MASSACHUSETTS
, MA

KARYN POLITO
LIEUTENANT GOVERNOR

October 26, 2017

To the Honorable Senate and House of Representatives,

I am returning to you unsigned H. 3823, “An Act Relative to Community Benefit Districts,” because the proposed legislation allows for new assessments on property owners without the support of a majority of affected property owners and the process for forming community benefit districts may be unworkable as written.

This legislation allows for the creation of “Community Benefit Districts.” These are areas in which a group of property owners, with the approval of the city or town, agree to a program of assessments to pay for benefits that accrue to the properties assessed. The concept is similar in many respects to Business Improvement Districts, which already are authorized by the General Laws.

These assessments are the functional equivalent of new property taxes. The legislation would allow, in some cases, a minority of property owners in a proposed district to overrule the objection of a majority of their neighbors and impose what amounts to new taxes. Since Proposition 2 ½ was enacted in 1980, it has been a fundamental principle of municipal governance in Massachusetts that additional tax burdens are subject to strict controls. When we have allowed municipalities to go above and beyond Proposition 2 ½, using tools such as Business Improvement Districts or the Community Preservation Act, we have always insisted on majority rule as a check on that power. By departing from this fundamental principle of democratic governance and creating a structure in which a minority of property owners are able

to impose their will on the majority, this legislation conflicts with a framework that has worked well for Massachusetts for thirty-five years.

Additionally, I have previously expressed my concern about the process this legislation establishes for creating and modifying community benefit districts. In July of this year, when this exact proposal was included as an outside section of the FY2018 budget, I proposed a series of amendments that would help ensure that community benefit districts are established, and then administered, in a fairer, more transparent and easier to implement fashion. However, the Legislature did not adopt any of the amendments I proposed in July.

As a former town selectman, I strongly support the ability of cities and towns to address local issues on a local basis. In providing municipalities with this new tool, however, we must preserve the principle of majority rule and ensure that the process for using the tool is tailored to assist municipalities and does not create an undue burden on municipal officials or individual property owners.

For the foregoing reasons, I am returning this bill to you unsigned.

Respectfully submitted,

Charles D. Baker,
Governor