

# HOUSE . . . . No. 1210

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## The Commonwealth of Massachusetts

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HOUSE OF REPRESENTATIVES, April 11, 1928.

The committee on Municipal Finance, to whom was referred so much of the special report of the Department of Corporations and Taxation relative to municipal expenditures and indebtedness, audit control of such expenditures and municipal accounts and budgets and the operation of the laws relative to the assessment and collection of betterments (House, No. 192) as relates to the purposes for which cities and towns may borrow outside the debt limit (accompanied by bill, House, No. 194), report the accompanying bill (House, No. 1210).

For the committee,

FRANK W. OSBORNE.

## The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Twenty-Eight.

An Act relative to the Purposes for which Cities and Towns may borrow outside the Debt Limit.

*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 eight of chapter forty-four of the General  
2 Laws is hereby amended by striking out said section  
3 eight and inserting in place thereof the following:—

4 *Section 8.* Cities and towns may incur debt, out-  
5 side the limit of indebtedness prescribed in section ten,  
6 for the following purposes and payable within the  
7 periods hereinafter specified:

8 (1) For temporary loans under section four, five,  
9 five A, six, six A, or seventeen, one year.

10 (2) For maintaining, distributing and providing  
11 food, other common necessities of life and temporary  
12 shelter for their inhabitants upon the occasions and  
13 in the manner set forth in section nineteen of chapter  
14 forty, two years.

15 (3) For establishing or purchasing a system for  
16 supplying the inhabitants of a city or town with water,  
17 for the purchase of land for the protection of a water  
18 system, or for acquiring water rights, thirty years.

19 (3a) For the construction of filter beds, standpipes,  
20 reservoirs and buildings for pumping stations, twenty  
21 years.

22 (3 b) For laying and relaying water mains of not  
23 less than six inches but less than sixteen inches in  
24 diameter, fifteen yerars.

25 (3c) For constructing and laying aqueducts and  
26 water mains of sixteen inches or more in diameter,  
27 twenty-five years.

28 (4) For the extension of water mains and for water  
29 departmental equipment, five years.

30 (5) For establishing, purchasing, extending or en-  
31 larging a gas or electric lighting plant within the limits  
32 of the territory within which such gas or electric light-  
33 ing plant is authorized to distribute its products,  
34 twenty years; but the outstanding indebtedness so  
35 incurred shall not exceed in a town five per cent and  
36 in a city two and one half per cent of the last pre-  
37 ceding assessed valuation of such town or city.

38 (6) For such emergency appropriations as shall be  
39 approved by a board composed of the attorney gen-  
40 eral, the state treasurer and the director, one year.

41 (7) For acquiring land or constructing buildings or  
42 other structures, including the cost of original equip-  
43 ment, as memorials to soldiers, sailors and marines,  
44 twenty years; but the indebtedness so incurred shall  
45 not exceed one half of one per cent of the last preceding  
46 assessed valuation of the city or town.

47 (8) For the payment of an assessment for a propor-  
48 tionate share of the expense of construction of a  
49 county tuberculosis hospital under section eighty  
50 three of chapter one hundred and eleven, twenty years.

51 (9) For acquiring street railway property under  
52 sections one hundred and forty-three to one hundred  
53 and fifty-eight, inclusive, of chapter one hundred and  
54 sixty-one, operating the same, or contributing toward  
55 the sums expended by a transportation area for capital

56 purposes, ten years; but the indebtedness so incurred  
57 shall not exceed two per cent of the last preceding  
58 assessed valuation of the city or town.

59 Debts mentioned in clause (1) of this section shall  
60 be payable as provided for in sections four, five, five A,  
61 six, six A, and seventeen. Debts for all other pur-  
62 poses mentioned in this section shall be payable within  
63 the periods above specified from the date of the first  
64 issue of bonds or notes on account thereof, and may  
65 be incurred in accordance with the laws relating to  
66 such purposes, so far as they are consistent with this  
67 chapter. Debts, except for temporary loans, may be  
68 authorized under this section only by a two thirds vote.

69 Debts mentioned in clauses (3), (3a), 3b), (3c), and  
70 (4) of this section shall not be authorized to an amount  
71 exceeding ten per cent of the last preceding assessed  
72 valuation of the city or town.