

By Ms. Resor, a petition (accompanied by bill, Senate, No. 543) of Pamela P. Resor for legislation to establish a water infrastructure finance commission. Environment, Natural Resources and Agriculture.

The Commonwealth of Massachusetts

In the Year Two Thousand and Seven.

AN ACT ESTABLISHING A WATER INFRASTRUCTURE FINANCE COMMISSION.

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. There is hereby established a Special Water Infrastructure Finance Commission to
2 develop a comprehensive, long-range water infrastructure finance plan for the Commonwealth
3 and its municipalities.

4 Section. 2. The Commission shall have 15 members to each serve terms of 2 years, including
5 the following: 7 members to be appointed by the governor who shall not be employees of the
6 executive branch and who shall reside in different geographic regions of the Commonwealth,
7 one of whom shall be a representative of the American Council of Engineering Companies of
8 Massachusetts, a representative of the Utility Contractors Association of New England, a
9 representative of the Massachusetts Water Works Association; a representative of the
10 Massachusetts Municipal Association; a representative of Clean Water Action; a representative
11 of Associated Industries of Massachusetts; and a representative of the Massachusetts Water
12 Pollution Control Association; each of these organizations shall provide a list of three to five
13 candidates for consideration by the governor; 3 members, who shall reside in different
14 geographic regions of the Commonwealth, to be appointed by the president of the senate; and 3
15 members, who shall reside in different geographic regions of the Commonwealth, to be
16 appointed by the speaker of the House of Representatives. Each of the members of the
17 Commission shall be an expert or shall have experience in the fields of law or public policy,
18 water, wastewater or storm water planning, design and construction of water, wastewater or

19 storm water projects, utility management, management consulting or organizational finance.
20 One of the members appointed by the president of the Senate shall be a state senator and one of
21 the members appointed by the speaker of the House of Representatives shall be a state
22 representative. One of the members appointed by the president of the Senate and one of the
23 members appointed by the speaker of the House of Representatives shall be representatives of
24 the Massachusetts business community. One of the members appointed by the president of the
25 Senate and one of the members appointed by the speaker of the House of Representatives shall
26 be representatives of planning organizations, environmental consumer organizations or other
27 public interest organizations. One of the members shall be appointed by the governor to serve
28 as chairperson of the Commission. The members of the Commission shall be appointed no later
29 90 days after the passage of this act.

30 Section 3. In the course of its deliberations, the Commission shall examine the water
31 infrastructure needs of the Commonwealth for the next 25 years as they relate to the funding
32 gap between the water infrastructure needs of the Commonwealth and the existing, available
33 sources of funding, and provide for additional funding for water infrastructure by increasing
34 investment in critical water, wastewater and storm water infrastructure, and to provide for
35 improvements in the handling and management of water programs. The Commission shall also
36 examine the potential threats to public health and public safety from the existing shortfalls in
37 funding for water infrastructure.

38 The Commission shall make a priority of examining the technical and financial
39 feasibility of sustaining and expanding public water systems, wastewater systems and storm
40 water systems of municipalities and the Commonwealth including regional or district systems.
41 Said Commission shall examine and develop recommendations on ways in which the

42 Commonwealth and its municipalities may meet operation and maintenance, and capital
43 improvement and reconstruction needs for the next 25 years, including without limitation
44 recommendations regarding debt reduction, enhancing existing sources of revenues, developing
45 new sources of revenues, establishing new incentives for public-private partnerships in the
46 development of real property resources and funding resources. In addition, the Commission
47 shall examine (1) the expanded use of full accounting systems and enterprise funding, (2) asset
48 management systems and best management practices, (3) consistency with the Massachusetts
49 Water Management Act and the Massachusetts Water Policy, and (4) consistency with existing
50 federal and state funding programs.

51 The Commission shall examine the finances of the various municipalities and regional
52 water districts, including examining state and federal aid levels and make recommendations for
53 improvements to financial policies and procedures. The Commission shall also identify areas
54 where cost savings can be achieved across water agencies via consolidation, coordination and
55 reorganization. The Commission shall examine the projected federal funding, projected state
56 funding, projected local funding, projected fee based funding, debt financing and any other
57 sources of projected funding to finance water infrastructure needs identified by the Commission.
58 Section 4. The Commission shall develop recommendations as to what funding or finance
59 measures the Commonwealth or its municipalities may pursue to satisfy any unmet funding
60 needs identified by the Commission. The recommendation shall also include any
61 recommendation for inter-agency agreements, inter-municipal agreements, consolidations or
62 mergers that will enable the Commonwealth and its municipalities to make the most effective
63 use of its water funding resources. The recommendation of the Commission shall be designed

64 to identify fair and equitable means of financing water infrastructure investments through taxes,
65 fees, user charges, or other sources.

66 Section 5. The Commission may hold public hearings to assist in the collection and evaluation
67 of data and testimony.

68 Section 6. The Commission shall complete a written report detailing its financials relative to
69 identified funding sources, including a draft of any legislation required to implement its
70 recommendations. The Commission shall submit its initial report to the governor, the secretary
71 of environmental affairs, the clerks of the house of representative and the senate, the house and
72 senate committees on ways and means and the joint committee on the environment no later than
73 December 31 of the year after this act becomes law.

74 Section 7. Any research, analysis or other staff support that the Commission reasonably requires
75 shall be provided by the executive office of environmental affairs and its agencies with
76 assistance from the Massachusetts Water Resources Authority.