SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Bruce E. Tarr

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 the creation of the Massachusetts Public Safety Building Authority.

PETITION OF:

NAME:DISTRICT/ADDRESS:Bruce E. TarrFirst Essex and Middlesex

SENATE No.

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[SIMILAR MATTER FILED IN PREVIOUS SESSION SEE SENATE, NO. 1599 OF 2023-2024.]

The Commonwealth of Massachusetts

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

An Act relative to the creation of the Massachusetts Public Safety 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:

- SECTION 1. Chapter 10 of the General Laws is hereby amended by inserting after section 35PPP the following section:-
- Section 35QQQ. (a) As used in this section, the following words shall, unless the context requires otherwise, have the following meanings:-
- 5 "Authority", the Massachusetts Public Safety Building Authority, established under 6 section 1 of Chapter 40Y.
 - "Dedicated sales tax revenue amount", all moneys received by the commonwealth equal to 1 per cent of the receipts from sales, as defined by chapter 64H, and 1 per cent of the sales price of purchases, as defined by chapter 64I, from that portion of the taxes imposed under said chapters 64H and 64I as excises upon the sale and use at retail of tangible property or of services,

and upon the storage, use or other consumption of tangible property or of services, including interest thereon or penalties, but not including any portion of the taxes that constitute special receipts within the meaning of subsection (b1/2) of section 10 of chapter 152 of the acts of 1997 or within the meaning of subsection (b1/2) of said section 10 of said chapter 152 or any portion of the taxes imposed on the sale of meals as defined in paragraph (h) of section 6 of said chapter 64H. (Marijuana – all moneys received by the commonwealth equal to 33 per cent of the receipts from sales of marijuana, as defined by chapter 64N, as excises upon the sale at retail of tangible property, and upon the storage, use or other consumption of tangible property, including interest thereon or penalties).

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

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

- (b) There is hereby established a separate fund to be known as the Public Safety Building Modernization and Reconstruction Trust Fund. The authority shall administer the fund for the purpose of assisting municipalities with the construction of or improvements to public safety buildings, including, but not limited to, police stations and fire stations. There shall be credited to the fund the dedicated sales tax revenue amount. Annual receipts into the fund on account of any fiscal year shall be considered to meet the full obligation of the commonwealth to the authority for such fiscal year.
- (c) Amounts in the fund shall be held by the state treasurer or a designee, as trustee and not on account of the commonwealth, exclusively for the purposes of the authority, and the state

treasurer shall disburse amounts in the fund to the authority, without further appropriation, upon the request from time to time of the executive director of the authority. All amounts in the fund, including investment earnings, shall be available for expenditure by the authority for any lawful purpose, including without limitation payment of debt service on debt obligations issued by the authority, and may be pledged to secure debt of the authority in such manner and according to such priority as the authority may determine.

- (d) The authority shall certify annually to the treasurer as trustee with copies provided to the clerks of the house and senate and to the house and senate committees on ways and means that it has made provision in its annual budget and its capital plan under section 7 of chapter 40Y for sufficient amounts to be available to meet debt service payments or other payments due under financing obligations, including, without limitation, leases or grant obligations.
- (e) Subject to applicable restrictions contained in any bond resolution, trust or security agreement or credit enhancement agreement, surety bond or insurance policy related to indebtedness incurred by the authority, including without limitation coverage requirements, if the authority shall determine that the balance of the fund exceeds the amount necessary to achieve the purposes of the authority, including, without limitation, to meet debt service payments, lease payments and grant obligations, the authority may transfer the excess amount to the commonwealth.
- (f) In order to increase the marketability of any bonds or notes of the trust which may be secured by or payable from amounts held in the fund, the sums to be credited to the fund are hereby impressed with a trust for the benefit of the trust and the holders from time to time of the bonds or notes, and in consideration of the acceptance of payment for the bonds or notes, the

commonwealth covenants with the purchasers and all subsequent holders and transferees of the bonds or notes that while the bond or note shall remain outstanding, and so long as the principal of or interest on the bond or note shall remain unpaid, the sums to be credited to the fund shall not be diverted from the control of the trust and, so long as the sums are necessary, as determined by the authority in accordance with any applicable bond resolution, trust or security agreement or credit enhancement agreement, surety bond or insurance policy related to indebtedness incurred by the trust, for the purposes for which they have been pledged, the rates of the excises imposed by said chapters 64H and 64I shall not be reduced below the rates prescribed by this section.

SECTION 2. The General Laws are hereby amended by inserting after chapter 40X the following chapter:-

CHAPTER 40Y.

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

(b) The authority shall consist of the state treasurer, who shall serve as chairperson, the secretary of administration and finance in coordination with the secretary of public safety, and 4 additional members appointed by the state treasurer, 2 of whom shall have practical experience in public safety facilities planning, public safety building construction, or architecture and public

safety building design, and 2 of whom shall be persons in the field of public safety with demonstrated knowledge of Massachusetts public safety services and other relevant federal and state public safety standards, each of whom shall serve a term of 2 years; but, a person appointed to fill a vacancy shall serve only for the unexpired term. An appointed member of the authority shall be eligible for reappointment. The authority shall annually elect 1 of its members to serve as vice-chairperson. Each member of the authority serving ex officio may appoint a designee pursuant to section 6A of chapter 30.

- (c) Four members of the authority shall constitute a quorum, and the affirmative vote of 4 members of the authority shall be necessary and sufficient for any action taken by the authority. No vacancy in the membership of the authority shall impair the right of a quorum to exercise all the rights and duties of the authority. Members shall serve without pay but shall be reimbursed for actual expenses necessarily incurred in the performance of their duties. The chairperson of the authority shall report to the governor and to the general court no less than annually, to assist the executive and legislative branches in coordinating public safety, community development and fiscal policies of the commonwealth.
- (d) Any action of the authority may take effect immediately and need not be published or posted unless otherwise provided by law. The authority shall be subject to all provisions of chapter 30A, and records pertaining to the administration of the authority shall be subject to section 42 of chapter 30 and section 10 of chapter 66. All moneys of the authority shall be considered to be public funds for purposes of chapter 12A. The operations of the authority shall be subject to chapter 268A and chapter 268B and all other operational or administrative standards or requirements to the same extent as the office of the state treasurer.

Section 2. For the purposes of this chapter, the following words shall have the following meanings:-

"Authority", the Massachusetts Public Safety Building Authority.

"Public safety services", city or town police, fire, and emergency medical service departments.

Section 3. There is hereby established a public safety building assistance program. The purpose of said program is generally to encourage and foster the thoughtful establishment and maintenance of public safety facility space in and among the cities and towns of the commonwealth; to conduct surveys and studies relative thereto; and to administer the provisions of this chapter relative to grants and loans to cities and towns for the planning and construction of public safety buildings and public safety facility projects.

The purposes of the program shall be the provision of financial assistance to cities and towns as beneficiaries of the trust to finance and refinance the costs of approved public safety projects as provided in, and as necessary to implement this chapter, including without limitation providing for the payment of grants approved pursuant to this chapter and the payment of all costs of the authority, including professional and financial services incident to the conduct of its operations.

The authority shall establish general policy and review standards regarding public safety building construction, renovation, maintenance and facility space and administer the public safety building assistance program in accordance with this chapter. In carrying out its duties, the authority shall be guided by the following principles: preservation of open space and minimization of loss of such open space, emphasis on thoughtful community development, and

project flexibility that addresses the needs of individual communities and municipalities. In accordance with the terms of any bond resolution, trust or security agreement or credit enhancement agreement, surety bond or insurance policy related to indebtedness incurred by the authority secured by amounts provided to the trust in accordance with section 35QQQ of chapter 10, the holders of indebtedness and the providers of any credit enhancement, surety bond or insurance policy shall also be beneficiaries of the trust. The authority shall apply and disburse moneys and revenues of the trust without further appropriation or allotment.

Specific powers of the authority shall include, but not be limited to, the following:

- (a) review, approve or deny grant applications, waivers and other requests submitted to the program; review, approve and recommend changes to grant payment schedules or suspend said schedules for program projects such as refinancings, audit findings and such other circumstances that may warrant such action;
- (b) provide architectural or other technical advice and assistance, training and education, to cities and towns or to joint committees thereof and to general contractors, subcontractors, construction or project managers, designers and others in the planning, maintenance and establishment of public safety facility space;
- (c) recommend to the general court such legislation as it may deem desirable or necessary to further the purposes of this chapter;
- (d) develop a formal enrollment projection model or consider using projection models already available;

141 (e) to apply for, receive, administer and comply with the conditions and requirements 142 respecting any grant, gift or appropriation of property, services or moneys; 143 (f) to enter into contracts, arrangements and agreements with other persons and execute 144 and deliver all trust agreements, grant agreements and other instruments necessary or convenient 145 to the exercise of the powers of the trust; 146 (g) to borrow and repay money by issuing bonds or notes of the trust, to apply the 147 proceeds thereof as provided in this chapter and to pledge or assign or create security interests in 148 any revenues, receipts or other assets or funds of the trust to secure bonds or notes; 149 (h) develop a project priority system; 150 (i) collect and maintain a clearinghouse of prototypical public safety building plans which 151 may be consulted by eligible applicants; 152 (j) collect and maintain resource library relating to regulations established by the United 153 States Department of Labor Occupational Safety and Health Administration and 154 recommendations established by public safety services professional organizations, including but 155 not limited to the International Association of Fire Fighters; 156 (k) determine eligibility of cost components of projects for reimbursement, including 157 partial or full eligibility for project components for which the benefit is shared between the 158 public safety entity and other municipal entities; 159 (1) establish appropriate rules and regulations as may be necessary to carry out the 160 purposes of this chapter; 161 (m) prepare an annual budget for the administration of the program;

- (n) collect and maintain data on all the public building facilities in the commonwealth, including information on size, services, number of employees, available facility space, maintenance;
 - (o) perform or commission a needs survey to ascertain the capital construction, reconstruction, maintenance and other capital needs for public safety services in the commonwealth;
 - (p) develop a long term capital plan in accordance with needs and projected funding;
 - (q) adopt and amend bylaws and such rules, regulations and procedures for the conduct of the business of the trust as the board shall deem necessary to carry out the provisions of this chapter;
 - (r) establish and maintain reserves;

- (s) disburse amounts due to cities and towns under grants approved by the authority to finance or refinance costs of approved public safety projects and, in conjunction therewith, finance or refinance the local share of costs of these projects, through the purchase of bonds, notes or other evidences of local indebtedness, at the rates and on the terms that the authority may in its discretion determine, and provide for the payment of all costs of the authority, including professional and financial services incident to the conduct of its operations;
- (t) invest the funds of the trust in such investments as may be legal investments for funds of the commonwealth or any fiduciary in the commonwealth;
- (u) obtain insurance and enter into agreements of indemnification necessary or convenient to the exercise of the powers of the trust;

(v) sue and be sued and to prosecute and defend actions relating to the affairs of the trust; but the trust shall not be authorized to become a debtor under the United States Bankruptcy Code;

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- (w) engage accounting, management, legal, financial, consulting and other professional services necessary to the operations of the trust; and
 - (x) do all things necessary or convenient to carry out the purposes of this chapter.

The chairperson of the authority shall appoint an executive director, who shall supervise the administrative affairs and general management and operations of the authority and who shall also serve as secretary of the authority, ex officio. The executive director shall receive a salary commensurate with the duties of the office, and may be removed by the board for cause. The executive director may appoint other officers of the authority necessary to the functioning of the authority. The executive director shall designate no fewer than 1 employee to be a municipal liaison to assist cities and towns with concerns regarding the construction of public safety buildings. Sections 9A, 45, 46, and 46C of chapter 30, chapter 31 and chapter 150E shall not apply to the executive director or any other employees of the authority. The executive director shall, with the approval of the authority: (i) plan, direct, coordinate and execute administrative functions in conformity with the policies and directives of the authority; (ii) employ professional and clerical staff as necessary; (iii) report to the authority on all operations under his control and supervision; (iv) prepare an annual budget and manage the administrative expenses of the authority; and (v) undertake any other activities necessary to implement the powers and duties set forth in this chapter.

Section 3A. The authority, in cooperation with the state treasurer, shall at all times keep accounts of all receipts, expenditures and disbursements and all assets and liabilities of the authority, which shall be open to inspection by any officer or duly appointed agent of the commonwealth.

Section 4. Within 365 days of the effective date of this act and prior to the review of grant applications, the authority shall conduct a comprehensive review of all municipal public safety buildings in the Commonwealth, including, but not limited to, determining the total number of public safety buildings, the date of initial construction, the number of public safety services based in each public safety building, the number of cities and towns actively renovating or constructing a public safety building, the total population served by each public safety service in each public safety building, the unique needs of each public safety service and their impact on the construction of a public safety building, how construction of the public safety building impacts dispatch response time, how to prioritize health and safety of public safety personnel in the construction of a public safety building, and how public safety equipment and vehicles are stored in existing public safety buildings. This review shall be the responsibility of an independent, third-party research firm, as identified by the authority, and based on criteria set forth in this section.

Section 5. Any eligible applicant may apply to the authority for reimbursement, in whole or in part, of any expenses incurred for educational, engineering and architectural services incidental to the planning of a public safety building or any expenses incurred for surveys made of public safety building needs and conditions, the contract for which has been approved by the authority. Such application shall be accompanied by information and documentation that the authority may require.

Section 6. An eligible applicant may submit to the authority a statement of interest which shall be approved by a vote of the applicable local governing body or bodies as set forth and in a form prescribed by the authority, and which shall state what the eligible applicant believes are the deficiencies in said eligible applicant's respective public safety facilities that meet one or more of the priorities established by the authority. Said statement of interest shall be accompanied by such additional forms, documents, and information as the authority shall deem necessary to review the statement. The submission for a statement of interest shall not commit the authority to accept any further application materials, approve an application, or provide a grant or any other type of funding, or place any other obligation or requirement upon the authority. The authority shall notify an eligible applicant if the authority determines that the statement of interest has not met the criteria established by the authority.

If the authority determines that the statement of interest and associated material merits further consideration, the authority may, in its discretion, invite the eligible applicant to apply to the authority for a public safety facilities grant to meet in part the cost of a public safety building project; but, a city or town shall not have an entitlement to funds under this chapter except at the discretion of the authority in accordance with this chapter. Application shall mean a series of documents, forms, letters, statements, certifications, plans, studies, drawings, and other data and information required by the authority to be submitted within the deadlines and in the format prescribed by the authority and shall be accompanied or supplemented by drawings, plans, estimates of cost and proposals for defraying the costs or any additional information the authority may require, before construction is undertaken. The authority shall require a maintenance plan to be submitted as part of the application to address any required updates to the public safety building following the completion of construction. The authority shall promulgate regulations

establishing the procedural steps by which applications must be made and reviewed, and may at any time during the application process determine that the application does not warrant further consideration, pursuant to the priority criteria established by the authority. In the event that an eligible applicant undertakes construction before approval is obtained, the eligible applicant shall remain subject to the authority's approval process as if the construction were not undertaken.

Section 7. (a) On or before June 30 of each year, the authority shall submit a report to the governor, the house and senate committees on ways and means, the joint committee on public safety and homeland security, the joint committee on bonding, capital expenditures and state assets, and the joint committee on municipalities and regional government, which analyzes the anticipated financial needs for public safety facilities projects of the kind that qualify for assistance under this chapter. The report shall include a listing of each public safety building, together with a description of its public safety services, number of population served, age and state of maintenance and whether it is likely to require construction, enlargement, reconstruction, rehabilitation or improvement due to such factors as deterioration, lack of adequate facilities to meet public safety services' needs and changing number of population served.

- (b) The authority shall also conduct periodic surveys of the cities and towns to determine the need for new public safety facility construction to meet demand.
- (c) The authority shall develop a long-term capital plan in accordance with needs and funding projected to be available in the trust under this chapter for purposes of planning and guiding the policies of the authority.

(d) The capital plans, needs surveys and reports of the authority shall not give rise to any claim, legal or moral, or enforceable right in any party to benefits or funds from the trust or from other sources.

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