

By Mr. DeLeo of Winthrop, petition of Robert A. DeLeo and other members of the General Court relative to a sewer rate relief fund for the purpose of providing assistance for rate increases. Natural Resources and Agriculture.

The Commonwealth of Massachusetts

In the Year Two Thousand and One.

AN ACT RELATIVE TO THE COMMONWEALTH SEWER RATE RELIEF FUND.

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 two Z of chapter twenty-nine of the General Laws, as
2 appearing in the 1998 Official Edition, is hereby amended by
3 striking out the words contained therein and adding in place
4 thereof the following:—

5 Section 2Z. There shall be established upon the books of the
6 commonwealth a separate fund known as the Commonwealth
7 Sewer Rate Relief Fund, hereinafter, the fund. The fund shall con-
8 sist of all amounts credited to the fund. All amounts credited to
9 the fund shall be held in trust and used solely for the purpose of
10 providing assistance in the mitigation of rate increases as here-
11 inafter provided.

12 Notwithstanding any general or special law to the contrary,
13 amounts in the fund shall be available to mitigate increases due to
14 debt service obligations created by issuing eligible indebtedness.
15 Eligible indebtedness shall be defined as debt issued on or after
16 January first, nineteen hundred and ninety, which has a final date
17 of maturity greater than five years after the date of issuance and
18 which is incurred, wholly or in substantial part, to finance or refi-
19 nance the costs of planning, design, or construction of any water
20 pollution abatement project, or part thereof, required to be con-
21 structed to meet the provisions of the Federal Water Pollution
22 Control Act, 33 USC Sec. 1251 et seq., and sections twenty-six to
23 fifty-three, inclusive, of chapter twenty-one of the General Laws,

24 as appearing in the 1998 Official Edition, or any wastewater col-
25 lection or transportation project related thereto; hereinafter a
26 wastewater treatment project; provided that notwithstanding any
27 provisions of this section to the contrary, eligible indebtedness
28 shall include indebtedness incurred to finance the metrowest water
29 supply tunnel, so called; provided, further, that eligible indebted-
30 ness shall include indebtedness incurred pursuant to loan agree-
31 ments under the provisions of chapter two hundred seventy-five of
32 the acts of nineteen hundred and eighty-nine, as most recently
33 amended by chapter two hundred three of the acts of nineteen
34 hundred and ninety-two, which exceeded fifty million dollars by
35 June thirtieth, nineteen hundred and ninety-five, and the debt
36 service attributable thereto for any year for the purposes of this
37 section shall be the net obligation borne by the issuer after appli-
38 cation of any credits, subsidies, or assistance, however character-
39 ized, provided under the provisions of the aforementioned
40 statutes. No issuer, which shall be defined as any city, town, dis-
41 trict, commission, agency, authority, board, or other instrumen-
42 tality of the commonwealth or any of its political subdivisions,
43 which is responsible for the ownership or operation of wastewater
44 treatment projects, and is authorized to finance all or any part of
45 the cost thereof through the issuance of eligible indebtedness,
46 shall receive relief authorized herein in excess of twenty-five per-
47 cent of its annual debt service obligations due to eligible indebted-
48 ness.

49 Notwithstanding the foregoing, if the division of local services
50 of the department of revenue determines that following the dis-
51 bursement of funds pursuant to the foregoing sentence there will
52 remain in the Commonwealth Sewer Rate Relief Fund in any
53 fiscal year additional amounts that could be disbursed to provide
54 assistance for eligible indebtedness, then the division may provide
55 for an additional distribution to an insurer in an amount up to an
56 additional ten percent of its annual debt service obligations due to
57 eligible indebtedness; provided, however, that the aggregate
58 amount of assistance provided to an issuer pursuant to this section
59 shall not exceed thirty percent of its annual debt service obligation
60 due to eligible indebtedness. The division of local services of the
61 department of revenue, in consultation with the department of
62 environmental protection, shall develop guidelines to certify an

63 issuer's indebtedness and shall create a process to equitably dis-
64 tribute funds to eligible issuers, in order to mitigate extraordinary
65 increases in sewer costs. Funds to be disbursed each fiscal year
66 from the Commonwealth Sewer Rate Relief Fund shall be dis-
67 bursed to issuers under the terms of this section on or before
68 March thirty-first of such fiscal year. The board, office or com-
69 mission responsible for setting sewer charges in every city, town,
70 district, or commission that either receives aid itself or is a
71 member of a regional entity that receives aid pursuant to the pro-
72 visions of this section shall certify to said division of local serv-
73 ices that it has reduced sewer charges to reflect its share of any
74 such aid.

