

Promoting State-Municipal Partnerships By Representative Susan Williams Gifford

With the Baker–Polito Administration striving to forge stronger relations between state and local government, I believe **House Bill 3905: *An Act to Modernize Municipal Finance and Government*** does just that.

H3905 empowers the Commonwealth’s municipalities by updating obsolete laws, increasing local independence, and providing municipalities with greater flexibility while streamlining state oversight. Three aspects of the bill that embody this are the boat excise tax, the liquor licensing process, and the municipal procurement of services.

Under Chapter 60B, boat owners are required to pay an annual excise tax to the city or town where the vessel is moored, docked, or principally situated within a harbor, in an amount calculated based on the age and length of the vessel. The funds generated from this excise are paid into the treasury of the city or town, with 50% of these funds credited to the Municipal Waterways Improvement and Maintenance Fund.

The Administration’s proposed changes will aid in the collection of these excise taxes by providing local assessors with the most accurate and up-to-date information on boat registrations. The bill requires boat owners to provide certain documentation to the Environmental Police in order to obtain or renew a registration decal for their vessel, and authorizes the sharing of this information with local assessors. The revenues generated by the excise tax will provide communities with more money for road repair, snow removal, and other essential town functions that are in drastic need of funding while ensuring the responsible maintenance and improvement of municipal waterways.

Section 218 of H3905 further empowers municipalities by allowing a city or town, except Boston, to determine the number of liquor licenses issued by its local licensing authority, based on what community leaders feel is the most appropriate number. These licenses include the sale of beverages to be drunk on premises at local bars and restaurants, special licenses to managers of indoor or outdoor activities (including those run by non-profits), and special licenses for the sale of wine produced by farmer-winery for off-premises consumption at an indoor or outdoor agricultural event. This does not mean that liquor stores will be popping up all over cities and towns; H3905 maintains the current regulation that municipalities may grant just one license for the sale of beverages not to be drunk on premise per population of 5,000.

A city or town seeking additional licenses will have to adopt a plan approved by the mayor, city council or board of selectmen to determine the process for granting additional licenses, mandating that the municipality hold at least 1 public hearing regarding the plan and that the city or town notify the Alcoholic Beverages Control Commission of that public hearing. This allows cities and towns to approve their own liquor licenses while maintaining state oversight via the ABCC, allowing municipalities to attract more businesses, including seasonal events, without having to spend time waiting for the state legislature to approve the town’s decision.

Finally, H3905 will give communities more flexibility in the procurement of construction contracts by simplifying and clarifying the process while also increasing the current procurement thresholds. Section 222 is an attempt by the Administration to safeguard sound business practices by the municipality to ensure that they find the vendor best suited for the job at the lowest price. To accomplish this, the state's Operational Services Division (OSD) will make accessible vendors currently procured on a statewide contract. This will ensure that municipalities are able to select the vendor who provides the lowest price. This will be an extremely valuable savings tool for municipalities, giving them the option, if they choose, to tap into the resources of the OSD while giving them the ability to seek at least three vendors on their own.

I believe that **House Bill 3905: *An Act to Modernize Municipal Finance and Government*** is an excellent example of how the Baker–Polito Administration has been working to forge stronger partnerships between the state and local levels by providing municipalities with more power and flexibility while using state oversight to safeguard municipal funds.