

**HOUSE . . . . . No. 2333**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***Margaret R. Scarsdale***

*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 establishing a municipal building assistance program and building authority.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Margaret R. Scarsdale</i>	<i>1st Middlesex</i>	<i>1/10/2025</i>
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>	<i>1/15/2025</i>
<i>David T. Vieira</i>	<i>3rd Barnstable</i>	<i>1/24/2025</i>
<i>Steven George Xiarhos</i>	<i>5th Barnstable</i>	<i>1/27/2025</i>
<i>Edward J. Kennedy</i>	<i>First Middlesex</i>	<i>4/17/2025</i>
<i>Marcus S. Vaughn</i>	<i>9th Norfolk</i>	<i>5/5/2025</i>

**HOUSE . . . . . No. 2333**

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By Representative Scarsdale of Pepperell, a petition (accompanied by bill, House, No. 2333) of Margaret R. Scarsdale and others for legislation to establish a municipal building assistance program and building authority. Municipalities and Regional Government.

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[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE HOUSE, NO. 3801 OF 2023-2024.]

**The Commonwealth of Massachusetts**

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**In the One Hundred and Ninety-Fourth General Court  
(2025-2026)**  
\_\_\_\_\_

An Act establishing a municipal building assistance program and building authority.

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

1           The General Laws are hereby amended by inserting after chapter 40W the following  
2 chapter:-

3           CHAPTER 40X

4           SECTION 1. Whereas the costs of municipal building construction are increasing at an  
5 unsustainable rate and local governments need flexibility in municipal building assistance to  
6 ensure that local needs for municipal facility space, downtown development, open space, and  
7 community space are met; and to promote the thoughtful planning and construction of municipal  
8 facility space in order to ensure safe and adequate plant facilities for the public, and to assist  
9 towns in meeting the cost thereof, there is hereby established a municipal building assistance

10 program. It is in the best interests of the Commonwealth and its citizens to create an authority to  
11 achieve the objectives of effective management and planning of the commonwealth's  
12 investments in municipal building assets, ensuring the health, safety, security, and well-being of  
13 residents and staff, easing and preventing overcrowding, maintaining good repair, efficient and  
14 economical construction and maintenance, financial sustainability of the municipal building  
15 assistance program, thoughtful community development, smart growth, and accessibility.

16 SECTION 1A. (a) There is hereby created a body politic and corporate and a public  
17 instrumentality to be known as the Massachusetts Municipal Building Authority, which shall be  
18 an independent public authority not subject to the supervision and control of any other executive  
19 office, department, commission, board, bureau, agency or political subdivision of the  
20 commonwealth except as specifically provided in any general or special law. The exercise by the  
21 authority of the powers conferred by this chapter shall be considered to be the performance of an  
22 essential public function.

23 (b) The authority shall consist of the state treasurer, who shall serve as chairperson, the  
24 secretary of administration and finance, a representative of the Massachusetts Municipal  
25 Association, and 4 additional members appointed by the state treasurer, 2 of whom shall have  
26 practical experience in public building construction, or architecture and design, and 2 of whom  
27 shall be persons in the field of municipal management with demonstrated knowledge of  
28 Massachusetts facility needs and other relevant federal and state building standards, each of  
29 whom shall serve a term of 2 years; but, a person appointed to fill a vacancy shall serve only for  
30 the unexpired term. An appointed member of the authority shall be eligible for reappointment.  
31 The authority shall annually elect 1 of its members to serve as vice-chairperson. Each member of  
32 the authority serving ex officio may appoint a designee pursuant to section 6A of chapter 30.

33 (c) Four members of the authority shall constitute a quorum, and the affirmative vote of 4  
34 members of the authority shall be necessary and sufficient for any action taken by the authority.  
35 No vacancy in the membership of the authority shall impair the right of a quorum to exercise all  
36 the rights and duties of the authority. Members shall serve without pay but shall be reimbursed  
37 for actual expenses necessarily incurred in the performance of their duties. The chairperson of  
38 the authority shall report to the governor and to the general court no less than annually, to assist  
39 the executive and legislative branches in coordinating community development and fiscal  
40 policies of the Commonwealth.

41 (d) Any action of the authority may take effect immediately and need not be published or  
42 posted unless otherwise provided by law. Meetings of the authority shall be subject to section  
43 11A1/2 of chapter 30A; but, said section 11A1/2 shall not apply to any meeting of members of  
44 the authority serving ex officio in the exercise of their duties as officers of the Commonwealth so  
45 long as no matters relating to the official business of the authority are discussed and decided at  
46 the meeting. The authority shall be subject to all other provisions of said chapter 30A, and  
47 records pertaining to the administration of the authority shall be subject to section 42 of chapter  
48 30 and section 10 of chapter 66. All monies of the authority shall be considered to be public  
49 funds for purposes of chapter 12A. The operations of the authority shall be subject to chapter  
50 268A and chapter 268B and all other operational or administrative standards or requirements to  
51 the same extent as the office of the state treasurer.

52 SECTION 2. Chapter 10 of the General Laws is hereby amended by inserting after  
53 section 35SSS, the following section:-

54 Section 35TTT. (a) As used in this section, the following words shall, unless the context  
55 requires otherwise, have the following meanings:-

56 "Authority", the Massachusetts Municipal Building Authority.

57 "Dedicated sales tax revenue amount", all monies received by the Commonwealth equal  
58 to 0.5 percent of the receipts from sales, as defined by chapter 64H, and 0.5 percent of the sales  
59 price of purchases, as defined by chapter 64I, from that portion of the taxes imposed under said  
60 chapters 64H and 64I as excises upon the sale and use at retail of tangible property or of services,  
61 and upon the storage, use or other consumption of tangible property or of services, including  
62 interest thereon or penalties, but not including any portion of the taxes that constitute special  
63 receipts within the meaning of subsection (b 1/2) of section 10 of chapter 152 of the acts of 1997  
64 or within the meaning of subsection (b 1/2) of said section 10 of said chapter 152 or any portion  
65 of the taxes imposed on the sale of meals as defined in paragraph (h) of section 6 of said chapter  
66 64H.

67 "Receipts from sales", gross receipts from nonexempt sales, less amounts abated or  
68 reimbursed.

69 "Sales price of purchases", sales price of nonexempt purchases, less amounts abated or  
70 reimbursed.

71 (b) There shall be established on the books of the commonwealth a separate fund, to be  
72 known as the Municipal Building Modernization and Reconstruction Trust Fund. There shall be  
73 credited to the fund the dedicated sales tax revenue amount. Annual receipts into the fund on  
74 account of any fiscal year shall be considered to meet the full obligation of the commonwealth to  
75 the authority for such fiscal year.

76 (c) Amounts in the fund shall be held by the state treasurer or his designee, as trustee and  
77 not on account of the commonwealth, exclusively for the purposes of the authority, and the state  
78 treasurer shall disburse amounts in the fund to the authority, without further appropriation, upon  
79 the request from time to time of the executive director of the authority. All amounts in the fund,  
80 including investment earnings, shall be available for expenditure by the authority for any lawful  
81 purpose, including without limitation payment of debt service on debt obligations issued by the  
82 authority, and may be pledged to secure debt of the authority in such manner and according to  
83 such priority as the authority may determine.

84 (d) The authority shall certify annually to the treasurer as trustee with copies provided to  
85 the clerks of the house and senate and to the house and senate committees on ways and means  
86 that it has made provision in its annual budget and its capital plan under section 17 of chapter  
87 70B for sufficient amounts to be available to meet debt service payments or other payments due  
88 under financing obligations, including, without limitation, leases or grant obligations.

89 (e) Subject to applicable restrictions contained in any bond resolution, trust or security  
90 agreement or credit enhancement agreement, surety bond, or insurance policy related to  
91 indebtedness incurred by the authority, including without limitation coverage requirements, if the  
92 authority shall determine that the balance of the fund exceeds the amount necessary to achieve  
93 the purposes of the authority, including, without limitation, to meet debt service payments, lease  
94 payments and grant obligations, the authority may transfer the excess amount to the  
95 Commonwealth.

96 (f) In order to increase the marketability of any bonds or notes of the trust which may be  
97 secured by or payable from amounts held in the fund, the sums to be credited to the fund are

98 hereby impressed with a trust for the benefit of the trust and the holders from time to time of the  
99 bonds or notes, and in consideration of the acceptance of payment for the bonds or notes, the  
100 Commonwealth covenants with the purchasers and all subsequent holders and transferees of the  
101 bonds or notes that while the bond or note shall remain outstanding, and so long as the principal  
102 of or interest on the bond or note shall remain unpaid, the sums to be credited to the fund shall  
103 not be diverted from the control of the trust and, so long as the sums are necessary, as determined  
104 by the authority in accordance with any applicable bond resolution, trust or security agreement or  
105 credit enhancement agreement, surety bond or insurance policy related to indebtedness incurred  
106 by the trust, for the purposes for which they have been pledged, the rates of the excises imposed  
107 by said chapters 64H and 64I shall not be reduced below the rates prescribed by this section.