

SENATE No. 24

The Commonwealth of Massachusetts

PRESENTED BY:

Walter F. Timilty

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 authorizing the town of Milton to establish a special purpose stabilization fund.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Walter F. Timilty</i>	<i>Norfolk, Bristol and Plymouth</i>	
<i>William Driscoll</i>	<i>7th Norfolk</i>	<i>2/3/2017</i>

SENATE No. 24

By Mr. Walter F. Timilty, a petition (accompanied by bill, Senate, No. 24) of Walter F. Timilty and William Driscoll (by vote of the town) for legislation to authorize the town of Milton to establish a special purpose stabilization fund. Municipalities and Regional Government. [Local Approval Received.]

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 1992 OF 2015-2016.]

The Commonwealth of Massachusetts

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In the One Hundred and Ninetieth General Court
(2017-2018)
—————

An Act authorizing the town of Milton to establish a special purpose stabilization fund.

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: Notwithstanding the provisions of any general or special law to the
2 contrary, the town of Milton is authorized to establish and maintain a Special Purpose
3 Stabilization Fund, for the sole purpose of funding future debt service obligations of certain town
4 capital projects described in Section 4 below (the Subject Capital Projects) financed with debt
5 issuances for which the town’s voters have approved an exemption from the limitations imposed
6 by Proposition 2½ (Exempt Debt).

7 SECTION 2: Notwithstanding section 21C of chapter 59 of the General Laws, for any
8 future fiscal year in which the total of the town's principal and interest on borrowings for the
9 Subject Capital Projects with Exempt Debt and the town’s principal and interest on borrowings

10 for the town's prior school and library projects is less than the principal and interest on the
11 town's Fiscal Year 2018 Exempt Debt, the town may raise by taxation the difference between
12 such principal and interest and the town's Fiscal Year 2018 Exempt Debt principal and interest,
13 and such additional amount shall be deposited into the Special Purpose Stabilization Fund.

14 SECTION 3: For any future fiscal year in which the total of the town's principal and
15 interest on borrowings for the Subject Capital Projects with Exempt Debt and the town's
16 principal and interest on borrowings for the town's prior school and library projects exceeds the
17 amount of the principal and interest on the town's Fiscal Year 2018 Exempt Debt the town shall
18 appropriate from the Special Purpose Stabilization Fund an amount equal to the difference
19 between such principal and interest and the principal and interest on the town's Fiscal Year 2018
20 Exempt Debt for the payment of such principal and interest and shall reduce the amount of
21 principal and interest it may raise for the Exempt Debt under section 21C of chapter 59 of the
22 General Laws for the year by the amount appropriated.

23 SECTION 4: Subject to the provisions of section 7 of this Act, money in the Special
24 Purpose Stabilization Fund may be appropriated and expended only for the purpose of stabilizing
25 the cost to the taxpayers for the future replacement or substantial restoration and improvement of
26 three town fire stations and the town Department of Public Works facilities (the Subject Capital
27 Projects), and only if town meeting authorizes borrowing for one or more of the Subject Capital
28 Projects and the voters of the town vote to exempt the principal and interest on debt issued for
29 one or more of such projects from the limitations set forth in Proposition 21/2, provided that the
30 maximum principal amount of debt associated with the foregoing projects that may be payable
31 from the Special Purpose Stabilization Fund shall not exceed fifty million dollars
32 (\$50,000,000.00)

33 SECTION 5: The balance in the Special Purpose Stabilization Fund shall not exceed two
34 and one-half percent of the town's annual operating budget for the then current fiscal year.

35 SECTION 6: Funding of the Special Purpose Stabilization Fund shall terminate when the
36 balance in the Fund is sufficient to cover future payments of principal and interest on Exempt
37 Debt for the Subject Capital Projects that exceed the Fiscal Year 2018 Exempt Debt principal
38 and interest. The Special Purpose Stabilization Fund shall be closed when the balance in said
39 Fund is zero.

40 SECTION 7: Notwithstanding section 4 of this Act, if the voters of the town vote not to
41 exempt the principal and interest on debt issued for each of the Subject Capital Projects from the
42 limitations imposed under section 21C of chapter 59 of the General Laws, the director of
43 accounts within the department of revenue and the Milton board of selectmen shall mutually
44 agree upon a schedule for the town to use the balance in the Special Purpose Stabilization Fund
45 to pay the principal and interest on the borrowings for which the town had Exempt Debt in Fiscal
46 Year 2018 and to reduce the amount raised for such principal and interest on such Exempt Debt
47 under section 21C of chapter 59 of the General Laws, or if such Exempt Debt has been paid, to
48 reduce the tax levy.

49 SECTION 8: This act shall take effect upon its passage.