SENATE DOCKET, NO. 2466 FILED ON: 1/11/2018

SENATE . . . . . No.

The Commonwealth of Massachusetts

PRESENTED BY:

Cindy F. Friedman

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 relative to proceeds from the sale of bonds.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
Cindy F. Friedman	*Fourth Middlesex*	
Viriato M. deMacedo	*Plymouth and Barnstable*	*2/26/2018*

SENATE DOCKET, NO. 2466 FILED ON: 1/11/2018

SENATE . . . . . No.

By Ms. Friedman, a petition (accompanied by bill) (subject to Joint Rule 12) of Cindy F. Friedman for legislation relative to proceeds from the sale of bonds. Municipalities and Regional Government.

The Commonwealth of Massachusetts

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

An Act relative to proceeds from the sale of bonds.

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

SECTION 1. Section 20 of chapter 44 of the General Laws, as appearing in the 2016 Official Edition, is hereby amended by striking out the fifth sentence, in lines 22-32, inclusive, and inserting in place thereof the following sentences:-

Any premium received upon the sale of notes, less the cost of preparing, issuing and marketing the notes, and any accrued interest received upon the delivery of the notes, shall be applied to the first payment of interest on the note. Any premium received upon the sale of bonds, less the cost of preparing, issuing and marketing them, and any accrued interest received upon the delivery of bonds shall be: (i) in the case of bonds sold by a city or town that have been excluded under section 21C of chapter 59, or bonds sold by a regional school district for which one or more member cities or towns have so excluded their share of the bond, applied by the treasurer to pay costs of the project being financed by the bonds and to reduce the amount authorized to be borrowed for the project by like amount; or (ii) in the case of any other bonds,

applied by the treasurer to pay costs of the project being financed by the bonds and to reduce the amount authorized to be borrowed for the project by like amount; or if not so applied, appropriated to pay costs of a project for which the city, town or district has authorized a borrowing, or may authorize a borrowing. Notwithstanding this section, any premium and accrued interest received on account of an issue of bonds, less the cost of preparing, issuing and marketing the bonds, not in excess of $50,000 may be applied, with the approval of the chief executive officer, for the payment of indebtedness.