# **SENATE . . . . . . . . . . . . . . . . No. 1194**

### The Commonwealth of Massachusetts

PRESENTED BY:

Eric P. Lesser

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 adoption of the accompanying bill:

An Act to reform the distribution of unrestricted local aid.

#### PETITION OF:

| NAME:                       | DISTRICT/ADDRESS:            |           |
|-----------------------------|------------------------------|-----------|
| Eric P. Lesser              | First Hampden and Hampshire  |           |
| Antonio F. D. Cabral        | 13th Bristol                 | 1/30/2019 |
| Edward J. Kennedy           | First Middlesex              | 1/28/2019 |
| Donald F. Humason, Jr.      | Second Hampden and Hampshire | 2/1/2019  |
| Brian M. Ashe               | 2nd Hampden                  | 1/29/2019 |
| José F. Tosado              | 9th Hampden                  | 1/30/2019 |
| David Henry Argosky LeBoeuf | 17th Worcester               | 1/31/2019 |
| Mary S. Keefe               | 15th Worcester               | 2/1/2019  |
| Michael O. Moore            | Second Worcester             | 2/12/2019 |

## **SENATE . . . . . . . . . . . . . . . No. 1194**

By Mr. Lesser, a petition (accompanied by bill, Senate, No. 1194) of Eric P. Lesser, Antonio F. D. Cabral, Edward J. Kennedy, Donald F. Humason, Jr. and other members of the General Court for legislation to reform the distribution of unrestricted local aid. Municipalities and Regional Government.

### The Commonwealth of Alassachusetts

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

An Act to reform the distribution of unrestricted local aid.

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

SECTION 1. There shall be a commission to study the distribution of general local aid in

the commonwealth, including unrestricted general government aid, lottery aid as promulgated

394 in section 18C of chapter 58 of the General Laws and additional assistance aid to

municipalities. The study shall not include foundation aid as defined in section 2 of chapter 70 of

the General Laws.

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6 SECTION 2. The commission shall examine the current formula used to distribute

unrestricted general government aid to municipalities, evaluate the effectiveness and equity of

said formula and make recommendations to establish a more equitable distribution of

9 unrestricted general government aid to municipalities in the commonwealth. The commission

shall review all aspects of general local aid including, but not limited to (a) the current allocation

of local aid to municipalities; (b) the reflectiveness of municipalities' needs in the proportional

distribution of the unrestricted general government aid formula; (c) any equity disparities that

exist between municipalities across the commonwealth related to local aid distribution; (d) the ability to account for a municipality's change in population or tax base in a general local aid funding formula; (e) the potential to calculate municipal costs based on a municipality's need for municipal services and a municipality's ability to raise local revenue, less a municipality's local revenues; and (f) any alternative formulas that may create a more equitable distribution of general local aid.

SECTION 3. The commission shall consist of: the secretary of administration and finance, or a designee; the commissioner of the department of revenue, or a designee; 1 member appointed by the state treasurer; 2 members of the senate, 1 of whom shall represent a gateway municipality as defined in section 3A of chapter 23A of the General Laws and shall serve as cochair; 2 members of the house of representatives, 1 of whom shall represent a gateway municipality as defined in said section 3A of said chapter 23A and shall serve as co-chair; 5 members appointed by the governor, 1 of whom shall be nominated by the Massachusetts Municipal Association, Inc., 1 of whom shall be nominated by the Federal Reserve Bank of Boston, 1 of whom shall be nominated by the Massachusetts Budget and Policy Center, Inc., 1 of whom shall be nominated by the Edward J. Collins, Jr. Center for Public Management at the University of Massachusetts at Boston.

SECTION 4. The commission shall file a report of its findings and recommendations, including any new or revised local aid formulas, with the clerks of the senate and house of representatives, the chairs of the senate and house committees on ways and means, and the senate and house chairs of the joint committee on municipalities and regional government not later than March 1, 2020.