



CITY OF BOSTON • MASSACHUSETTS

OFFICE OF THE MAYOR
MARTIN J. WALSH

January 23, 2017

TO THE CITY COUNCIL

Dear Councilors:

I transmit herewith for your approval a home rule petition to the General Court entitled “Petition for a Special Law Re: An Act Relative to Surcharges Imposed to Finance the Boston Convention and Exhibition Center.” This Home Rule Petition will redirect the revenue from two surcharges generated in Boston from the Boston Convention and Exhibition Center Fund (“Convention Center Fund”), a state fund used to pay the costs of the Boston Convention and Exhibition Center, to the City’s general fund.

Under current state law, a five percent (5%) surcharge on the price of each sightseeing tour conducted in the City of Boston and a ten dollar (\$10) surcharge on each rental car transaction contract in the City of Boston are charged and credited to the Convention Center Fund to help pay for costs related to the Boston Convention and Exhibition Center, including both direct project expenditures and debt service. Each year, there is a surplus in the fund, leaving unspent funds that could otherwise be used for important City of Boston initiatives like ensuring free universal pre-Kindergarten for every four-year-old child in the City. This Home Rule Petition would require the state treasurer to segregate the revenues generated by these two surcharges in a separate fund and to pay those receipts to the City’s general fund on a quarterly basis, unless the treasurer certifies to the City that the funds are needed to pay the debt service on bonds issued to fund the Convention Center for the following fiscal year.

I urge your Honorable Body to join me in this effort to allow the City to access funds that will enable it to expand educational opportunities for City children.

Sincerely,

Martin J. Walsh
Mayor of Boston

CITY OF BOSTON

IN CITY COUNCIL

ORDERED: That a petition to the General Court, accompanied by a bill for a special law relating to the City of Boston to be filed with an attested copy of this Order be, and hereby is, approved under Clause One (1) of Section Eight (8) of Article Two (2), as amended, of the Amendments to the Constitution of the Commonwealth of Massachusetts, provided, that the General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of this petition:

PETITION FOR A SPECIAL LAW RE: AN ACT RELATIVE TO SURCHARGES IMPOSED TO FINANCE THE BOSTON CONVENTION AND EXHIBITION CENTER

SECTION 1. Section 10 of chapter 152 of the acts of 1997, as amended, is hereby amended by striking out clause (vi) in subsection (b) and inserting in place thereof the following clause:-

(vi) in the City of Boston, all receipts from the surcharge imposed under the provisions of subsection (f) of section 9.

SECTION 2. Section 10 of chapter 152 of the acts of 1997, as amended, is hereby further amended by striking out the second paragraph of subsection (e) and inserting in place thereof the following paragraph:-

The fee and surcharge imposed pursuant to subsections (a) and (f) of section 9 shall remain in effect after dissolution of the Convention Center Fund, and the proceeds of such fee and surcharge shall be deposited in the General Fund of the commonwealth.

SECTION 3. Chapter 152 of the acts of 1997, as amended, is hereby further amended by inserting after section 29 the following section:-

Section 30. There shall be established and set up on the books of the commonwealth a separate fund, to be known as the City of Boston Early Education Fund, consisting of amounts credited to the fund in accordance with this section. The fund shall be administered in accordance with the provisions of this act by the state treasurer and shall be held in trust exclusively for the purposes and beneficiaries described herein. The state treasurer shall be treasurer-custodian of the fund and shall have the custody of its monies and securities. Notwithstanding any provisions of this chapter or any special or general law to the contrary, commencing on the first day of the first full

calendar month following the effective date of this act the receipts from the surcharges imposed by the provisions of subsections (d) and (e) of section 9, together with investment earnings thereon, shall be credited to and deposited by the state treasurer in the fund.

Expenditures from the fund may be made for the payment of debt service on bonds of the commonwealth issued to finance the Project in any year if, by March 1 of that year, the state treasurer certifies to the City of Boston that, and by what amount, money in the Convention Center Fund will not cover the cost of such debt service for the following fiscal year. In any year that the state treasurer makes such certification in accordance with this section, amounts in the fund in excess of the amount certified shall, on a quarterly basis, be credited and paid to the City of Boston and deposited in its general fund.

In the event that the state treasurer does not make such certification in accordance with this section by March 1 of any year, all amounts in the fund shall, on a quarterly basis, be credited and paid to the City of Boston and deposited in its general fund.

SECTION 4. Notwithstanding sections 1, 2, or 3, in the event that the Authority undertakes the BCEC expansion project, as defined by chapter 195 of the acts of 2014, and intends to issue and sell bonds of the commonwealth to meet the expenditures necessary to carry out such project, and the state treasurer and secretary of administration and finance certify such intent to the City of Boston, then surcharges imposed by subsections (d) and (e) of section 9 of chapter 152 of the acts of 1997 shall be credited to and deposited into the Convention Center Fund beginning on July 1 of the year following the issuance of such bonds. If at any time the Authority subsequently decides not to undertake the BCEC expansion project, the Authority shall immediately notify the City of Boston and the surcharges imposed by subsections (d) and (e) of section 9 of chapter 152 of the acts of 1997 shall be credited to paid to the fund established by section 3 beginning on the date of such notification.

SECTION 5. This act shall take effect on July 1, 2017.

I HEREBY CERTIFY THAT
THE FOREGOING, IF PASSED IN
THE ABOVE FORM, WILL BE IN
ACCORDANCE WITH LAW.
BY Eugene L. O'Flaherty EWC
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CORPORATION COUNSEL