

SENATE No. 10

Senate, January 24, 2019 -- Message from His Excellency the Governor recommending legislation providing for climate change adaptation infrastructure investments in the Commonwealth.

The Commonwealth of Massachusetts



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LIEUTENANT GOVERNOR

January 23, 2019

To the Honorable Senate and House of Representatives,

I am filing for your consideration a bill entitled “An Act Providing for Climate Change Adaptation Infrastructure Investments in the Commonwealth.”

This bill provides a dedicated revenue stream for the Global Warming Solutions Trust Fund, which will be used to expand funding for Commonwealth communities preparing to meet the challenges of climate change.

Climate change is a reality faced by all of the Commonwealth’s cities and towns, and my Administration has taken measures to identify climate-related vulnerabilities and to address them. An important next step in confronting the hazards posed by climate change is to upgrade our infrastructure statewide and utilize nature based solutions to reinforce resilience and reduce climate-related risks.

This bill proposes a modest increase in the deeds excise, which is imposed on sellers of real estate, and dedicates the increase to the Global Warming Solutions Trust Fund. The incremental funds will be made available to cities and towns to invest in climate smart infrastructure that protects public health, safety, and property across the Commonwealth.

The Department of Revenue projects that this bill will produce approximately \$75 million in increased deeds excise revenues in fiscal year 2020, and approximately \$137 million on an ongoing, annualized basis. This revenue will be returned to the Commonwealth's residents and property owners in the form of more resilient infrastructure and better risk mitigation tools that ultimately protect their homes, their communities, and the larger economy.

Initiatives to be funded by the Global Warming Solutions Trust Fund include:

- Loans, grants, and technical assistance to communities through the Municipal Vulnerability Preparedness Program, including stormwater upgrades, dam retrofits and removals, drainage and culvert improvements, drought mitigation, nature-based solutions, and other adaptation strategies.
- Vulnerability assessments that use climate change projections and risk analysis to direct policy and investment to protect Massachusetts communities and residents' health and safety.
- Assistance for state and local agencies in prioritizing, planning, and retrofitting vulnerable assets, including dams and flood controls, transportation infrastructure, critical care facilities, water resources, and other key infrastructure and natural resources that protect private investments.
- A climate-smart land use framework, including a coastal protection strategy, as well as regionally appropriate resilient land use practices for diverse inland communities.

These grants and loans will reach cities and towns directly, continuing the strong tradition of partnership between the Commonwealth and local communities. Passage of this legislation will ensure that the Commonwealth's communities are climate ready and resilient. Accordingly, I urge you to enact this legislation promptly.

Respectfully submitted,

Charles D. Baker,
Governor

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In the One Hundred and Ninety-First General Court
(2019-2020)

An Act providing for climate change adaptation infrastructure investments in the Commonwealth.

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. Chapter 64D of the General Laws, as appearing in the 2016 Official
2 Edition, is hereby amended by striking out section 1 and inserting in place thereof the following
3 section:-

4 Section 1. There shall be levied, collected and paid, for and in respect of the deeds,
5 instruments and writings hereinafter mentioned and described, or for or in respect of the vellum,
6 parchment or paper upon which such deeds, instruments or writings, or any of them are written
7 or printed, the excise taxes herein specified: Deed, instrument or writing, whereby any lands,
8 tenements or other realty sold shall be granted, assigned, transferred or otherwise conveyed to, or
9 vested in, the purchaser or purchasers, or any other person or persons, by his, her or their
10 direction, when the consideration of the interest or property conveyed, exclusive of the value of
11 any lien or encumbrance remaining thereon at the time of the sale, exceeds \$100 and does not
12 exceed \$500, \$3; and for each additional \$500 or fractional part thereof, \$3; provided, however,

13 that in Barnstable county, the excise tax herein specified shall be \$2.50 for each \$500 or
14 fractional part of said consideration, excluding a consideration of between zero and \$100.
15 Notwithstanding any other provisions of this section or any other general or special law to the
16 contrary, Nantucket county may disburse and expend deposits in said funds, except for the funds
17 transferred to the Global Warming Solutions Trust Fund pursuant to section 10, for the purpose
18 of facilities and programs related to law enforcement, including the planning, improving or
19 constructing of police stations and other related facilities and programs. This chapter shall not
20 apply to any instrument or writing given to secure a debt or to any deed, instrument or writing to
21 which the commonwealth, a city or town of the commonwealth, or the United States or any of
22 their agencies are a party.

23 SECTION 2. Said chapter 64D, as so appearing, is hereby amended striking out section
24 10 and inserting in place thereof the following section:-

25 Section 10. The taxes provided by this chapter shall be retained by the commonwealth;
26 provided, however, that an amount equal to (i) 33 per cent of the revenues collected from the
27 excise imposed by this chapter and transmitted to the General Fund in accordance with section
28 11 in each fiscal year and (ii) 33 per cent of the revenues collected from the surcharge imposed
29 by section 22 of chapter 546 of the acts of 1969 in each fiscal year, shall be transferred annually
30 to the Global Warming Solutions Trust Fund, established by section 35GGG of chapter 10.

31 SECTION 3. This act shall take effect on January 1, 2020.