The Commonwealth of Massachusetts

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

SENATE, Thursday, July 21, 2016

The committee on Ways and Means, to whom was referred the House Bill financing improvements to municipal roads and bridges (House, No. 4424) (the committee on Bonding, Capital Expenditures and State Assets having recommended that the bill be amended by substituting a new text (Senate, No. 2447); reports, recommending that the same ought to pass with an amendment striking out all after the enacting clause and inserting in place thereof the text of Senate document numbered 2455.

For the committee, Karen E. Spilka

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1 SECTION 1. To provide for a program of transportation development and improvements, the sums set forth in sections 2 and 2A, for the several purposes and subject to the conditions specified in this act are hereby made available, subject to the laws regulating the disbursement of public funds. The sums made available in this act shall be in addition to any 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 noninterstate federal highway system; provided, that funds may be expended for the costs of these projects including, but not limited to, 10 the nonparticipating portions of these projects and the costs of engineering and other services 11 essential to these projects; provided further, that notwithstanding this act or any other general or 12 special law to the contrary, the department shall not enter into any obligations for projects which 13

are eligible to receive federal funds under this act unless state matching funds exist which have

21 SECTION 2A.

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MASSACHUSETTS DEPARTMENT OF TRANSPORTATION

23 Highway Division

24 6121-1718. For the design, construction, preservation, reconstruction and repair of or improvements to nonfederally-aided bridges and approaches with span lengths of not more than 25 26 20 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 28 shall comply with the procedures established by the department with respect to the small bridge 29 program; provided further, that the department shall only enter into obligations for projects under 30 this item based upon a prior or anticipated future commitment of funds or equivalent services from cities and towns in which a such project is located or which are otherwise served by such 31 project and the availability of corresponding municipal funding authorized or equivalent services 33 provided for use in connection with the project for which the obligation applies; provided further, that the department shall develop a plan for project selection that takes into account 34 need-based criteria and geographic distribution to be filed with the joint committee on 35

transportation not later than September 1, 2016; and provided further, that no amounts appropriated under this item shall be expended for bridges or approaches owned by or under the 37 control of the department or the Massachusetts Bay Transportation Authority.......\$50,000,000 38 39 SECTION 3. The General Laws are hereby amended by striking out chapter 90I in its entirety and inserting in place thereof the following chapter:-Chapter 90I 41 42 Complete Streets Program 43 Section 1. As used in this chapter, the following words shall have the following meanings 44 unless the context clearly requires otherwise: "Complete streets", streets that provide safe and accessible options for multiple travel 45 modes for people of all ages and abilities including, but not limited to, walking, cycling, public transportation, automobiles and freight. 47 48 "Department", the Massachusetts Department of Transportation. "Program", the complete streets program established in this chapter. 49 50 Section 2. There shall be within the department a complete streets program to provide grants to municipalities to encourage them to regularly and routinely include complete streets 51

design elements and infrastructure during the construction on new or existing locally-funded

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53 roads.

- 54 Section 3. To be eligible for funding under the program, a municipality shall: (i) apply to the department in a form and manner prescribed by the department; (ii) adopt a complete streets 55 by-law, ordinance or administrative policy which shall be approved by the department and which 56 shall include at least 1 public meeting; provided, however, that the by-law, ordinance or 57 administrative policy shall identify the body, individual or entity responsible for implementing 58 59 the complete streets program; (iii) ensure that the municipal employees responsible for the progam participate in a training administered by the department; (iv) develop a complete streets 60 prioritization plan; and (v) comply with other requirements of the department relative to the 61 62 program.
- 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
 bicycle and pedestrian advisory board established in section 11A of chapter 21A and the healthy
 transportation compact established in section 33 of chapter 6C on the development and
 management of the program.
- SECTION 4. Chapter 79 of the acts of 2014 is hereby amended by inserting after section 41 the following section:-
- Section 41A. 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 said chapter 29 and no debt service

with respect to these bonds and notes shall be included in the computation of the limit imposed by section 60B of said chapter 29.

SECTION 5. 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:-

79 (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 section shall be general obligations of the commonwealth; provided, however, that any bonds 81 issued by the state treasurer under this section, upon the request of the governor, may be issued 83 as special obligation bonds pursuant to section 2O of chapter 29 of the General Laws; provided 84 further, that in deciding whether to request the issuance of particular bonds as special obligations, the governor shall take into account: (i) generally prevailing financial market 85 conditions; (ii) the impact of each approach on the overall capital financing plans and needs of 86 87 the commonwealth; (iii) 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 88 89 proposed to be issued; and (iv) any applicable provisions of a trust agreement or credit 90 enhancement agreement entered into pursuant to said section 20 of said chapter 29. Bonds issued under the authority of this section shall be excluded from the debt limit established in 91 92 section 60A of said chapter 29.

SECTION 6. Item 1100-2511 of section 2A of said section 286 is hereby amended by inserting after the word "provided", in line 4, the following words:-, that \$330,000 shall be expended for port security projects eligible for financing through grants from the Federal Emergency Management Agency when such projects are undertaken in collaboration with the

commissioner of fisheries, wildlife and environmental law enforcement and when such projects are based upon prior or anticipated future commitments of federal funds; provided further.

SECTION 7. (a) The Massachusetts Department of Transportation shall submit an application to the United States Department of Transportation for funding in federal fiscal year 2017 for the Surface Transportation System Funding Alternatives Program established in the Fixing America's Surface Transportation Act, or FAST Act, to be used for a vehicle miles traveled pilot program. If the application is not successful, the Massachusetts Department of Transportation shall thereafter apply in each federal fiscal year until 2020 or until the application results in funding for a vehicle miles traveled pilot program, whichever first occurs.

106 (b) There shall be a vehicle miles traveled pilot program advisory task force to guide the development and evaluation of the program if funds are received under subsection (a). The task 108 force shall promote best practices in the creation, implementation and review of the pilot 109 program. The duties of the task force shall include, but not be limited to, (i) gathering public comment on issues and concerns related to the pilot program; (ii) making recommendations to 110 the Massachusetts Department of Transportation on the design and criteria used to evaluate a 111 112 pilot program; and (iii) evaluating the potential results of a pilot program. The task force shall consist of: the secretary of transportation or the secretary's designee who shall serve as chair; 1 113 114 person who shall be appointed by the president of the senate who shall be a representative of a 115 transportation consumer organization or other public interest organization; 1 person to be 116 appointed by the minority leader of the senate who shall have knowledge and experience in the field of transportation finance; 1 person who shall be appointed by the speaker of the house of 117 118 representatives who shall be a member of a regional planning agency; 1 person who shall be

appointed by the minority leader of the house of representatives who shall be a member of a business association; and 3 persons who shall be appointed by the governor, of whom 1 shall have knowledge and experience in transportation data security, 1 shall be a registered civil engineer with at least 10 years of experience and 1 shall be a representative of a privacy rights advocacy organization.

124 SECTION 8. (a) The secretary of transportation shall prepare a report that includes an 125 analysis and assessment of current capacity constraints, safety conditions and the state of good 126 repair of the commonwealth's transportation system, including all modes of surface transportation. The assessment shall analyze the current planned operating and capital 127 128 expenditures of the department, including the Massachusetts Bay Transportation Authority and 129 the regional transit authorities, and shall consider and state the baseline of the surface 130 transportation revenues currently available and projected to be available from all sources in all 131 modes of surface transportation, regardless of the fund in which they are kept, from fiscal year 2017 to fiscal year 2028, inclusive. The baseline assessment shall: (i) project spending necessary for the maintenance of the existing system, the completion of all expansion projects the 133 commonwealth is legally bound to complete, and capital improvements and projects included in 134 the fiscally-constrained, long-range transportation plans mandated by federal law; (ii) consider 135 and incorporate any additional expenditures necessary to implement the most recent capital plans 137 of the Massachusetts Bay Transportation Authority and the Massachusetts Department of Transportation to achieve a state of good repair before fiscal year 2029; (iii) identify the capital 138 139 budget needs for the regional transit authorities from fiscal year 2017 to fiscal year 2028, inclusive; (iv) identify the transportation infrastructure needs of municipally-owned 140 transportation assets regularly funded through the chapter 90 program through fiscal year 2028;

the future economic and mobility needs due to projected job growth through fiscal year 2028 and the costs of infrastructure improvements necessary to meet the future economic and mobility needs due to such projected job growth; and (vi) for each year from fiscal year 2017 to 2028, inclusive, identify the gap between projected spending and overall system need in order to meet the conditions in the report; provided, however, that the report shall be consistent with the Massachusetts Bay Transportation Authority fare policy set forth in section 61 of chapter 46 of the acts of 2013.

(b) The secretary shall provide status updates of department and authority actions relative to the items identified in this section with the joint committee on transportation not later than October 15, 2016 and shall file its final report with the clerks of the senate and house of representatives, the joint committee on transportation and the house and senate committees on ways and means not later than December 15, 2016.

155 SECTION 9. To meet a portion of the expenditures necessary in carrying out section 2, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth 157 in an amount to be specified by the governor from time to time but not exceeding, in the aggregate, \$135,000,000. All bonds issued by the commonwealth as aforesaid shall be 158 159 designated on their face, Transportation Improvement Loan Act of 2016, and shall be issued for 160 a maximum term of years not exceeding 30 years as the governor may recommend to the general 161 court pursuant to section 3 of Article LXII of the Amendments to the Constitution; provided, 162 however, that all such bonds shall be payable not later than June 30, 2051. All interest and 163 payments on account of principal on such obligations shall be payable from the Commonwealth

164 Transportation Fund. Bonds and interest thereon issued under this section shall be general obligations of the commonwealth.

166 SECTION 10. To meet the expenditures necessary in carrying out section 2A, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an 167 168 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 169 170 face, Small Bridge Preservation and Improvement Act of 2016, and shall be issued for a 171 maximum term of years not exceeding 30 years as the governor may recommend to the general court pursuant to section 3 of Article LXII of the Amendments to the Constitution; provided, 173 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 174 Transportation Fund. Bonds and interest thereon issued under this section shall be general 175 obligations of the commonwealth.

177 SECTION 11. Notwithstanding any general or special law to the contrary, all construction contracts funded in whole or in part by the funds authorized in item 6121-1714 of 179 section 2 shall include a price adjustment clause for each of the following: (i) fuel, including both diesel and gasoline; (ii) asphalt; (iii) concrete; and (iv) steel. A base price for each material 180 181 shall be set by the awarding authority or agency and included in the bid documents at the time a 182 project is advertised. The awarding authority or agency shall also identify in the bid documents 183 the price index to be used for each material and supply. The adjustment clause shall provide for a 184 contract adjustment to be made on a monthly basis when the monthly cost change exceeds plus 185 or minus 5 per cent.

SECTION 12. Notwithstanding any general or special law to the contrary, the bonds that the state treasurer may issue pursuant to sections 9 and 10 shall be issued for a term not to exceed 30 years. All such bonds shall be payable not later than June 30, 2051 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.

191 SECTION 13. 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 193 transactions that may be appropriate with other federal, state, local or regional public agencies or authorities. The contracts, agreements or transactions may relate to such matters as the 195 department shall determine including, without limitation, the research, design, layout, 196 construction, reconstruction or management of construction of all or a portion of these projects. 197 In relation to any such contracts, agreements or transactions, the department may advance 198 monies to such agencies or authorities, without prior expenditure by the agencies or authorities, 199 and the agencies and authorities may accept monies necessary to carry out these contracts, 200 agreements or transactions; provided, however, the department shall certify to the comptroller the amounts so advanced and any such contract, agreement or transaction shall contain 201 provisions satisfactory to the department for the accounting of money expended by any other 202 203 agency or authority. Any money not expended under these contracts, agreements or transactions shall be credited to the account of the department from which they were advanced. 204