

HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Stephen Kulik

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 to improve municipal borrowing procedures.

PETITION OF:

NAME:

Stephen Kulik

DISTRICT/ADDRESS:

1st Franklin

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 1962 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT TO IMPROVE MUNICIPAL BORROWING PROCEDURES.

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. Section 21A of chapter 44 of the General Laws, as appearing in the 2006 Official
2 Edition, is hereby amended by striking out, the first sentence and inserting in place thereof the
3 following:

4 The city council of a city, the board of selectmen of a town and the prudential committee, if any,
5 otherwise, the commissioners of a district, may authorize and provide for the issuance of refunding
6 bonds or notes of the city, town or district for the purpose of paying or refunding all or any designated
7 part of an issue of bonds or notes then outstanding, including the amount of any redemption premium
8 thereon; provided, however, that no such refunding bonds or notes shall be payable over a period
9 longer than the period during which the original bonds or notes so refunded must be paid pursuant to
10 law; and provided, further, that, notwithstanding any provision of any general or special law, city
11 charter, city ordinance or city council rule or order to the contrary, any vote of the city council of a city
12 authorizing and providing for the issuance of refunding bonds or notes of the city may be introduced
13 and given final passage at one meeting of the city council, shall not be subject to any publication
14 requirement, shall not be subject to any referendum provision, and shall be effective upon passage.

15 SECTION 2. Section 21A of chapter 44 of the General Laws, as appearing in the 2006 Official Edition, is
16 hereby amended by deleting the first clause of the second sentence and by inserting in place thereof,
17 the following new clause:

18 The first annual payment of principal on account of an issue of refunding bonds or notes shall not be
19 later than the last day of the fiscal year in which any of the bonds or notes being refunded would

20 otherwise have been payable and the annual payments thereafter shall be arranged in accordance with
21 the provisions of section nineteen;

22 SECTION 3. Section 19 of chapter 44 of the General Laws, as appearing in the 2006 Official Edition, is
23 hereby amended by adding at the end of said section, the following new paragraph:

24 Notwithstanding any general or special law to the contrary, the final payment on account of any bonds
25 issued by a city, town or district may be made not later than the end of the fiscal year in which such
26 bonds would otherwise have been payable in accordance with the provisions of Sections 7 and 8 of
27 chapter 44 of the General Laws, or in accordance with any other statutory authority pursuant to which
28 the issuance of any such bonds was otherwise authorized.

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