



The Commonwealth of Massachusetts

OFFICE OF THE STATE TREASURER

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To My Esteemed Colleagues,

I am pleased to present the following recommendations, prepared and filed in collaboration with our legislative partners, for the 2023-2024 legislative session. These proposals reaffirm our commitment to protecting and enhancing Massachusetts' strong financial standing, championing policies that address long-term economic needs of working families and retirees, and advocating for equitable access to capital for generations to come.

The State Treasurer's duties are multifaceted and interwoven throughout state government. As the fiscal steward for the Commonwealth, my office is tasked with effectively and efficiently managing the state's cash management and debt issuance. I also chair and manage several other departments, including the Massachusetts School Building Authority, Unclaimed Property Division, State Board of Retirement, Alcoholic Beverages Control Commission, Massachusetts State Lottery Commission, Office of Economic Empowerment, the Massachusetts Clean Water Trust, the Pension Reserves Investment Management Board and more. As such, the following recommendations each differ in scope and structure to serve the many varying responsibilities of our office. Collectively, we seek to achieve the common goal of enhancing general welfare and prosperity for Massachusetts residents from all walks of life. I hope as you consider each proposal, that you view them in their broader implications.

As examples:

- A recommendation that would create a seemingly minor exception and modification to current retirement benefit calculations, would mean a more equitable benefit calculation for many hardworking public employees and active members in our retirement system.
- A second recommendation, more robust in scale, would codify the Office of Economic Empowerment to ensure it continues its mission to address wage equality, increase access to financial education, improve college affordability, and invest in STEM careers and education, regardless of political landscape.
- A third recommendation is focused on the urgent need to expand access to retirement savings options in Massachusetts. By expanding the availability of the state's CORE Plan, we will help innumerable non-profit employees reach a more secure future. Too many who chose a non-profit career, have lower pay, no retirement savings, and are very often women and people of color.

Underlying many of our proposals is a commitment to creating economic opportunity and financial stability for people throughout the state, often beginning with our youngest children.

Requiring Massachusetts schools to offer financial education to every child, would give them access to the skills they need to understand the financial implications of their decisions. This understanding can make all the difference throughout their lives, and those of their future family's too. Consideration of establishing Baby Bonds in Massachusetts, an at-birth investment, for our most disadvantaged children, will provide access to an asset-building program, that seeks to address the foundations of the racial wealth gap. These proposals, along with other recommendations will enhance the economic futures of so many, which in turn adds to the financial stability of our state.

Please view our office as a willing and reliable partner, and a resource for the Legislature. Success is built upon our collaborations together. I look forward to continuing our work with you to enrich the lives of every resident in Massachusetts.

Sincerely,

A handwritten signature in blue ink, appearing to read "Deborah B. Goldberg".

Deborah B. Goldberg
Treasurer and Receiver General

We respectfully ask for consideration of the following:

S176, *An Act modernizing the Massachusetts alcohol laws*, filed by Sen. Anne Gobi.

This legislation makes several small but meaningful changes to the current ABCC licensing process to assist small business owners and entrepreneurs which promotes economic development. This includes authorizing the ABCC to extend the area covered by a license to include a noncontiguous property in certain circumstances, extends the period of time to which an aggrieved party may appeal a local licensing board decisions, and provides the ABCC discretion in considering an individuals' criminal history when evaluating character and fitness. Taken together, these measures would greatly assist the ABCC in continuing to help small businesses and local communities, while ensuring public safety.

S161, *An Act authorizing charity alcohol auctions*, filed by Sen. Jamie Eldridge.

Many charities have come to rely upon special events and auctions to generate operating revenue. This bill supports charities and charitable partnerships seeking to raise funds in this manner, while ensuring that local licensing authorities can keep appropriate public health and safety practices in place.

H3078, *An Act relative to Treasury Operations*, filed by Rep. David LeBoeuf.

This omnibus legislation would make several small, but important, changes to Treasury operations that will remove unnecessary administrative burdens, better protect consumers, and make a significant difference in the work of the Treasury's ability to deliver for Massachusetts residents.

These measures include reducing the frequency of banking list publications; permitting the acceptance of electronic bond documentation in lieu of physical bond; authorizing agencies and departments to charge back for services rendered, thereby easing unreasonable burdens on said departments; and streamlining the statute governing bonds for blasting operations.

**H2517, *An Act relative to the SMART Plan*, filed by Rep. Ann-Margaret Ferrante;
S1698, *An Act relative to the SMART Plan*, filed by Sen. Joan Lovely. [More information about the SMART Plan for state employees available here.](#)**

This legislation would create an automatic enrollment feature of the Massachusetts Deferred Compensation SMART Plan for all future state employees, consultants, and contractors, providing an opt-out option. Under this legislation, governmental bodies such as municipalities will be given the opportunity to join if they chose.

H3031, *An Act relative to the 401(k) CORE Plan*, filed by Rep. Ann-Margaret Ferrante); S2025, *An Act relative to the 401(k) CORE Plan*, filed by Sen. Joan Lovely. [More information about the CORE Plan available here.](#)

Increased access to retirement savings is essential to the economic stability of the Commonwealth and the citizens that live here. This legislation would eliminate language that restricts nonprofits with over 20 employees from participating in the Commonwealth's nonprofit defined contribution plan, also known as the CORE Plan. Having access to CORE would provide a low-cost, high-quality retirement offering for people who chose a non-profit career

S169, *An Act modernizing Lottery operations*, filed by Sen. Paul Feeney.

This omnibus legislation would modernize outdated provisions regulating the Lottery Commission to further support the Lottery in their mission to secure the integrity of their products, protect the well-being of its customers, and maximize revenue returned to the Commonwealth for the benefit of its cities and towns.

S170, *An Act relative to establishing an online lottery*, filed by Sen. Paul Feeney.

This legislation authorizes the Massachusetts State Lottery to design, implement, and regulate an online Lottery to meet consumer demand for online and mobile offerings. An online lottery would enable the Lottery to modernize and continue providing significant unrestricted local aid to all 351 cities and towns across the Commonwealth in an increasingly competitive marketplace.

H3118, *An Act establishing an Office of Economic Empowerment*, filed by Rep. Steven Ultrino. [More information about the Office of Economic Empowerment available here.](#)

This legislation codifies the Office of Economic Empowerment in statute within the Department of the State Treasurer. Currently, the Office of Economic Empowerment is tied to the Economic Opportunity Trust Fund, relying on public/private donations and earmark funding to administer the programmatic goals of the Fund. These programs—including the BabySteps Savings Plan and the Women+ in Finance Fellowship—are essential in ensuring economic stability, economic security, and economic opportunity for residents across Massachusetts.

H184, *An Act relative to financial literacy*, filed by Rep. Daniel Hunt

Under current law, the Department of Transitional Assistance (DTA) is required to coordinate with different agencies to provide services for those in need. DTA regularly coordinates with public and private partners to provide financial assistance, educational, correctional, employment, and physical & mental health services for Massachusetts residents. These services range from Project Bread Hotline to SNAP benefits. This legislation seeks to add “financial literacy” to that list.

S327, *An Act requiring financial educations in schools*, filed by Sen. Patrick O'Connor.

Accessible financial education is a crucial step in building a more equitable future for our children. This legislation would require schools to incorporate financial literacy into existing curriculum. Further, it would seek to establish and set up a separate fund to be known as the Financial Literacy Trust Fund to be administered by DESE.

H1157, *An Act addressing the racial wealth gap*, filed by Rep. Andy Vargas; S1999, *An Act addressing the racial wealth gap*, filed by Sen. Paul Feeney.

This legislation would create a Massachusetts Baby Bonds Trust Fund program, an at-birth, asset-building policy aimed at increasing economic opportunities for vulnerable communities. The recommendations were informed by Massachusetts Baby Bonds Task Force Report findings released in December. [The Massachusetts Baby Bonds Task Force report can be found here.](#)

H2591, *An Act requiring public pension fund divestment from ammunition and firearms*, filed by Rep. Jay Livingstone; H2503, *An Act requiring public pension fund divestment from ammunition and firearms*, filed by Rep. Mindy Domb; S1690, *Act requiring public pension fund divestment from ammunition and firearms*, filed by Sen. Adam Gomez.

This legislation requires the Massachusetts Pension Reserves Investment Management Board (PRIM) to divest state funds from companies that derive more than 15% of revenues from the sale or manufacture of ammunition, firearms, or firearm accessories used for civilian purposes.

In light of PRIM's fiduciary duty to deliver on its promise to workers and retirees, this bill takes a measured and fiscally responsible approach in addressing its exposure to companies that have not shown a willingness to work with shareholders to address the safety of their products. While a miniscule fraction of the state's \$92 billion pension fund, divestment from ammunition and firearms sends a clear message to the victims and survivors of gun violence everywhere that we stand with them.

H2583, *An Act relative to the Massachusetts State Employees Retirement System*, filed by Rep. David LeBoeuf

This omnibus legislation would make important changes to the retirement law, modernizing outdated provisions and streamlining the retirement process that would eliminate redundancies and assist our hardworking state retirees.

Specifically, the legislation would more equitably distribute benefits for members of the state retirement system and their surviving beneficiaries; increase the amount of interest earned by members who withdraw funds when separating from state service; consolidate the assets of the former Turnpike retirements system with the state retirement system, thereby shedding additional administrative requirements; and standardize contributions from non-state entities to the retirement system by proposing

a mechanism to replace the current billing structure for more than fifty non-state, local entities that participate in the retirements system.

S1689, *An Act relative to non-Commonwealth entities within the state employees' retirement system*, filed by Sen. Anne Gobi

This legislation would streamline and standardize contributions from non-state entities to the retirement system by proposing a mechanism to replace the current billing structure for more than fifty non-state, local entities that participate in the Massachusetts State Employees Retirement System “(MSERS)”. This is the same mechanism currently in place for educational collaboratives under G.L. c.32, §28(4).

H2598, *An Act relative to updating judicial retirement benefits*, filed by Rep. Paul McMurtry

This legislation is designed to address inequity in how Judges and Justices are treated as compared to other public employees in retirement by seeking to provide them the same benefit choices in their retirement options as other members of the State Employees Retirement System under the provisions of G.L. c.32, §65D.

In addition, this legislation would allow a Judge or Justice to name a surviving eligible beneficiary through their written election consistent with the options available to other members of the State Employees Retirement System, ensuring Judges and Justices are provided with updated survivor options which reflect current relationship scenarios.

H2433, *An Act relative to group classification*, filed by Rep. Bruce Ayers

This bill would update outdated language in the definition of Group 2 classification to reflect these state employees as being tasked with care, custody, instruction or other supervision of “persons with physical, functional, intellectual, or developmental disabilities, or delinquent youth.” This legislation also seeks to clarify the group classification process for retirees that may have prior service in other retirement systems, thereby streamlining the process by giving a retiring member’s current retirement board the final decision in group classification rather than coordinate across multiple systems.

This bill would also seek to allow the state retirement board to pro-rate service in certain circumstances where an inactive employee returns to state service.

H2590, *An Act clarifying the impact of equitable salary adjustments for retirement purposes*, filed by Rep. Jay Livingstone

This legislation would create an exception to anti-spiking provisions that retirement systems have to apply in calculating benefits for salary adjustments, which result from authorized agency-wide compensation studies, reviews or equity assessments.

H3518, *An Act promoting equity in veterans' bonus eligibility*, filed by Rep. Jack Patrick Lewis; S2358, *An Act promoting equality in veterans' bonus eligibility*, filed by Sen. John Velis

This legislation would promote equity in the Veterans' Bonus Division by permitting the Division to provide bonuses to veterans discharged other than honorably due to sexual orientation, gender identity, gender expression, or HIV status.