

HOUSE No. 4414

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, February 20, 2024.

The committee on Federal Stimulus and Census Oversight, to whom was referred the Senate Bill to provide for competitiveness and infrastructure investment in Massachusetts (Senate, No. 2554), reports recommending that the same ought to pass with an amendment striking all after the enacting clause and inserting in place thereof the text contained in House document numbered 4414.

For the committee,

JACK PATRICK LEWIS.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

By striking out all after the enacting clause and inserting in place thereof the following:—

1 SECTION 1. Section 2H of chapter 29 of the General Laws, as most recently amended
2 by section 1 of chapter 50 of the acts of 2023, is hereby amended by striking out the first
3 sentence and replacing it with the following sentence:—

4 There shall be established and set up on the books of the commonwealth a separate fund
5 to be known as the Commonwealth Stabilization Fund, consisting of amounts transferred to the
6 fund in accordance with sections 5C and 5G of this chapter, amounts credited under this section,
7 and any appropriations or other amounts transferred to the fund.

8 SECTION 2. Said chapter 29 is hereby further amended by inserting after section
9 ~~2ZZZZZ~~ the following section:—

10 Section 2AAAAAA. (a) There shall be established and set up on the books of the
11 commonwealth a separate, non-budgeted special revenue fund known as the Commonwealth
12 PAYGO Capital Investment and Debt Reduction Fund. The secretary of administration and
13 finance shall administer the fund. There shall be credited to the fund: (i) the interest earned on
14 the investment of money in the Stabilization Fund established by section 2H in each fiscal year;
15 (ii) any appropriations or other money designated to be credited to the fund; and (iii) interest

16 earned on any amounts deposited in the fund. Amounts credited to the fund shall be expended
17 without further appropriation. The unexpended balance in the fund at the end of a fiscal year
18 shall remain available for expenditure in subsequent fiscal years. No expenditure made from the
19 fund shall cause the fund to be in deficit at any point.

20 (b) Quarterly, the Comptroller shall transfer interest credited to the Stabilization Fund
21 during the previous quarter to the fund.

22 (c) Annually, not later than five business days after the issuance of the Statutory Basis
23 Financial report required by section 12 of chapter 7A, the state comptroller shall report to the
24 executive office for administration and finance and the house and senate committees on ways
25 and means the balance of the Stabilization Fund as of June 30 of the preceding fiscal year as well
26 as the interest earned by the Stabilization Fund during the preceding fiscal year.

27 (d) In each fiscal year during which the balance of the Stabilization Fund for the most
28 recently ended fiscal year has increased over the balance of the Stabilization Fund at the close of
29 the immediately preceding fiscal year as certified by the Comptroller in the Statutory Basis
30 Financial report required by section 12 of Chapter 7A, and the balance of the Stabilization Fund
31 exceeds 10 per cent of budgeted revenues for the immediately preceding fiscal year as stated in
32 the Statutory Basis Financial report provided, that if the report for the immediately preceding
33 fiscal year has not yet been issued, the comptroller shall make an estimate of the Commonwealth
34 Stabilization Fund balance and budgeted revenues and other financing sources for the
35 immediately preceding fiscal year, the secretary may expend money from the PAYGO Capital
36 Investment and Debt Reduction Fund, without further appropriation, for any of the following
37 purposes: (i) for capital projects authorized by the general court; (ii) to repay, prepay, defease,

38 retire, tender, purchase, reduce the principal or interest payable on or otherwise reduce any
39 portion of the commonwealth's indebtedness; (iii) to reduce, repay or retire any portion of the
40 commonwealth's long term liabilities including, but not limited to, pension obligations, other
41 post-retirement benefits, capital leases, general or special obligation contract liabilities and
42 equivalent liabilities; and (iv) to transfer any amounts in the fund to the Stabilization Fund.

43 (e) Annually, not later than December 31, the secretary shall provide a report to the
44 clerks of the senate and house of representatives and the senate and house committees on ways
45 and means on the activities of the Commonwealth PAYGO Capital Investment and Debt
46 Reduction Fund in the preceding fiscal year ending June 30.

47 SECTION 3. Notwithstanding any general or special law to the contrary, not later than
48 December 31, 2026, the secretary of administration and finance shall report to the clerks of the
49 senate and house of representatives and the senate and house committees on ways and means on:

50 (a) expenditures from the Commonwealth PAYGO Capital Investment and Debt Reduction Fund
51 established by section 2AAAAAA of chapter 29 of the General Laws for matching funds for
52 federal programs, including, but not limited to, projects and programs included in the
53 Infrastructure Investment and Jobs Act of 2021 , also known as the Bipartisan Infrastructure
54 Law, Public Law No. 117-58, the CHIPS Act of 2022, Public Law No. 117-167, and the Inflation
55 Reduction Act of 2022 , Public Law No. 117-169, including expenditures for grants, loans, and
56 other financial assistance to cities, towns, tribes, regional organizations whose membership is
57 exclusively composed of municipal governments, regional planning agencies, community
58 development corporations, and other development authorities or agencies; and (b) amounts
59 obligated for federal programs, including projects and programs included in the Infrastructure
60 Investment and Jobs Act of 2021, also known as the Bipartisan Infrastructure Law, Public Law

61 No. 117-58, the CHIPS Act of 2022, Public Law No. 117-167, and the Inflation Reduction Act
62 of 2022, Public Law No. 117-169, including expenditures for grants, loans, and other financial
63 assistance to cities, towns, tribes, regional organizations whose membership is exclusively
64 composed of municipal governments, regional planning agencies, community development
65 corporations, and other development authorities or agencies related to such federal programs.

66 SECTION 4. Notwithstanding section 2AAAAAA of chapter 29 of the General Laws,
67 the secretary of administration and finance may expend up to \$750,000,000 from the
68 Commonwealth PAYGO Capital Investment and Debt Reduction Fund established in said
69 section 2AAAAAA of said chapter 29 to provide funding for matching funds for federal
70 programs, including projects and programs included in the Infrastructure Investment and Jobs
71 Act of 2021, also known as the Bipartisan Infrastructure Law, Public Law No. 117-58, the
72 CHIPS Act of 2022, Public Law No. 117-167, and the Inflation Reduction Act of 2022, Public
73 Law No. 117-169; provided, that up to \$50,000,000 may be used to support efforts to establish a
74 local infrastructure bank to fund capital expenditures that promote municipal, tribal and regional
75 project readiness and enhance the competitiveness of federal funding applications under
76 guidelines adopted by the executive office for administration and finance; provided, further that
77 said funds may also be used for a competitive program of grants, loans, and other financial
78 assistance to cities, towns, tribes, regional organizations whose membership is exclusively
79 composed of municipal governments, regional planning agencies, community development
80 corporations, and other development authorities or agencies, to provide funding for matching
81 funds for federal programs, including projects and programs included in the Infrastructure and
82 Investment in Jobs Act of 2021, also known as the Bipartisan Infrastructure Law, Public Law
83 No. 117-58, and the Inflation Reduction Act of 2022, Public Law No. 117-169; provided, further

84 that up to \$12,000,000 may be used to provide grants for planning and studies, preparation of
85 plans and specifications, and technical assistance to support cities, towns, tribes, regional
86 organizations whose membership is exclusively composed of municipal governments, regional
87 planning agencies, community development corporations, and other development authorities or
88 agencies, under guidelines adopted by the executive office for administration and finance;
89 provided further, that on and after December 1, 2026, the secretary shall not obligate any
90 additional funds under this section.