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ISSUE BRIEF
Water Infrastructure Finance Commission
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After many attempts in a variety of bills, language to create a Water Infrastructure Finance Commission has been signed into law as part of the Fiscal Year 2010 Massachusetts Budget. The language had been in a stand alone bill filed by Senator Eldridge at the beginning of this two-year session, but was subsequently included as a budget amendment to the Senate's FY2010 budget, and was also part of the Budget Conference Committee's Report in [Outside Section 145](#).¹ Despite a veto by Governor Patrick, the Commission is finally becoming a reality. On Tuesday, July 28, 2009, through the efforts of Senator Eldridge and Representative Dykema, the Legislature supported an override.

The Water Infrastructure Finance Commission is charged with developing a comprehensive, long-range water infrastructure finance plan for the Commonwealth and its municipalities, similar to the creation of the Transportation Finance Commission, whose reports shed a light on the projected transportation funding gap, and offered cost saving and revenue raising recommendations.

The Commission would include 18 members, serving until the completion of a long-range infrastructure finance plan. Those appointed by the Governor, the Senate Minority Leader and the House Minority Leader are expected to come from different geographic regions of the Commonwealth. The Governor's appointees cannot include employees of the executive branch.

9 Members appointed by the Governor including representatives of:

- American Council of Engineering Companies of Massachusetts
- Utility Contractors' Association of New England
- Massachusetts Water Works Association

¹ Full text available online at: <http://www.mass.gov/legis/ht04129.pdf>.

- Massachusetts Municipal Association
- Clean Water Action
- Associated Industries of Massachusetts
- Environmental League of Massachusetts
- Conservation Law Foundation
- Massachusetts Water Pollution Control Association

2 Members appointed by the Senate President including:

- 1 State Senator
- 1 representative of planning organizations, environmental consumer organizations or other public interest organizations

2 Members appointed by the Speaker of the House including:

- 1 State Representative
- 1 representative of planning organizations, environmental consumer organizations or other public interest organizations

1 Member appointed by the Minority Leader of the Senate

- a representative of the Massachusetts business community

1 Member appointed by the Minority Leader of the House

- a representative of the Massachusetts business community

Commissioner of Environmental Protection or a designee

State Treasurer or a designee

Representative of Boston Water and Sewer Commission

Each of the members of the Commission should either be an expert or have working experience in the fields of law or public policy, water, wastewater or storm water planning, design and construction of water, wastewater or storm water projects, utility management, management consulting or organizational finance. At least 1 member of the Commission should have expertise in organizational finance. One of the members, excluding the state treasurer and the commissioner of environmental protection and their designees, will be appointed by the Governor to serve as chairperson of the Commission.

The Commission will examine the water infrastructure needs of the Commonwealth for the next 25 years, looking specifically at:

- ❖ the funding gap between water infrastructure needs and existing, available sources of funding;

- ❖ developing mechanisms for additional funding for water infrastructure by increasing investment in critical water, wastewater, storm water and water conservation infrastructure;
- ❖ providing improvements in the handling and management of water programs;
- ❖ potential threats to public health and public safety from existing shortfalls in funding for water infrastructure;
- ❖ recommendations on ways in which the commonwealth and its municipalities may meet operation and maintenance , and capital improvement and reconstruction needs; and
- ❖ expanded use of full accounting systems and enterprise funding, asset management systems and best management practices.

The Commission will develop recommendations as to what funding or finance measures the Commonwealth or its municipalities may pursue to meet funding gaps as identified by the Commission. During their process the Commission may hold public hearings as a means of gathering data, although this is not a requirement.

The Commission will complete a written report detailing its financials relative to identified funding sources, including any legislation required to implement its recommendations. The initial report will be submitted to the Governor, the Secretary of Energy and Environmental Affairs, the clerks of the House of Representatives and the Senate, the House and Senate committees on Ways and Means and JEN no later than two years after becoming law.

For more information regarding Outside Section 145 in the FY 2010 Massachusetts Budget, please contact Jessica Strunkin, Manager of Public Policy & Public Affairs, by phone at (774)760-0495 or by email at Jessica@495partnership.org.