HOUSE No. 4416

The Commonwealth of Massachusetts

House of Representatives, June 16, 2016.

The committee on Bonding, Capital Expenditures and State Assets to whom was referred the Bill financing improvements to municipal roads and bridges (House, No. 4057), reports, on the residue, recommending that the same ought to pass with an amendment by substitution of a bill with the same title (House, No. 4416).

For the committee,

ANTONIO F. D. CABRAL

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

An Act financing improvements to municipal roads and bridges.

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. To provide for a program of transportation development and improvements,
- 2 the sums set forth in sections 2 to 2A, inclusive, for the several purposes and subject to the
- 3 conditions specified in this act, are hereby made available, subject to the laws regulating the
- 4 disbursement of public funds. The sums made available in this act shall be in addition to any
- 5 amounts previously appropriated or made available for these purposes.
- 6 SECTION 2.
- 7 MASSACHUSETTS DEPARTMENT OF TRANSPORTATION
- 8 Highway Division
- 9 6121-1714. For projects on the interstate and non-interstate federal highway system;
- 10 provided, that funds may be expended for the costs of these projects including, but not limited to,
- 11 the nonparticipating portions of these projects and the costs of engineering and other services
- 12 essential to these projects; provided further, that notwithstanding this act or any other general or
- 13 special law to the contrary, the department shall not enter into any obligations for projects which

21 SECTION 2A.

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MASSACHUSETTS DEPARTMENT OF TRANSPORTATION

Highway Division

24 6121-1718. For the design, construction, preservation, reconstruction and repair of or 25 improvements to nonfederally-aided bridges and approaches with span lengths no greater than 20 26 feet; provided, that expenditures from this item may include the costs of engineering, design, permitting and other services essential to these projects; provided further, that a city or town 27 shall comply with the procedures established by the Massachusetts Department of Transportation 28 with respect to the Small Bridge Program, so-called; provided, further, that the department shall 29 only enter into obligations for projects under this item based upon a prior or anticipated future 30 commitment of funds from one or more cities or towns in which such project is located or which 31 is or are otherwise served by such project, and the availability of corresponding municipal 32 funding authorized for use in connection with such project for which the obligation applies; 33 34 provided, further, that the Massachusetts Department of Transportation shall develop a plan for project selection that takes into account need-based criteria and geographic distribution to be

- 36 filed with the Joint Committee on Transportation; and provided further that no amounts
- 37 appropriated under this item shall be expended for bridges or approaches owned by or under the
- 38 control of the Massachusetts Department of Transportation or the Massachusetts Bay
- SECTION 3. To meet a portion of the expenditures necessary in carrying out section 2,
- 41 the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth
- 42 in an amount to be specified by the governor from time to time but not exceeding, in the
- 43 aggregate, \$135,000,000. All bonds issued by the commonwealth as aforesaid shall be
- 44 designated on their face, Transportation Improvement Loan Act of 2016, and shall be issued for
- 45 a maximum term of years, not exceeding 30 years, as the governor herein recommends to the
- 46 general court under section 3 of Article LXII of the Amendments to the Constitution; provided,
- 47 however, that all such bonds shall be payable not later than June 30, 2051. All interest and
- 48 payments on account of principal on such obligations shall be payable from the Commonwealth
- 49 Transportation Fund. Bonds and interest thereon issued under this section shall be general
- 50 obligations of the commonwealth.
- SECTION 4. To meet the expenditures necessary in carrying out section 2A, the state
- 52 treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an
- 53 amount to be specified by the governor from time to time but not exceeding, in the aggregate,
- \$50,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on their
- 55 face, Small Bridge Preservation and Improvement Act of 2016, and shall be issued for a
- 56 maximum term of years, not exceeding 30 years, as the governor herein recommends to the
- 57 general court under section 3 of Article LXII of the Amendments to the Constitution; provided,
- 58 however, that all such bonds shall be payable not later than June 30, 2051. All interest and

- payments on account of principal on such obligations shall be payable from the Commonwealth
 Transportation Fund. Bonds and interest thereon issued under this section shall be general
 obligations of the commonwealth.
- 62 SECTION 5. Notwithstanding any general or special law to the contrary, all construction contracts funded in whole or in part by the funds authorized in section 2A of this act shall 63 include a price adjustment clause for each of the following: fuel, including both diesel and 64 65 gasoline; asphalt; concrete; and steel. A base price for each material shall be set by the awarding authority or agency and included in the bid documents at the time a project is advertised. The 66 awarding authority or agency shall also identify in the bid documents the price index to be used 67 for each material and supply. The adjustment clause shall provide for a contract adjustment to be 68 made on a monthly basis when the monthly cost change exceeds plus or minus 5 per cent. 69
- SECTION 6. Notwithstanding any general or special law to the contrary, the bonds that
 the state treasurer may issue pursuant to sections 3 and 4 of this act shall be issued for a term not
 to exceed 30 years, as recommended by the governor in a message to the general court dated
 March 31, 2016 under Section 3 of Article LXII of the Amendments to the Constitution. All such
 bonds shall be payable not later than June 30, 2051, pursuant to Section 3 of Article LXII of the
 Amendments to the Constitution.
- SECTION 7. Said chapter 79 is hereby further amended by inserting after section 41 the following new section:-
- Section 41½. Notwithstanding any general or special law to the contrary, bonds or notes issued under section 20 as special obligation bonds pursuant to section 20 of chapter 29 of the General Laws shall not be included in the computation of outstanding bonds for purposes of the

- limit imposed by the second paragraph of section 60A of chapter 29 of the General Laws, nor shall debt service with respect to these bonds and notes be included in the computation of the limit imposed by section 60B of said chapter 29.
- SECTION 8. Section 6 of chapter 257 of the acts of 2014 is hereby amended by striking out subsection (b) and inserting in place thereof the following subsection:-
- 86 (b) All interest and payments on account of principal of these obligations shall be payable solely from the State Lottery and Gaming Fund. Bonds and interest thereon issued under this 87 88 section shall be general obligations of the commonwealth; provided, however, that any bonds issued by the state treasurer under this section, upon the request of the governor, may be issued as special obligation bonds pursuant to section 20 of chapter 29 of the General Laws; provided 90 further, that in deciding whether to request the issuance of particular bonds as special 92 obligations, the governor shall take into account: (1) generally prevailing financial market conditions; (2) the impact of each approach on the overall capital financing plans and needs of 94 the commonwealth; (3) any ratings assigned to outstanding bonds of the commonwealth and any ratings expected to be assigned by any nationally-recognized credit rating agency to the bonds 95 proposed to be issued; and (4) any applicable provisions of a trust agreement or credit 96 enhancement agreement entered into pursuant to section 20 of said chapter 29. Bonds issued 97 under the authority of this section shall be excluded from the debt limit established in section 98 60A of chapter 29 of the General Laws.
- SECTION 9. Section 2 of chapter 286 of the Acts of 2014 is hereby amended by striking out item 6720-1336.

SECTION 10. Said section 2 of said chapter 286 is hereby further amended by inserting after the header "MASSACHUSETTS DEPARTMENT OF TRANSPORTATION, Office of the Secretary" the following item:-

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113 SECTION 11. Notwithstanding any general or special law to the contrary, in carrying out this act, the Massachusetts Department of Transportation may enter into contracts, agreements or 114 transactions that may be appropriate with other federal, state, local or regional public agencies or 115 116 authorities. The contracts, agreements or transactions may relate to such matters as the 117 department shall determine including, without limitation, the research, design, layout, construction, reconstruction or management of construction of all or a portion of these projects. 118 In relation to any such contracts, agreements or transactions, the department may advance 119 monies to such agencies or authorities, without prior expenditure by the agencies or authorities, 120 121 and the agencies and authorities may accept monies necessary to carry out these agreements; provided, however, the department shall certify to the comptroller the amounts so advanced and 122 these agreements shall contain provisions satisfactory to the department for the accounting of

- monies expended by any other agency or authority. All monies not expended under these contracts, agreements or transactions shall be credited to the account of the department from which they were advanced.
- SECTION 12. The General Laws, as appearing in the 2014 Official Edition, are hereby amended by striking out chapter 90I in its entirety and inserting in place thereof the following chapter:-
- 130 Chapter 90I
- Complete Streets Program
- Section 1. As used in this chapter, the following words, unless the context clearly requires otherwise, shall have the following meanings:-
- "Complete streets", shall mean streets that provide accommodations for users of all transportation modes including, but not limited to, walking, cycling, public transportation, automobiles and freight.
- "Department", shall mean the Massachusetts Department of Transportation.
- "Program", shall mean the complete streets program under this chapter.
- Section 2. There shall be within the department a complete streets grant program to
 encourage municipalities to regularly and routinely include complete streets design elements and
 infrastructure on new, reconstruction, and maintenance projects on locally-funded roads.
- Section 3. In order to be designated as eligible to receive grant funding pursuant to the program, a municipality shall: (a) apply with the department in a form and manner prescribed by

the department; (b) adopt a complete streets by-law, ordinance or administrative policy in a
manner which shall be approved by the department and which shall include at least 1 public
hearing; provided, however, that the by-law, ordinance or administrative policy shall identify the
body, individual or entity responsible for carrying out the complete streets program (c) ensure
that a municipal employee participates in a department training for the program; (d) develop a
complete streets prioritization plan; and (e) comply with other requirements of the department.

Section 4. The department may adopt rules, regulations and guidelines for the
administration of this chapter including, but not limited to, criteria for awarding grants under the
program, application procedures, and other requirements. The department shall consult with the
Massachusetts bicycle and pedestrian advisory board established in section 11A of chapter 21 of
the Massachusetts General Laws and the healthy transportation compact established in section 33
of chapter 6C of the Massachusetts General Laws on the development and management of the
program.