HOUSE DOCKET, NO. 1740 FILED ON: 1/15/2025

HOUSE . . . . . No. 3050

The Commonwealth of Massachusetts

PRESENTED BY:

Michelle L. Ciccolo and Jack Patrick Lewis

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 regional ballot initiatives.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Michelle L. Ciccolo	*15th Middlesex*	*1/15/2025*
Jack Patrick Lewis	*7th Middlesex*	*1/15/2025*
Russell E. Holmes	*6th Suffolk*	*4/28/2025*

HOUSE DOCKET, NO. 1740 FILED ON: 1/15/2025

HOUSE . . . . . No. 3050

By Representatives Ciccolo of Lexington and Lewis of Framingham, a petition (accompanied by bill, House, No. 3050) of Michelle L. Ciccolo and Jack Patrick Lewis for legislation to authorize cities and towns to impose tax surcharges on single subjects of taxation and to establish local and regional transportation ballot initiatives. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. *2737* OF 2023-2024.]

The Commonwealth of Massachusetts

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

An Act relative to regional ballot initiatives.

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. The General Laws are hereby amended by inserting after Chapter 64N the following chapter:-

CHAPTER 64O. LOCAL AND REGIONAL TRANSPORTATION BALLOT INITIATIVES

Section 1. For purposes of this chapter, the following terms shall, unless the context clearly requires otherwise, have the following meanings:

"District agreement", a document specifying the terms and conditions of the powers and duties of the 2 or more municipalities forming a district under section 4 of this chapter, pursuant

9 to the laws governing any such municipality, this chapter and such procedural regulations as the
10 commissioner of revenue may promulgate.

11 "Governing body", in a city having a Plan D or Plan E charter the city manager and city
12 council and in any other city the mayor and the city council and in towns the board of selectmen
13 or equivalent body.

14 "Single subject of taxation", 1 tax mechanism, including, sales, real or personal property,
15 room occupancy, vehicle excise, local vehicle excise, local transportation network company
16 surcharge, local commercial parking surcharge, or any other tax then authorized to be assessed or
17 collected by the commonwealth or any city or town, as determined annually by the board of
18 assessors or department of revenue, that the city or town, or district, may subject to the tax
19 surcharge.

20 "Transportation project", a project or program involving the planning, design or
21 construction of public or mass transportation transit systems, transit-oriented development,
22 roads, bridges, bikeways, pedestrian pathways, and other transportation-related projects.

23 Section 2. (a) This chapter shall take effect in any city or town upon the approval of its
24 governing body and its acceptance by the voters of any city or town by a ballot question as set
25 forth in section 3.

26 (b) A city or town may impose any tax surcharge within its city or town on a single
27 subject of taxation subject only to the condition that such tax is a surcharge on a tax then
28 authorized by state law; provided, however, that no tax surcharge shall be imposed within the
29 city or town unless it has first been approved by the governing body of such city and town and

30 accepted by a majority of the voters of a city or town through a ballot question as set forth in
31 section 3, except as provided in section 4.

32 (c) Notwithstanding chapters 59, 60A, 62, 64H, or any other general or special law to the
33 contrary but subject to the provisions of this chapter, the governing body of any city or town may
34 vote to accept the provisions of this chapter authorizing a surcharge on a single subject of
35 taxation, as determined annually by the board of assessors or department of revenue. A
36 governing body that intends to accept the provisions of this chapter shall determine prior to
37 approval by the voters which single subject of taxation will be levied and the amount and rate of
38 surcharge. For a real or personal property tax surcharge, the amount of the surcharge shall not be
39 included in a calculation of total taxes assessed for purposes of section 21C of chapter 59.

40 (d) All exemptions and abatements of any single subject of taxation for which a taxpayer
41 qualifies as eligible shall not be affected by this chapter. A taxpayer receiving an exemption for
42 any single subject of taxation shall be exempt from any tax surcharge on any single subject of
43 taxation established under this section. The tax surcharge to be paid by a taxpayer receiving an
44 abatement of any single subject of taxation shall be reduced in proportion to the amount of such
45 abatement.

46 (e) Any amount of the tax surcharge not paid by the due date shall bear interest at the rate
47 per annum as authorized by the law for any single subject of taxation.

48 (f) Revenues raised through the tax surcharge shall be separately accounted for and used
49 by the city or town for transportation projects.

50 Section 3. (a) Upon approval by the governing body, the actions of the governing body
51 shall be submitted for acceptance to the voters of a city or town at the next regular municipal or

52 state election. The city or town clerk or the state secretary shall place it on the ballot in the form
53 of the following question: "Shall this (city or town) accept sections 2 to 5, inclusive of chapter
54 64O of the General Laws, as approved by its (governing body), a summary of which appears
55 below

56 (Set forth here a fair, concise summary and purpose of the law to be acted upon, as
57 determined by the city solicitor or town counsel, including in the summary the specific single
58 subject of taxation to be levied, the percentage of the surcharge to be imposed, and the time
59 period during which the tax will be levied.)"

60 In the ballot question, the city or town may include a list of specific transportation
61 projects for which the tax surcharge funds may be used, or a city or town may include a general
62 description of the types of transportation projects for which the tax surcharge may be used. The
63 city or town shall also include a sunset provision in the ballot question.

64 If a majority of the voters voting on said question vote in the affirmative, then its
65 provisions shall take effect in the city or town, or district as set forth under section 4, but not
66 otherwise.

67 (b) The final date for notifying or filing a petition with the city or town clerk or the state
68 secretary to place such a question on the ballot shall be 60 days before the city or town election
69 or 100 days before the state election. For those petitions that will appear on the state election,
70 notice shall be given by filing with the state secretary a certified copy of the governing body's
71 approval, and include a copy of the summary set forth in subsection (a).

72 (c) If the governing body does not vote to accept the provisions of this chapter, not less
73 than 120 days before a regular city or town election or 180 days before a state election, a

74 question seeking said acceptance through approval of a particular surcharge amount and
75 percentage may be so placed on the ballot when a petition including information about the
76 subject of taxation, rate of taxation and project or types of projects is signed by not less than 5
77 percent of the registered voters of the city or town requesting such action is filed with the
78 registrars, who shall have 7 days after receipt of such petition to certify its signatures. Upon
79 certification of the signatures, the city or town clerk or the state secretary shall cause the question
80 to be placed on the ballot at the next regular city or town election held more than 60 days after
81 such certification or at the next regular state election held more than 90 days after such
82 certification.

83 Section 4. (a) Two or more municipalities may, with the approval of the governing body
84 of each city or town thereof, form a district for the purposes of implementing the provisions of
85 this chapter.

86 (b) If a majority of the voters in the district, for the purposes set forth in subsection (a),
87 vote in the affirmative to form a district for the purposes of implementing the provisions of this
88 chapter then the provisions of this chapter shall take effect in the district, but not otherwise.

89 (c) Two or more municipalities that choose to form a district for purposes of this chapter
90 shall apply a tax surcharge to their preferred subject of taxation. The amount and percentage of
91 the tax surcharge may vary for each municipality that comprises the district.

92 (d) Two or more municipalities forming a district shall adopt a district agreement with the
93 approval of the applicable governing body prior to presentment to the voters of the 2 or more
94 municipalities by a ballot question. The district agreement shall specify: (i) the purpose and
95 nature of the arrangement; (ii) the single municipality to serve as the treasurer of the

96 transportation fund or the regional planning agency to serve as fiscal agent of the transportation
97 fund under section 7 and that said municipality or regional planning agency shall also serve as
98 treasurer or fiscal agent for purposes of section 9; (iii) how the transportation fund will be used
99 and for what purposes, and how the municipalities will decide on details of use, plan changes or
100 urgent circumstances; (iv) the work to be performed, and the division or sharing of responsibility
101 among the municipalities; (v) the estimated costs and the methods of financing of the
102 transportation projects; (vi) the method of administration of the transportation fund and the
103 transportation projects to be paid for through the fund; (vii) the composition of the district's
104 transportation committee, the length of its term, and the criteria and method of selecting its
105 members; (viii) the duration of the proposed agreement; and (ix) the amount, type and
106 percentage of the tax surcharge for each municipality that comprises the district.

107 (e) Nothing in this section shall be construed to: (i) amend, repeal or otherwise alter the
108 authority or jurisdiction of, or establish, a municipality; or (ii) confer any management authority
109 over transportation projects beyond the authority exercised by participating municipalities in the
110 district agreement set forth in this section and this chapter.

111 Section 5. (a) Upon acceptance of this chapter, the satisfaction of the requirements of this
112 chapter and upon the assessors' warrant to the tax collector, the accepted tax surcharge shall be
113 imposed. The city, town, or district, shall notify the commissioner of revenue of the date and
114 terms on which the voters accepted this chapter.

115 (b) For a tax surcharge levied on either property or excise tax, after receipt of the warrant,
116 the tax collector shall collect the surcharge in the amount and according to the computation
117 specified in the warrant and shall pay the amounts so collected, quarterly or semi-annually,

118 according to the schedule for collection of the single subject of taxation, to the city's or town's
119 treasurer, or the district's treasurer. The tax collector shall cause appropriate books and accounts
120 to be kept with respect to such tax surcharge, which shall be subject to public examination upon
121 reasonable request from time to time.

122 (c) Two or more municipalities forming a district shall select one of the municipalities or
123 the regional planning agency to serve as the district's treasurer for purposes of this chapter. The
124 district agreement shall establish the method of selecting the district treasurer. The municipality
125 or regional planning agency selected to serve as district treasurer shall perform duties in
126 accordance with section 5 of this chapter and chapter 41. Two or more municipalities forming a
127 district shall also select that same municipality or regional planning agency to receive funds and
128 provide certification for all municipalities within said district for purposes of section 9 and in
129 accordance with section 4.

130 Section 6. (a) A city or town that accepts this chapter, either on its own or as part of a
131 district, shall establish by ordinance or by-law and, in the case of a district, the ordinance or by-
132 law shall be established by all member municipalities, a transportation committee not more than
133 90 days following acceptance of this chapter. The committee shall consist of not less than 5
134 members. The ordinance or by-law shall determine the composition of the committee, the length
135 of its term and the criteria and method of selecting its members by appointment only. The
136 committee shall include, but not be limited to, 1 or more representatives from the municipality, 1
137 member of each regional transit authority to which the city or town is a member community, if
138 any, 1 member of the regional planning agency to which the city or town is a member
139 community and persons, as determined by the ordinance or by-law, acting in the capacity of or

140 performing like duties of the department, board or authority if they have not been established in
141 the city or town.

142 (b) Each transportation committee shall study the transportation-related needs,
143 possibilities, and resources of the city, town or district. The committee shall consult with existing
144 transportation agencies, including regional planning agencies, to develop transportation projects
145 in accordance with the ballot initiative. If a list of transportation projects for which the tax
146 surcharge funds may be used was included in a ballot question, the committee shall include said
147 projects in its study; provided, however, that the committee may recommend or not recommend
148 said projects.

149 (c) Each transportation committee shall be subject to the requirements of subsection (a)
150 of section 19 of chapter 30A. Each transportation committee shall keep a full and accurate
151 account of all of its actions, including its recommendations and the action taken on them and
152 records of all appropriations or expenditures made from the local and regional transportation
153 fund. The records and accounts of the committee shall be public records.

154 (d) Each city, town or district, as applicable, shall consult with the entity proposed to own
155 and maintain the transportation project prior to listing any transportation project on the ballot, as
156 set forth in this chapter. If a city, town or district, as applicable, includes no specific
157 transportation projects in the ballot question, the transportation committee shall receive the
158 approval of the regional planning agency prior to submitting the local transportation committee's
159 recommendations to a city council or board of selectmen, unless the transportation-related
160 project or activity is solely under local jurisdiction. The city, town, or district shall study projects
161 that promote access to public transportation, biking, and walking.

162 (e) Not less than once every 2 fiscal years, each transportation committee shall make
163 recommendations to the governing body of the applicable city or town or to the district regarding
164 efficient and effective ways to improve and enhance local transportation systems in such city,
165 town or district. Recommendations to the governing body or district shall include anticipated
166 costs over the life cycle of the transportation project. The committee may include in its
167 recommendation to the governing body or district a recommendation to set aside for later
168 spending funds for specific purposes that are consistent with transportation-related purposes but
169 for which sufficient revenues are not currently available in the local and regional transportation
170 fund, as set forth in section 7, to accomplish that specific purpose, to satisfy debt payments
171 incurred from transportation-related projects or to set aside for later spending funds for general
172 purposes that are consistent with transportation improvements and in accordance with the ballot
173 initiative.

174 (f) After receiving such recommendations from the transportation committee, the
175 governing body or district shall take such action and approve such appropriations from the local
176 and regional transportation fund as may be necessary and appropriate for the recommendations
177 of the transportation committee, and such additional appropriations as it deems appropriate to
178 carry out the recommendations of the transportation committee and in accordance with the ballot
179 initiative.

180 Section 7. (a) Notwithstanding section 53 of chapter 44 or any other general or special
181 law to the contrary, a city, town or district that accepts the provisions of this chapter shall
182 establish a separate account to be known as the local and regional transportation fund, of which

183 the municipal treasurer or fiscal agent shall be the custodian. The authority to approve
184 expenditures from the fund shall be limited to the governing body or any city or town, or the
185 designated municipality treasurer or regional planning agency of the district, as applicable, and
186 the municipal treasurer or fiscal agent shall pay such expenditures in accordance with chapter 41.

187 (b) Two or more municipalities forming a district shall select 1 of the municipalities or
188 regional planning agency to establish a separate account known as the local and regional
189 transportation fund. The municipality or regional planning agency selected to establish said fund
190 shall only use the funds for the district as a whole through the designated fiscal agent and based
191 solely upon the recommendations and approvals of the transportation committee as set forth in
192 this chapter. Administration of the fund by the fiscal agent may, at the option of the governing
193 body of any member city or town, be subject to the further approval of such governing body.

194 (c) The following monies shall be deposited in the local and regional transportation fund:
195 (i) all funds collected from the tax surcharge on any single subject of taxation pursuant to section
196 3, except if the single subject of taxation is a tax collected at the state level which shall be
197 deposited with the department of revenue in accordance with sections 8 and 9; and (ii) all funds
198 received from the commonwealth or any other source for such purposes. The treasurer or fiscal
199 agent may deposit or invest the proceeds of the fund in savings banks, trust companies
200 incorporated under the laws of the Commonwealth, banking companies incorporated under the
201 laws of the commonwealth that are members of the Federal Deposit Insurance Corporation or
202 national banks, or may invest the proceeds in paid up shares and accounts of and in co-operative
203 banks or in shares of savings and loan associations or in shares of federal savings and loan
204 associations doing business in the commonwealth or in the manner authorized by section 54 of
205 chapter 44 and any income therefrom shall be credited to the fund. The expenditure of revenues

206 from the fund shall be limited to implementing the recommendations of the transportation
207 committees, to providing administrative and operating expenses to the committees, and in
208 accordance with the ballot initiative. The city or town, or the municipality treasurer or regional
209 planning agency of the district as set forth in section 4, shall be prohibited from diverting
210 revenues derived from the tax surcharge into any other fund created by law or ordinance.

211 (d) Only those cities and towns or districts that adopt the tax surcharge allowed by this
212 chapter shall be eligible to receive monies through the local and regional transportation Fund.

213 Section 8. (a) There shall be established and set up on the books of the commonwealth a
214 separate fund, to be known as the Massachusetts local and regional transportation trust fund, for
215 the benefit of cities, towns, or districts that have accepted the provisions of this chapter and have
216 imposed a tax surcharge on a tax collected by the commonwealth, subject to any exemptions
217 adopted by a municipality or district. The fund shall consist of all revenues received by the
218 commonwealth: (i) from the tax surcharge on such tax pursuant to section 3; (ii) from public and
219 private sources as gifts, grants and donations to further local or regional transportation projects;
220 and (iii) all other monies credited to or transferred to from any other fund or source pursuant to
221 law.

222 (b) The state treasurer shall deposit revenues received by any such tax surcharge into the
223 fund in accordance with section 9 in such manner as will secure the highest interest rate available
224 consistent with the safety of the fund and with the requirement that all amounts on deposit be
225 available for withdrawal without penalty for such withdrawal at any time. All interest accrued
226 and earnings shall be deposited into the fund. The fund shall be administered in a manner to
227 separately account for revenues raised by each city, town, or district, shall be held for the benefit

228 of such city, town, or district, and expenditures from the fund shall be made solely administration
229 and implementation of this chapter. Any unexpended balances shall be redeposited for future use
230 by the city, town, or district consistent with this chapter.

231 (c) The state treasurer shall make all disbursements and expenditures from the fund
232 without further appropriation, as directed by the commissioner of revenue in accordance with
233 section 9. The department of revenue shall report by source all amounts credited to said fund and
234 all expenditures from said fund. The commissioner of revenue shall assign personnel of the
235 department as it may need to administer and manage the fund disbursements and any expense
236 incurred by the department shall be deemed an operating and administrative expense of the
237 program. The operating and administrative expenses shall not exceed 5 percent of the annual
238 total revenue deposited into the fund.

239 Section 9. (a) All sums received by the commissioner under this chapter shall, not less
240 than quarterly, be distributed, credited, and paid by the state treasurer upon certification of the
241 commissioner to each city or town or the municipality treasurer or regional planning agency of
242 the district and notified the commissioner of their acceptance.

243 (b) The state treasurer, upon certification of the commissioner, shall distribute the funds
244 to the city or town, or the municipality treasurer or regional planning agency of the district based
245 on the proportional amount the city, town or district has raised by imposing the surcharge. The
246 total distribution of funds shall include all sources of revenue raised in the previous year as set
247 forth in subsection (a) of section 8, less not more than 5 per cent of the annual total revenue of
248 the fund, as set forth in subsection (c) of section 8. Any city, town or district seeking to dispute
249 the commissioner's calculation of its distribution under this subsection shall notify the

250 commissioner, in writing, not later than 1 year from the date the tax was distributed by the
251 commissioner to the city, town or district.

252 (c) The commissioner shall be prohibited from diverting revenues derived from the tax
253 surcharge into any other fund created by law.

254 (d) Notwithstanding any provision to the contrary, the commissioner may make available
255 to cities, towns and districts any information necessary for administration of the tax surcharge
256 imposed by this chapter including, but not limited to, a report of the amount of the surcharge on
257 tax collected in the aggregate by each city, town or district under this chapter in the preceding
258 fiscal year, and the identification of each individual vendor collecting the surcharge on sales tax
259 collected under this chapter.

260 Section 10. (a) At any time after imposition of the tax surcharge, the governing body of
261 each city or town may approve and the voters may accept an amendment to the amount and
262 computation of the tax surcharge in the same manner and subject to the same requirements set
263 forth in this chapter.

264 (b) At any time after imposition of the tax surcharge, a district under section 4, with the
265 approval of the majority of voters in the district may accept an amendment to the amount and
266 computation of the tax surcharge in the same manner and subject to the same requirements set
267 forth in this chapter so that the surcharge becomes uniform in all municipalities of the district.

268 Section 11. The commissioner of revenue shall promulgate rules and regulations to
269 implement this chapter.

270 SECTION 12. The regulations required by section 11 of chapter 64O of the General

271 Laws shall be promulgated not later than 1 year after the effective date of this act.