

HOUSE No. 4543

The Commonwealth of Massachusetts



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To the Honorable Senate and House of Representatives,

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution, I am returning to you for amendment House Bill No. 3953, “An Act Establishing an Economic Development Special Revenue Account for the Town of Ashland.”

This bill was adopted in response to a home rule petition by the town of Ashland and is intended to deposit the proceeds of the town’s local option meals tax into a special fund used to support economic development activities. Due to a technical issue in how the bill refers to the local option meals tax, however, the bill does not affect the transfer to this important fund. I therefore recommend amending the bill by striking out the text of the bill and inserting in place thereof the following text:-

SECTION 1. (a) Notwithstanding section 53 of chapter 44 of the General Laws or any other general or special law to the contrary, the town of Ashland shall establish in the town treasury a special revenue account to be known as the Economic Development Special Revenue Fund, into which shall be deposited certain receipts comprised of the total local meals tax received annually by the town under subsections (b) and (c) of section 2 of chapter 64L of the General Laws. The funds shall be used to support economic development activities, operations and administration in the town of Ashland, including, but not limited to, the Ashland Economic Development Program Fund for the town of Ashland established under chapter 420 of the acts of 2018.

(b) Notwithstanding any general or special law to the contrary, the amount of the local meals tax collected under said section 2 of said chapter 64L by the town for the fiscal year beginning July 1, 2019 and each fiscal year thereafter shall be credited to the Economic Development Special Revenue Fund and shall be subject to further appropriation by a majority vote of the town meeting.

(c) Notwithstanding any general or special law to the contrary, any interest accruing on any amount on deposit in the Economic Development Special Revenue Fund shall be credited to the general fund of the town of Ashland.

(d) Nothing in this act shall affect amounts distributed in any fiscal year to the town from the Local Aid Fund.

(e) If, by a majority vote of the town meeting pursuant to section 4B of chapter 4 of the General Laws, the town revokes its acceptance of the local meals tax collected under said section 2 of said chapter 64L, the town shall decide by a 2/3 vote of the town meeting whether the Economic Development Special Revenue Fund shall cease to have effect. If 2/3 of the town meeting votes that the Economic Development Special Revenue Fund shall cease to have effect, all unexpended and uncommitted amounts on deposit in the Economic Development Special Revenue Fund as of the date of the vote to revoke the local meals tax shall be credited to the general fund of the town on the first day of the calendar quarter following 30 days after the date of the revocatory vote; provided, however, that if 2/3 of the town meeting does not vote that the Economic Development Special Revenue Fund shall cease to have effect, the Economic Development Special Revenue Fund shall continue to have effect and all unexpended and uncommitted amounts on deposit in the Economic Development Special Revenue Fund as of the date of the vote to revoke the local meals tax collected under said section 2 of said chapter 64L shall be subject to further appropriation by a majority vote of the town meeting.

(f) The town may close the Economic Development Special Revenue Fund by a 2/3 vote of the town meeting. The vote to close the Economic Development Special Revenue Fund shall designate: (i) that the Economic Development Special Revenue Fund shall cease to have effect; (ii) that all unexpended and uncommitted amounts on deposit in the Economic Development Special Revenue Fund as of the date of the vote shall immediately be credited to the general fund of the town; and (iii) that the local meals tax that is received annually by the town under said section 2 of said chapter 64L and credited to the Economic Development Special Revenue Fund as set forth in subsections (b) and (c) shall be credited to the general fund of the town.

SECTION 2. The treasurer of the town of Ashland shall, until such time as the Economic Development Special Revenue Fund ceases to exist, provide an annual financial report to the town, which shall be publicly posted on or before October 1 of each year. The annual financial report shall specifically include: (i) fund revenues; (ii) fund receipts; (iii) the amount of grants

made from the fund; (iv) the specific amounts of loans made by the fund and to whom such loans were made; and (v) the balance of money in the fund at the end of each fiscal year.

SECTION 3. This act shall take effect upon its passage.

Respectfully submitted

Charles D. Baker,
Governor