

SENATE No. 01017

The Commonwealth of Massachusetts

PRESENTED BY:

James B. Eldridge

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 passage of the accompanying bill:

An Act authorizing the voter directed classification of certain pollution abatement or remediation funds received by and for the use of any town or water supply district into a trust fund..

PETITION OF:

NAME:

DISTRICT/ADDRESS:

James B. Eldridge

Middlesex and Worcester

Jennifer E. Benson

37th Middlesex

SENATE No. 01017

By Mr. Eldridge, petition (accompanied by bill, Senate, No. 1017) of Benson and Eldridge for legislation to authorize certain remediation funds for the use of town or water supply district into a trust fund [Joint Committee on Municipalities and Regional Government].

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act authorizing the voter directed classification of certain pollution abatement or remediation funds received by and for the use of any town or water supply district into a trust fund..

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 general law or special law to the contrary, any
2 receipt of funds for settlement of claims for actual or potential pollution to a town or district
3 water supply, may be classified as a trust fund and invested in accordance with the prudent
4 investor rule as defined in sections 3, 4, 5, 8, 9 and 10 of chapter 203C of the General Laws.
5 Such classification shall be by a majority vote of the voters at the next annual town or district
6 meeting subsequent to the receipt of the funds.

7 (b) Nothing in this act shall prevent the pooling of multiple settlements for different
8 pollution causes into a single or common trust fund and nothing herein shall prevent that trust
9 fund from being used to abate all pollution causes.

10 SECTION 2. (a) If a municipality or district has voted for trust fund status of any
11 receipts as provided in section 1, at each annual town or district meeting thereafter, the elected
12 officials of the town or district shall report to the voters on the status of the pollution causing the
13 trust fund to be established.

14 (b) If at any subsequent annual town or district meeting the town or district reports that
15 all pollution for which the trust was established to abate has been eliminated or all the funds in
16 the trust fund have been appropriated for that purpose, then the trust shall be dissolved and any
17 funds remaining in the trust shall be paid to the treasurer of the town or district for deposit into
18 the town's or district's general fund.

19 SECTION 3: If a town or district has adopted trust-fund-like-treatment of any historical
20 receipts, then voters shall affirm that trust fund status at the next annual meeting, pursuant to this
21 act. Failure to obtain voter approval shall cause the funds to be reverted to the general fund of
22 the town or district.

23 SECTION 4: If a town or district adopts trust fund treatment hereunder, it shall also
24 develop a written investment policy; provided, however, that if the funds are in excess of
25 \$100,000, the town or district shall engage an external investment manager to manage the funds.