SENATE DOCKET, NO. 965 FILED ON: 1/20/2011

SENATE . . . . . No. 1507

The Commonwealth of Massachusetts

PRESENTED BY:

Stanley C. Rosenberg

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying:

An Act establishing the local aid stabilization fund..

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Stanley C. Rosenberg	*Hampshire and Franklin*

SENATE DOCKET, NO. 965 FILED ON: 1/20/2011

SENATE . . . . . No. 1507

By Mr. Rosenberg, a petition (accompanied by bill, Senate, No. 1507) of Stanley C. Rosenberg for legislation to establish the local aidstabilization fund. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
SENATE
, NO. *1331* OF 2009-2010.]

The Commonwealth of Massachusetts

An Act establishing the local aid stabilization fund..

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

SECTION 1.Chapter 29 of the General Laws is hereby amended by inserting after section 2NNN the following section:- Section 2OOO. There shall be established and be set up on the books of the commonwealth a separate fund to be known as the Local Aid Stabilization Fund, into which $200,000,000 per year will be deposited from end-of-the-year surplus funds annually until the fund is fully vested. No amounts shall be withdrawn from this fund until there is reported negative revenue growth; as certified by the commissioner of revenue in detailed reports to the secretary of administration and finance, and the house and senate committees on ways and means, that would directly affect the General Fund and its ability to fund local aid. This fund shall be used exclusively to maintain pre-existing local aid appropriations in times of fiscal crisis. Specifically this fund shall support state school aid under chapter 70, lottery aid, additional assistance, payments in lieu of taxes for state-owned lands under section 17 of chapter 58, and regional school transportation in times of negative revenue growth.

The state treasurer shall be the custodian of this fund and shall receive, deposit and invest all moneys transmitted to the fund under this section and shall credit the fund with all interest and earnings on the fund. Said fund shall be considered “fully vested” when the treasurer certifies to the comptroller, the fiscal affairs division, and the house and senate committees on ways and means that the fund has accrued $2,000,000,000 of principal.