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Massachusetts Senate OKs Municipal Finance Reform.

To most people, it hardly registers. But for the people who make small-town government work in Massachusetts, the municipal finance reform legislation in Massachusetts adds up to erasing a lot of longstanding headaches.

The comprehensive legislation to modernize finance and governance laws for cities and towns passed this week by the Senate includes provisions to eliminate or update obsolete laws, promote local independence, streamline state oversight and provide greater flexibility for cities and towns, according to Sen. Benjamin Downing, D-Pittsfield. It eliminates or updates obsolete laws, including the repeal of county government finance reporting requirements and changes to the civil motor vehicle infraction law to allow cities and towns to issue citations electronically.

The Senate measure, which now goes into a conference committee to reconcile with an earlier House version, includes a Downing amendment to let communities choose through a ballot question whether to institute a local tax surcharge to fund local and regional transportation projects.

“This amendment gives cities and towns the ability to control their transportation future,” said Downing. “In the communities that choose to use it, residents will determine at the local level the subject, amount, and use of the transportation dollars raised. This process will ensure that tax dollars are spent in a way that most directly benefits each citizen and the infrastructure in their region.”

In the face of declining federal support and mounting costs to maintain and expand infrastructure, states across the country have looked to local ballot initiatives to raise revenue at the municipal or regional level, Downing said.

The legislation also promotes local autonomy for cities and towns, allowing for more control over certain funding decisions and local regulations. It allows municipalities to enter into joint powers agreements to provide services regionally and reduces the state’s role in regulating on-premise liquor license quotas.

It also streamlines state oversight of tax collection procedures to make the process more transparent and predictable for local officials. And it takes steps to provide municipalities with greater flexibility, including a study on double utility poles, changes to procurement laws to simplify, clarify and increase thresholds for construction contracts and updates to the way municipalities use parking revenues.

“The average taxpayer or citizen will not even know what these mean,” said Greenfield Director of Municipal Finance and Administration Marjorie “Lane” Kelly, referring to the laundry list of municipal finance regulations, some of which are obsolete or contradictory though “we’ve had to live with them for 40 years.”

But, she added, “It’s an internal process that’s being simplified. “Some of them I’ll be grateful for, because they’re cumbersome” — such as the requirement that towns get two or three approvals

from the Department of Revenue, or have to get an OK for a procedure that's a daily occurrence."

The revisions should be even more important for small towns that have "single lone rangers doing the best they can to keep ahead of these regulations," Kelly said. Although the smallest of towns may be exempt, for those that have had to jump through the extra hoops, "it's a relief to them."

The Recorder

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