HOUSE No. 4307

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, July 23, 2025.

The committee on Ways and Means, to whom was referred the Bill financing long-term improvements to municipal roads and bridges (House, No. 4257), reports recommending that the same ought to pass with an amendment substituting therefor the accompanying bill (House, No. 4307) [Bond Issue: General Obligation Bonds: \$1,185,000,000.00]

For the committee,

AARON MICHLEWITZ.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court (2025-2026)

An Act financing long-term improvements to municipal roads and bridges.

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. To provide for a program of transportation development and improvements, 2 the sums set forth in sections 2 and 2A for the several purposes, and subject to the conditions 3 specified in this act, are hereby made available, subject to the laws regulating the disbursement 4 of public funds. The sums made available in this act shall be in addition to any amounts 5 previously appropriated or made available for these purposes. 6 SECTION 2. 7 MASSACHUSETTS DEPARTMENT OF TRANSPORTATION 8 Highway Division 9 6122-2627 For the construction and reconstruction of municipal ways as described in 10 clause (b) of the second paragraph of section 4 of chapter 6C of the General Laws; provided, that 11 a city or town shall comply with the procedures established by the Massachusetts Department of 12 Transportation; provided further, that a city or town may expend, without further appropriation,

for these projects amounts not in excess of the amount provided to the city or town under this item upon preliminary notice of such amount, which shall be provided by the department to the city or town not later than March 1 of each year; provided further, that the commonwealth shall reimburse funds to a city or town under this item, subject to the availability of funds as provided in section 9G of chapter 29 of the General Laws, within 30 days after receipt by the department of a request for reimbursement from the city or town; provided further, that the department shall expend up to \$100,000,000 for construction and reconstruction of municipal ways, which shall be allocated to municipalities based on local road mileage under procedures established by the department; provided further, that the department shall encourage long-term capital plans to be developed by a city or town describing how they will use this funding; and provided further, that the city or town shall provide to the department its certification by the city or town that actual expenses have been incurred on projects eligible for funding under this item and that the work has been completed to the satisfaction of the city or town according to the specifications of the project plan, and in compliance with applicable laws and procedures established by the department.......\$300,000,000

SECTION 2A.

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MASSACHUSETTS DEPARTMENT OF TRANSPORTATION

Highway Division

6121-2617 For the bridge and pavement lifecycle asset management program, including but not limited to, design, construction and repair of, or improvements to, non-federally aided roadway and bridge projects and for the nonparticipating portion of federally-aided projects, and for the construction, reconstruction, resurfacing, repair and improvement of pavement and

6121-2637 For a program of transportation capital projects to ease congestion and improve safety in the commonwealth; provided, that expenditures from this item may include intersection improvements, rail grade crossings, bicycle infrastructure and shared use paths, pedestrian walkways and improvements, accessibility improvements, traffic signals and technology, ADA compliant sidewalks and crossings, roadway reconstruction and repairs and

SECTION 3. To meet the expenditures necessary in carrying out section 2, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time but not exceeding, in the aggregate, \$300,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on their face, Commonwealth Transportation Improvement Act of 2025, and shall be issued for a maximum term of years, not exceeding 30 years, as the governor may recommend to the general court under section 3 of Article LXII of the Amendments to the Constitution. Notwithstanding section 14 of chapter 29 of the General Laws, all such bonds shall be payable not later than June 30, 2065, pursuant to said section 3 of said Article LXII. All interest and payments on account of principal on these obligations shall be payable from the General Fund or the Commonwealth Transportation Fund.

SECTION 4. 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 amount to be specified by the governor from time to time but not exceeding, in the aggregate, \$885,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on their face, Commonwealth Transportation Improvement Act of 2025, and shall be issued for a maximum term of years, not exceeding 30 years, as the governor may recommend to the general court under section 3 of Article LXII of the Amendments to the Constitution. Notwithstanding section 14 of chapter 29 of the General Laws, all such bonds shall be payable not later than June 30, 2065, pursuant to said section 3 of said Article LXII. All interest and payments on account of

principal on these obligations shall be payable from the General Fund or the Commonwealth Transportation Fund.

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SECTION 5. Notwithstanding any general or special law to the contrary, bonds and interest thereon issued under sections 2 and 2A shall be general obligations of the commonwealth; provided, however, that any bonds issued by the state treasurer under said sections, shall, upon the request of the governor, be issued as special obligation bonds pursuant to section 20 of chapter 29 of the General Laws; provided 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 conditions; (ii) the impact of each approach on the overall capital financing plans and needs of 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 proposed to be issued; and (iv) any applicable provisions of a trust agreement or credit enhancement agreement entered into pursuant to said section 2O of said chapter 29. All interest and payments on account of obligations issued under this section as special obligation bonds pursuant to said section 20 of said chapter 29 shall be payable from the Commonwealth Transportation Fund, established in section 2ZZZ of said chapter 29, solely in accordance with said section 20 of said chapter 29, and such bonds 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, nor shall debt service with respect to such bonds be included in the computation of the limit imposed by section 60B of said chapter 29.