HOUSE . . . . . No. 4016

The Commonwealth of Massachusetts

In the Year Two Thousand Twelve

An Act relative to regional stabilization funds.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Section 16G1/2. A regional school district may, upon a majority vote of all the members of the regional district school committee and, with the approval of a majority of the local appropriating authorities of the member municipalities, establish a stabilization fund and may, in any year, include in its annual budget for deposit in the stabilization fund an amount not exceeding five per cent of the aggregate amount apportioned to the member municipalities for the preceding fiscal year or such larger amount as may be approved by the director of accounts. The regional school district shall notify the member towns that said stabilization account has been established. Each regional school district member town will have 60 days to consider the establishment of the stabilization fund. In the event that a member town fails to take action within 60days, that member town shall be deemed to have approved the establishment of said stabilization fund. The aggregate amount in the fund at any time shall not exceed five per cent of the combined equalized valuations of the member municipalities. Any interest shall be added to and become a part of the fund. The annual report submitted to the member municipalities pursuant to clause (k) of section sixteen shall include a statement of the balance in the stabilization fund and all additions to and withdrawals from the fund during the period covered by such report.

The treasurer of the regional school district shall be the custodian of such fund and may deposit or invest the fund in such deposits or investments as are legal for the deposit or investment of revenue funds of the district or in such securities as are legal for the investment of funds of savings banks under the laws of the commonwealth.

The stabilization fund may be appropriated by vote of two-thirds of all of the members of the regional district school committee for any purpose for which regional school districts may borrow money or for such other district purpose as the director of accounts may approve.

24 This section shall also apply to any regional school district established under the
25 provisions of a special law.