

HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Michael S. Day

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 enhancing municipal bonding efficacy.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Michael S. Day</i>	<i>31st Middlesex</i>	<i>1/16/2025</i>

HOUSE No.

[Pin Slip]

The Commonwealth of Massachusetts

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

An Act enhancing municipal bonding efficacy.

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

1 SECTION 1. (a) Notwithstanding any special or general law to the contrary, there shall
2 be a special legislative commission established pursuant to section 2A of chapter 4 of the
3 General Laws to conduct a study of municipal bonding.

4 The commission shall consist of eleven members, two of whom shall be the chairs of the
5 joint committee on municipalities and regional government or their designees, who shall serve as
6 co-chairs; one of whom shall be appointed by the speaker of the house of representatives who
7 shall have expertise in municipal finance; one of whom shall be appointed by the president of the
8 senate who shall have expertise in bonding law or bonding credit rating practices; one of whom
9 shall be the minority leader of the House or their designee; one of whom shall be the minority
10 leader of the Senate or their designee; one of whom shall be the senior deputy commissioner of
11 the division of local services within the department of revenue or their designee; one of whom
12 shall be a chief financial officer of a city within the commonwealth, to be appointed by the
13 Massachusetts Municipal Association; one of whom shall be a chief financial officer of a town

14 within the commonwealth, to be appointed by the Massachusetts Municipal Association; one of
15 whom shall be the treasurer and receiver general of the Commonwealth or their designee; one of
16 whom shall be the secretary of administration and finance of the commonwealth or their
17 designee.

18 The commission shall evaluate municipal bond issuance practices in the commonwealth
19 and across the United States and make recommendations to the legislature regarding the manner
20 in which municipalities can maximize their bond rating. The commission shall:

21 (i) Survey the credit ratings of bond issuing municipalities over time;

22 (ii) Compare how Massachusetts municipalities have been impacted by their respective
23 bond ratings and how this experience compares to that of similar municipalities in other states;

24 (iii) Compile bond credit rating presentations and identify best practices in effectiveness;

25 (iv) Investigate and report on methodologies used by municipal bond credit rating
26 agencies;

27 (v) Identify best practices in municipal finance and what common barriers exist, if any, in
28 adopting them; and

29 (vi) Determine how statewide organizations and the division of local services may offer
30 technical assistance throughout the municipal bonding process.

31 (b) The Department of Revenue and each municipality of the commonwealth shall, upon
32 request of the commission, provide to the commission timely access to all records and
33 documents as the commission may require pursuant to its charge.

34 (c) The commission shall convene within forty days of a quorum of 5 members having
35 been appointed and shall submit its findings and recommendations, including any proposed
36 legislation relative to municipal bonding practices, by filing the same with the clerks of the house
37 of representatives and senate and the governor not later than September 31, 2025.