

Massachusetts Collectors and Treasurers Association



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SUMMARY OF 2009 - 2010 MCTA LEGISLATIVE PROPOSALS

The Massachusetts Collectors and Treasurers Association has reviewed the statutory framework under which the cities, towns and districts of our Commonwealth carry out their financial management responsibilities, and has identified specific provisions of law which we deem to be inconsistent with prudent current business practice, imprecise in language, or inadequate to the needs of our political subdivisions.

We have developed a package of proposals that we believe will promote fairness among taxpayers and improve effectiveness in collecting revenue and administering local financial management. These proposals have been developed based on concerns expressed by individual MCTA members, reviewed and approved by our Legislative Committee and Executive Board, and voted affirmatively by our Membership at an Association Meeting.

We submit them to the Great and General Court of the Commonwealth of Massachusetts with a request for favorable action.

HOUSE BILL 1050 – An Act Relative to the Safety of Public Deposits:

Massachusetts is one of very few states that do not protect their public deposits. This proposal would provide a special commission to determine the best ways to protect public deposits and consider the potential effect of legislation the MCTA has been requesting for many years.

As we learned when Capitol Bank failed in 1990, taking millions of dollars in funds of the communities of Newton, Rehoboth and Yarmouth, bank and credit union failures can result in both a loss of public funds and a loss of public confidence.

SENATE BILL 791 – An Act Relative to Municipal Borrowing:

This proposal would insert in MGL Chapter 44 s 7 two new clauses: - (17A) For dredging of tidal and non-tidal rivers and streams, harbors, channels and tide waters; and: - (32) For the cost of cleaning up or preventing pollution caused by existing or closed municipal facilities not defined in Chapter 44 s 8 clause (21), including clean up or prevention activities taken pursuant to chapter twenty-one E or chapter twenty-one H, twenty years; provided, however, that no indebtedness shall be incurred hereunder until plans relating to the project shall have been submitted to the department of environmental protection and the approval of said department has been granted therefore.

Currently, a statute specific for borrowing for a dredging project does not exist. Some municipalities have been able to borrow under Ch 44 s 7 (17) but this statute speaks to improvements along public beaches with the money being paid to the state. Also, a municipality can borrow under Section 2 of Chapter 74 of the Acts of 1945 with MFOB approval if the case of a federal grant. The problem arises when a municipality is dredging but not receiving federal funds or making payment to the state.

And a municipality can borrow currently only for pollution issues for a solid waste or landfill site. Other municipal sites that require remediation must be paid for by free cash (i.e. DPW garage and staging sites, school lab waste sites etc...)

SENATE BILL 1355 – An Act Relating to the Collection of Personal Property Taxes:

This proposal would authorize municipal Collectors to perfect a security interest in the personal property of a delinquent taxpayer. Unlike delinquent taxes on real estate or delinquent water or sewer charges, which become a lien against the property, delinquent taxes on personal property do not constitute a lien on anything, making effective collection of personal property taxes by non-judicial means problematic. This proposal would create a process for personal property similar to the lien process for real property.

SENATE BILL 1582 – An Act Relative to Certain Checks Not Cashed and Deemed Abandoned:

This proposal would modernize the procedures for local Treasurers to search for owners of uncashed checks and simplify the process for moving the related encumbered funds into the general treasury to become available for appropriation to meet other municipal expenses.

Current law requires that municipal treasurers must wait three years before an uncashed check may be deemed abandoned and start the process (another year and a half) of reclaiming the funds. This proposal would allow a city or town, by ordinance or by bylaw, to establish a procedure for deeming as abandoned a check which has not been cashed within one year if the check bears upon its face the statement "void if not cashed within one year from date of issue".

Current law also requires publication in a newspaper of information about abandoned checks, and allows for posting notice on an official municipal website in addition to the newspaper. This proposal would allow the website posting to suffice, in lieu of publishing in a newspaper

SENATE BILL 761 – An Act Relative to Investments Held by Cities and Towns:

This Proposal would add a new clause for MGL Chapter 44 s 54, to allow cities and towns that adopt this clause to invest funds using the Prudent Investor Rule established in Ch 203C.

SENATE BILL 1102 – An Act to the Residency Requirement of Assistant Treasurers and Collectors:

This legislation would bring the residency requirements of Assistant Treasures and Collectors in line with those of Treasurers, Collectors, Clerks and other appointed offices of this group which do not have residency in the Commonwealth as a requirement of being appointed to the position. Such a requirement of assistants, when others do not need to meet this standard, seems unjust and may limit a community's ability to appoint the most qualified applicant to that position.

For Additional Information Regarding Any Of These MCTA Legislative Proposals:

Contact the MCTA's Registered Agent, Stephen G. Roche, Esq. at The Victory Group, 617-227-8543 (sroche@thevictorygroup.org) Or,

Contact the MCTA's Executive Director, Michael Hanlon, at the MCTA office, 978-952-6644 (MassCTA@aol.com)