

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Creem, Cynthia (SEN)

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 relative to transparency in state revenues and expenditures.

PETITION OF:

NAME:

Creem, Cynthia (SEN)

DISTRICT/ADDRESS:

First Middlesex and Norfolk

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO TRANSPARENCY IN STATE REVENUES AND EXPENDITURES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 (1) As used in this section the following terms shall have the following meanings:

2 "Secretary", the Secretary of the Executive Office for Administration and Finance.

3 "Searchable budget database website" means a website that allows the public at no cost to search
4 for, obtain, and aggregate the information identified in subsection (2).

5 "Entity/and or recipients" means: any corporation, association, limited liability company, limited
6 liability partnership, or any other legal business entity. It shall also include any grantee or
7 subgrantee, contractor or subcontractor, county, city or other local government entity. It shall
8 not include any individual recipient of state assistance.

9 "Agency" means any state department, office, board commission, bureau, division, institution, or
10 institution of higher education. "Agency" specifically includes any authority created by an act of
11 the Massachusetts Legislature, including those authorities not receiving state tax revenue. This
12 includes individual state agencies and programs, as well as those programs and activities that

13 cross agency lines, and also includes all elective offices in the Executive Branch of government
14 and the Legislature

15 "Funding source" means the state account the expenditure is appropriated from.

16 "Funding action or expenditure" shall include details on the type of spending, both appropriated
17 expenditures including but not limited to grants, contracts, and appropriations, and tax
18 expenditures, including but not limited to tax exemptions, waivers, and credits. This shall include
19 but not be limited to all tax exemptions, credits, direct grants, or infrastructure assistance
20 provided to any corporate or other business entity. Where possible, a hyperlink to the actual
21 grants or contracts shall be provided.

22 "Expected outcome" includes, in relation to any tax exemption, tax credit, direct grant or
23 infrastructure assistance provided to a corporate or other business entity, the number and quality
24 of jobs to be created or retained, including wages and benefits, the date the job goals will be
25 reached, the estimated increase to the state tax base, and whether the funded project involves the
26 relocation of jobs and if so how many and from where.

27 "Final outcomes" includes, in relation to any tax exemption, tax credit, direct grant or
28 infrastructure assistance provided to a corporate or other business entity, the number and quality
29 of jobs actually created or retained, including wages and benefits, and the actual increase to the
30 state tax base for the fiscal year in which benefit was given; the outcomes achieved shall also
31 include any money recaptured from corporate subsidy recipients for failure to meet expected
32 performance outcomes.

33 "State audit or report" shall include any audit or report issued by the Inspector General, State
34 Auditor, legislative auditor, legislative committee, or executive body relating to the past or
35 current performance of the entity or recipient of funds or the budget program/activity or agency
36 which the Secretary deems as relevant.

37 (2) Not later than January 1, 2011 the Secretary shall develop and operate a single searchable
38 budget database website, accessible by the public at no cost that includes:

39 (a) Annual state expenditures or funding actions provided to any entity, recipient or agency, as
40 determined by the Secretary including the name and location of any such entity, recipient or agency, the
41 funding source, the amount of funds appropriated including tax expenditures or other subsidies, the
42 funding agency or authority, and a description of the purpose of the funding action or expenditure. If
43 the funding action or expenditure is a tax expenditure, information about the expected outcome of such
44 tax expenditure shall be included and information concerning the final outcome shall be provided within
45 30 days from when it is reported to the appropriate state agency;

46 (b) Bond debt payments and debt service including, but not limited to, amounts of bond interest paid
47 and sources of funds paid for individual bond issues;

48 (c) Local aid to cities and towns including, but not limited to, amounts paid to
49 individual units of government for individually identifiable aid programs;

50 (d) Annual revenues, as determined by the Secretary which shall include,
51 but not be limited to:

52 (i) receipts or deposits by any agency into funds established
53 within the state treasury;

54 (ii) tax revenue received ;

55 (iii) agency earnings including, but not limited to, amounts collected

56 by each agency for merchandise sold, services performed, licenses and
57 permits issued, or regulation;
58 (iv) revenue for the use of money and property including, but not
59 limited to, amounts received for compensation for the use of state-owned
60 money and property;
61 (v) gifts, donations and federal grants including, but not limited to,
62 amounts received from public and private entities to aid in support of a
63 specific function or other governmental activity;

64 (vi) other revenue including, but not limited to, receipts not classified
65 elsewhere; and
66 (e) Annual bonded indebtedness which shall include, but not be limited
67 to, the amount of the total original obligation stated in terms of principal
68 and interest, the term of the obligation, the source of funding for repay-
69 ment of the obligation, the amounts of principal and interest previously
70 paid to reduce the obligation, the balance remaining of the obligation,
71 any refinancing of the obligation, and the cited statutory authority to issue
72 such bonds.

73 (f) A link to any state audit or report.

74 (g) Any other relevant information specified by the secretary.

75 (3) The searchable budget database website shall retain information for each fiscal year on the single
76 website for not less than 10 years and shall include data for the most recent fiscal years.

77 (4) The Secretary shall update the searchable budget database website as new data becomes available.

78 All agencies shall provide to the Secretary all data that is required to be included in the searchable

79 budget database website not later than 30 days after the data becomes available to the agency. The
80 Secretary shall provide guidance to agency heads to ensure compliance with this section.

81 (5) Nothing in this act shall permit or require the listing of individual businesses' tax liability, profits,
82 sales or losses.

83 (6) The Secretary shall not be considered in compliance with this act if the data required for the
84 searchable budget database website is not available in a searchable and aggregate manner or if the
85 public is redirected by the searchable budget database website to other government websites, unless
86 each of those websites complies with the requirements of this Act.

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