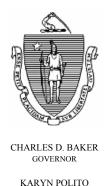
HOUSE No.

The Commonwealth of Massachusetts



LIEUTENANT GOVERNOR

EXECUTIVE DEPARTMENT

State House \cdot Boston, Ma 02133 (617)725-4000

March 12, 2015

To the Honorable Senate and House of Representatives,

I am filing for your consideration a bill entitled "An Act Financing Improvements to Municipal Roads and Bridges."

This bill authorizes the Commonwealth to borrow \$200 million to fund improvements to municipally-owned roads and bridges. This winter season has caused significant damage to roads and bridges in cities and towns throughout the Commonwealth. Swift action on this legislation will maximize the ability of our cities and towns to plan to complete much needed repairs in the upcoming construction season.

Accordingly, I urge you to enact this legislation promptly.

Respectfully submitted,

Charles D. Baker, *Governor*

The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court (2015-2016)

An Act financing improvements to municipal roads and bridges.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to forthwith finance improvements to the commonwealth's transportation system, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

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. To provide for a program of transportation development and improvements,
- 2 the sum set forth in section 2, for the several purposes and subject to the conditions specified in
- 3 this act, is hereby made available, subject to the laws regulating the disbursement of public
- 4 funds. The sum made available in this act shall be in addition to any amounts previously
- 5 appropriated or made available for these purposes.
- 6 SECTION 2.
- 7 MASSACHUSETTS DEPARTMENT OF TRANSPORTATION
- 8 Highway Division
- 9 6122-1524. For the construction and reconstruction of municipal ways as described in
- 10 clause (b) of the second paragraph of section 4 of chapter 6C of the General Laws; provided, that

a city or town shall comply with the procedures established by the Massachusetts Department of Transportation; provided further, that a city or town may appropriate for these projects amounts 12 not in excess of the amount provided to the city or town under this item, preliminary notice of 13 which shall be provided by the department to the city or town not later than April 1 of each year; 14 provided further, that the appropriation shall be considered as an available fund upon approval of 15 16 the commissioner of revenue under section 23 of chapter 59 of the General Laws; and provided further, that the commonwealth shall reimburse a city or town under this item, subject to the 17 availability of funds as provided in section 9G of chapter 29 of the General Laws, within 30 days 18 19 after receipt by the department of a request for reimbursement from the city or town, which request shall include certification by the city or town that actual expenses have been incurred on 20 21 projects eligible for reimbursement under this item and that the work has been completed to the 22 satisfaction of the city or town according to the specifications of the project and in compliance with applicable laws and procedures established by the 23 24 department......\$200,000,000

25 SECTION 3. To meet the expenditures necessary in carrying out section 2, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an 26 amount to be specified by the governor from time to time but not exceeding, in the aggregate, the 27 28 sum of \$200,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on 29 their face, Municipal Ways, Act of 2015, and shall be issued for a maximum term of years, not exceeding 30 years, as the governor may recommend to the general court under Section 3 of 30 Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall be payable not later than June 30, 2050. All interest and payments on account of principal on 32 these obligations shall be payable from the General Fund. Notwithstanding any other general or 33

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- special law to the contrary, bonds issued under this section and interest thereon shall be generalobligations of the commonwealth.
- 36 SECTION 4. Notwithstanding any general or special law to the contrary, all construction contracts funded in whole or in part by the funds authorized in this act shall include a price 37 38 adjustment clause for each of the following: fuel, including both diesel and gasoline; asphalt; concrete; and steel. A base price for each material shall be set by the awarding authority or 39 agency and included in the bid documents at the time a project is advertised. The awarding 40 authority or agency shall also identify in the bid documents the price index to be used for each 41 material and supply. The adjustment clause shall provide for a contract adjustment to be made on 42 43 a monthly basis when the monthly cost change exceeds plus or minus 5 per cent.