

# HOUSE . . . . . No. 4569

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## The Commonwealth of Massachusetts

The committee of conference on the disagreeing votes of the two branches with reference to the Senate amendment (striking out all after the enacting clause and inserting in place thereof the text contained in Senate document numbered 2423) of the House Bill relative to job creation, workforce development and infrastructure investment (House, No. 4483), reports, recommending passage of the accompanying bill (House, No. 4569) July 31, 2016.

Joseph F. Wagner	Eileen M. Donoghue
Brian S. Dempsey	Karen E. Spilka
James M. Kelcourse	

**HOUSE . . . . . No. 4569**

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**The Commonwealth of Massachusetts**

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**In the One Hundred and Eighty-Ninth General Court  
(2015-2016)**  
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An Act relative to job creation and workforce development.

*Whereas*, The deferred operation of this act would tend to defeat its purpose, which is to finance forthwith improvements to the Commonwealth’s economic infrastructure and promote economic opportunity, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

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

1           SECTION 1. To provide for a program of economic development and job creation, the  
2 sums set forth in sections 2A, 2B and 2C, for the several purposes and subject to the conditions  
3 specified in this act, are hereby made available, subject to the laws regulating the disbursement  
4 of public funds; provided, however, that the amounts specified for a particular project within an  
5 item may be adjusted in order to facilitate projects authorized and that the total amount specified  
6 in each item shall not be adjusted. These sums shall be in addition to any amounts previously  
7 authorized and made available for these purposes.

8           SECTION 2A.

9           EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

10          Office of the Secretary

11           7002-8006    For the MassWorks infrastructure program established by section 63 of  
12 chapter 23A of the General Laws ..... \$500,000,000

13           7002-8007    For matching grants to enable institutions of higher education, including  
14 state and municipal colleges and universities, to participate in and receive federal funding from  
15 the National Network for Manufacturing Innovation..... \$71,000,000

16           7002-8008    For a program to be administered by the Massachusetts Development  
17 Finance Agency for site assembly, site assessment, predevelopment permitting and other  
18 predevelopment and marketing activities that enhance a site’s readiness for commercial,  
19 industrial or mixed-use development; provided, that a portion of the funds shall be used to  
20 facilitate the expansion or replication of successful industrial parks; and provided further, that a  
21 portion of the funds shall be used to support the revitalization of downtown  
22 centers..... \$15,000,000

23           7002-8009    For a program to be administered by the Massachusetts Development  
24 Finance Agency: (i) to make grants to private property owners, nonprofit entrepreneur support  
25 organizations and business operators; (ii) to make grants and loans to municipalities for design,  
26 construction and improvement of buildings and for equipment to spur innovation and  
27 entrepreneurship across the commonwealth including, but not limited to, co-working spaces,  
28 innovation centers, maker spaces, post-incubation start-ups and artist spaces; provided, that  
29 \$200,000 shall be expended to DevelopSpringfield Corporation for the construction and  
30 expansion of the Springfield Innovation Center in the city of Springfield; provided further, that  
31 \$75,000 shall be expended for the purpose of structural, roofing, masonry and site work at the  
32 Colonial Theatre in the city of Pittsfield; provided further, that \$250,000 shall be expended to

33 rehabilitate, finish, or expand facilities related to the Center for the Arts in the town of Natick;  
34 provide further, that \$250,000 shall be expended for site analysis and feasibility of an upper  
35 valley innovation center to provide start-up entrepreneurial maker space in the city of Greenfield  
36 ..... \$15,775,000

37 7002-8011 For the Transformative Development Fund established by section 46 of  
38 chapter 23G of the General Laws .....\$45,000,000

39 7002-8012 For the Scientific and Technology Research and Development Matching  
40 Grant Fund established by section 4G of chapter 40J of the General Laws .....\$15,000,000

41 7002-8013 For the Advanced Manufacturing, Technology and Hospitality Training  
42 Trust Fund established in section 20000 of chapter 29 of the General Laws.....\$30,000,000

43 7002-8014 For the Massachusetts Food Trust Program established by section 65 of  
44 chapter 23A of the General Laws; provided further, that \$396,000 shall be expended to the  
45 Franklin County Community Development Corporation for costs associated with the expansion  
46 of the Western Massachusetts Food Processing  
47 Center..... \$6,396,000

48 7002-8016 For the funding of the Designated Port Area Fund established in section 16G  
49 of chapter 6A of the General Laws toward costs incurred or arising out of the design,  
50 construction, repair, renovation, rehabilitation or other capital improvements within designated  
51 port areas located outside Boston harbor.....\$25,000,000

52 7002-8017 For the Massachusetts Technology Park Corporation, established in section 3  
53 of chapter 40J of the General Laws and doing business as the Massachusetts Technology

54 Collaborative, to create a cybersecurity and data analytics technology development and training  
 55 center of excellence pursuant to section 130; provided further, that \$75,000 shall be expended for  
 56 the purpose of extending Mass Broadband, fiber optic cable network to the William Stanley  
 57 Business Park to support the operation of the Berkshire Innovation Center in the city of  
 58 Pittsfield; provided further, that \$200,000 shall be expended for the Haitian American Business  
 59 Expo, Inc. to expand its launch of its first-of-its-kind free platform connecting the Haitian /  
 60 Haitian-American business community free-of-charge with consumers by showcasing Haitian  
 61 businesses and services throughout the Commonwealth through its Haitian business and non-  
 62 profit web directory, database, mobile application, media outlets and community  
 63 presence..... \$4,775,000

64 7002-8018 For public infrastructure grants to municipalities and other public  
 65 instrumentalities for design, construction, building, land acquisition, rehabilitation, repair and  
 66 other improvements to publicly-owned infrastructure; provided, that \$350,000 shall be expended  
 67 for the acquisition, design, engineering and construction of the Riverwalk along the Sudbury  
 68 river in the town of Ashland; provided further, that \$500,000 shall be expended for infrastructure  
 69 improvements in the town of Holbrook to support economic development in the town center area  
 70 and improve access to the regional commuter rail station; provided further, that \$150,000 shall  
 71 be expended for improvements to the downtown area in the town of Framingham to enhance the  
 72 pedestrian access to public and private facilities including train and bus stations; provided  
 73 further, that \$375,000 shall be expended for the design, permitting and construction of  
 74 Americans with Disabilities Act compliance work, including the construction of an elevator to  
 75 the upper floor theater spaces in town hall in the town of Royalston; provided that \$500,000 shall  
 76 be expended for the restoration, rehabilitation and renovation of the Lowell Memorial

77 Auditorium in order to ensure compliance with the Americans with Disabilities Act in the city of  
78 Lowell; provided further, that \$250,000 shall be expended for design and construction of the  
79 Watertown-Cambridge greenway project in the city known as the town of Watertown and the  
80 city of Cambridge; provided further, that \$400,000 shall be expended for handicapped  
81 accessibility improvements and crosswalks to Centre street at Rambler road, Westchester road  
82 and Whitcomb avenue in the Jamaica Plain section of the city of Boston; provided further, that  
83 \$100,000 shall be expended for repairs to park pathways and entrances to Franklin Park in the  
84 city of Boston; provided further, that \$125,000 shall be expended to make structural  
85 improvements and repairs at the Academy of Music in the town of Northampton; provided  
86 further, that \$250,000 shall be expended for a regional indoor ice rink and recreation center  
87 located in the town of Norwood; provided further, that \$250,000 shall be expended for facility  
88 improvements to the Alexander S. Bajko Memorial Rink in the Hyde Park section of the city of  
89 Boston; provided further, that \$200,000 shall be expended for the design and construction of the  
90 Halifax Council on Aging building; provided further, that \$300,000 shall be expended for the  
91 design and construction of the expansion of the Brockton Council on Aging Senior Center;  
92 provided further, that \$300,000 shall be expended to the Central Massachusetts Center for  
93 Business and Enterprise, Inc., to support infrastructure improvements at a higher learning  
94 institution within the Blackstone Valley; provided further, that \$250,000 shall be expended for  
95 the creation, design and construction of a roadway and further development at the former  
96 Medfield State Hospital property in the town of Medfield, provided further, that the further  
97 development shall prioritize adaptive recreational activities, inclusion and accessibility for those  
98 with physical, mental and emotional disabilities; provided further, that \$236,335 shall be  
99 expended for the sanitary sewer capacity improvement project in the town of Northborough;

100 provided further, that \$250,000 shall be expended for repairs, enhancements and improved  
101 pedestrian access in the city of Melrose downtown business and historic district; provided  
102 further, that \$250,000 shall be expended for design and construction of playing fields and public  
103 recreation space at the Beachmont School in the city of Revere; provided further, that \$500,000  
104 shall be expended for improvements to the Main street traffic rotary in the downtown area in the  
105 town of Hudson to improve and enhance access to the area; provided further, that \$250,000 shall  
106 be expended to establish a facade improvement program for the city of Malden; provided further,  
107 that \$250,000 shall be expended to the town of Milton to promote economic development or  
108 recreational opportunities at or near the Town Landing at or near the Neponset River and Wharf  
109 Street in the town of Milton; provided further, that \$200,000 shall be expended for a signage and  
110 wayfinding program in the town of Chelmsford as part of a project improving the pedestrian,  
111 bicycle and public parking areas, and multi-use pathways in Chelmsford center in the town of  
112 Chelmsford; provided further, that \$500,000 shall be expended for the Miracle League of  
113 Western Massachusetts, Inc., for the renovation and construction of recreational facilities;  
114 provided further, that \$250,000 shall be expended for the engineering cost of replacing the West  
115 Park Street Bridge in the town of Lee; provided further, that \$300,000 shall be expended for the  
116 sampling and permitting of the dredging of Plymouth harbor in the town Plymouth; provided  
117 further, that \$250,000 shall be expended for the design and development of a small business  
118 incubator at the site of the former Winthrop Middle School in the town of Winthrop; provided  
119 further, that \$100,000 shall be expended for the design and architectural costs for a building at  
120 the Blossom Street Extension ferry terminal location in the city of Lynn; provided further, that  
121 \$400,000 shall be expended for the cost or reimbursement of cost for the city of Lynn's share of  
122 the feasibility study and design and construction for the dredging of Lynn harbor in the city of

123 Lynn; provided further, that \$250,000 shall be expended for capital improvements in the city of  
124 Westfield in celebration of its three hundred and fiftieth anniversary; provided further, that  
125 \$150,000 shall be expended for a feasibility study to improve parking in Falmouth village in the  
126 town of Falmouth; provided further, that \$200,000 shall be expended for transportation  
127 improvements along the Arsenal street corridor in the city known as the town of Watertown;  
128 provided further, that \$300,000 shall be expended for a façade improvement program for  
129 Watertown square and Coolidge square in the city known as the town of Watertown; provided  
130 further, that \$200,000 shall be expended to Historic Newton, Inc. for a plaque to commemorate  
131 George Washington’s passage through Newton corner and other historic improvements; provided  
132 further, that \$250,000 shall be expended for design and reconstruction of traffic signals at the  
133 intersections of Mystic avenue and Main street, Main street and South street and Main street and  
134 the westbound off ramp of the Mystic Valley parkway, state highway route 16, in the city of  
135 Medford; provided further, that \$300,000 shall be expended for capital improvements to the  
136 Coolidge Corner branch of the Brookline public library; provided further, that \$250,000 shall be  
137 expended for upgrades to the Swan Street park tot lot in the city of Everett; provided further, that  
138 the Food Allergy Science Initiative shall be eligible to receive matching grant funds for research  
139 and outreach on food allergies; provided further, that \$250,000 shall be expended for the  
140 replacement of sidewalks on Hawthorne street from Congress avenue to Marginal street in the  
141 city of Chelsea; provided further, that \$200,000 shall expended for environmental remediation,  
142 preparation and site cleanup of the former police station on Bedford Street in the city of Fall  
143 River to support economic development in the Bank Street Neighborhood Association/downtown  
144 area; provided further, that \$250,000 shall be expended to rehabilitate, finish or expand facilities  
145 related to the Center for the Arts in the town of Natick; provided further, that \$200,000 be



146 expended for critical infrastructure improvements in the city of Fitchburg in order to support  
147 economic development on Main street and Airport road by installing access to high speed  
148 internet; provided further, that \$250,000 shall be expended for repairs to the carriage house at  
149 Lynch park in the city of Beverly; provided further, that not more than \$200,000 shall be  
150 expended to expand the current park and ride facility at exit 6 off United States highway route 6  
151 in the city known as the town of Barnstable or to build a new park and ride facility in the city  
152 known as the town of Barnstable; provided further, that \$250,000 shall be expended for the  
153 redevelopment of Stoughton Center in the town of Stoughton; provided further, that \$250,000  
154 shall be expended to the town of Plainville for public safety improvements; provided further, that  
155 \$300,000 shall be expended for the acquisition of property on rear Main street in the city of  
156 Gardner; provided further, that \$500,000 shall be expended for a dredging project and to  
157 improve, manage and protect the water quality of Lake Wickaboag in the town of West  
158 Brookfield; provided further, that \$300,000 be provided to the county of Barnstable for the  
159 design, engineering, installation, piloting and assessment of the nitrogen removal capabilities of  
160 soil based innovative Title V septic systems developed by the Barnstable County Health  
161 Department to meet the objectives of an approved 208 region-wide water quality plan; provided  
162 further, that \$500,000 be expended for a grant program to be administered by the Massachusetts  
163 office of business development to assist minority-owned businesses, women-owned businesses  
164 and veteran-owned businesses with capital and infrastructure improvements aimed at growing  
165 and expanding their business capacity; provided further, that \$250,000 shall be expended to the  
166 town of Hingham to finance structural improvements and expansions to the state highway route  
167 3A rotary; provided further, that \$250,000 shall be expended for infrastructure improvements at  
168 Attleboro High School for the expansion of the career and technical education department;

169 provided further, that \$250,000 shall be expended for a children’s museum or other economic  
170 redevelopment at the city-owned property located at 2-12 Washington Street in the city of  
171 Peabody; provided further, that \$200,000 shall be expended for development along the state  
172 highway route 133 corridor in the town of Andover; provided further, that \$150,000 shall be  
173 expended for sidewalks on state highway route 38 in the town of Dracut; provided further, that  
174 \$150,000 shall be expended for road and sidewalk construction and improvements along Main  
175 street in the town of Tewksbury; provided further, that \$500,000 shall be expended for design  
176 and other related services for corridor improvements and related work on Broadway, state  
177 highway route 138, from Taunton Green northerly to Purchase street in the city of Taunton;  
178 provided further, that \$250,000 shall be expended for sidewalks and bicycle paths in the town of  
179 Blackstone; provided further, that \$250,000 shall be expended for infrastructure improvements  
180 at Oxford Crossing in the town of Oxford; provided further, that \$300,000 shall be expended for  
181 downtown improvements including, but not limited to, the planning and design of a public safety  
182 facility in the town of Ipswich; provided further, that \$200,000 shall be expended for downtown  
183 improvements including, but not limited to, the planning and design of a public safety facility in  
184 the town of Essex; provided further, that \$250,000 shall be expended to the town of Marshfield  
185 to finance construction, renovations and new developments to the Brant Rock esplanade for  
186 increased tourist accessibility and flood management; provided further, that \$300,000 shall be  
187 expended for the study and design of a full service consolidated campus for Bristol Community  
188 College located in the downtown area of the city of New Bedford to fulfill economic  
189 development and workforce training demands in the economy of the south coast of the  
190 commonwealth; provided further, that \$200,000 shall be used to facilitate commercial, industrial  
191 or mixed-use development of waterfront sites in the city of New Bedford; provided further, that a

192 waterfront site shall be a Phase IV site that is subject to an enforceable activity and use limitation  
193 submitted after June 1, 2012 in accordance with the Massachusetts Contingency Plan, 310 CMR  
194 40.00; provided further, that \$500,000 shall be expended for the Hamilton Canal District in the  
195 city of Lowell; provided further, that \$500,000 be expended for the completion of the  
196 Northampton Arts Trust building project, located on Hawley Street in the city of Northampton;  
197 provided further, that \$463,665 shall be expended for the relocation and rehabilitation of Stearns  
198 Tavern in the city of Worcester; provided further, that \$500,000 shall be expended on improving  
199 wayfinding efforts in cultural districts designated pursuant to clause 5 of subsection (a) of section  
200 63 of chapter 23A of the General Laws; provided further, that \$200,000 shall be expended for  
201 infrastructure improvements in the city of Brockton; provided further, that \$150,000 shall be  
202 expended for infrastructure improvements pursuant to MassDOT's Route 107 Corridor Study in  
203 the cities of Salem and Lynn; provided further, that \$142,000 shall be expended to assist the  
204 Middlesex 3 Coalition Transportation Management Association to acquire and maintain a  
205 transportation service vehicle between the City of Lowell and the Towns of Bedford and  
206 Burlington; provided further, that \$250,000 shall be expended for new sidewalks at the  
207 intersection of Randolph street and state route 138, also known as Turnpike street, in the town of  
208 Canton; provided further, that \$250,000 shall be expended for the redevelopment of  
209 infrastructure in the Avon industrial park; provided further, that \$350,000 be expended for  
210 repairs of the Tashmoo Boat Ramp in Vineyard Haven to encourage commercial and recreational  
211 activities; provided further, that \$250,000 shall be expended for the study and implementation of  
212 parking management plans in municipalities that, due to residential, commercial or industrial  
213 development, require the development of demand-based parking to meet the needs of visitors to  
214 the municipality whether they be employees, customers of businesses or tourists; provided

215 further, that municipalities that demonstrate an average daily visitor population or at least 30,000  
216 shall be given priority; provided further, that \$100,000 shall be expended for infrastructure  
217 improvements to the Lynnway route 1A in the city of Lynn; provided further, that \$100,000 shall  
218 be expended to the town of Buckland for the completion of the Clesson Brook road bridge  
219 reconstruction project; provided further, that \$150,000 shall be expended for improvements to  
220 the Fall River waterfront including parking accessibility and improvements to Jefferson street;  
221 provided further, that \$500,000 shall be expended for improving infrastructure along route 140 in  
222 the town of Boylston; provided further, that \$200,000 shall be expended for a workforce  
223 development grant to Into Action Recovery, Inc., for the purchase and renovation of an opiate  
224 recovery treatment facility to promote economic development, workforce development and  
225 substance abuse recovery in the town of Tewksbury; provided, further, that \$300,000 shall  
226 expended for the economic redevelopment of King Phillip Mills in the city of Fall River  
227 including, but not limited to, environmental remediation, preparation and site cleanup; provided  
228 further, that \$500,000 shall be expended for economic development linking state and local land  
229 to the business districts along the Route 3A Corridor in Weymouth and Hingham and along the  
230 Back River in the towns of Weymouth and Hingham; provided further, that \$230,000 shall be  
231 expended for the repair of sidewalks along Granite avenue in the town of Milton; provided  
232 further, that \$100,000 shall be expended for infrastructure improvements in the town of  
233 Templeton; provided further, that \$250,000 shall be expended for road, safety, sidewalk and  
234 aesthetic improvements at or near the intersection of Neponset Valley parkway and Brush Hill  
235 road in the town of Milton  
236 .....\$23,622,000

237           7002-8019 For the Massachusetts Growth Capital Corporation established pursuant to  
238 section 2 of chapter 40W of the General Laws for a program to provide matching grants to  
239 community development financial institutions certified by the United States Treasury or  
240 community development corporations certified under chapter 40H of the General Laws to enable  
241 them to leverage federal or private investments for the purpose of making loans to small  
242 businesses; provided further, that \$100,000 shall be expended to SEED Corporation in  
243 Taunton.....\$1,000,000

244           7002-8021 For the Brownfields Redevelopment Fund established by section 29A of  
245 chapter 23G of the General Laws ..... \$45,000,000

246           SECTION 2B.

247           EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

248           Department of Housing and Community Development

249           7004-8016   For the Smart Growth Housing Trust Fund established by section 35AA of  
250 chapter 10 of the General Laws..... \$15,000,000

251           7004-8017 For the Urban Revitalization and Development Grant Program established by  
252 section 53 of chapter 121B of the General  
253 Laws.....\$1,000,000

254           7004-8018   For a Workforce Housing Production Trust Fund, which shall support a  
255 program administered by the secretary of housing and economic development for the benefit of  
256 projects that are eligible for certification under section 4 of chapter 40V of the General Laws;  
257 provided, however, that dispensed funds may be issued up to an amount of 200 per cent of the

258 project's full eligibility under said chapter 40V; provided further, that to receive the funds the  
259 project developer shall agree to return to the trust fund 25 per cent of the project's annual cash  
260 flow and 25 per cent of the profit received by the developer for the sale or refinancing of the  
261 project; provided further, that the payments required of the developer shall not exceed the total  
262 amount dispensed from the trust fund to the project; and provided further, that the secretary shall  
263 direct the agencies under the secretary's purview to issue additional regulations and guidance, as  
264 necessary, for the implementation of this program ..... \$25,000,000.

265 SECTION 2C.

266 EXECUTIVE OFFICE OF EDUCATION

267 Office of the Secretary

268 7009-2005 For a competitive grant program to be administered by the executive  
269 office of education, in consultation with the executive office of housing and economic  
270 development and the executive office of labor and workforce development, to provide funding  
271 for the purchase and installation of equipment and any related improvements and renovations to  
272 facilities necessary for the installation and use of such equipment, in order to establish, upgrade  
273 and expand career technical education and training programs that are aligned to regional  
274 economic and workforce development priorities; provided, that grant applications may facilitate  
275 collaboration to provide students enrolled in eligible vocational technical schools with  
276 postsecondary opportunities consistent with clause (o) of the first paragraph of section 22 of  
277 chapter 15A of the General Laws and section 37A of chapter 74 of the General Laws; provided  
278 further, that innovation centers that receive funds from the Massachusetts Life Sciences Center  
279 shall also be eligible for funds from this program; provided further, that the executive office of

280 education, in consultation with the executive office of housing and economic development and  
281 the executive office of labor and workforce development, shall adopt additional guidelines as  
282 necessary for the administration of the program; provided further, that \$100,000 shall be  
283 expended for materials and equipment to establish an engineering and science, technology,  
284 engineering and mathematics program at Belchertown High School in the town of Belchertown;  
285 provided further, that \$200,000 shall be expended for equipment, materials and transportation for  
286 the carpentry and electric, machine tool technology and auto technology programs at Chicopee  
287 Comprehensive High School in the city of Chicopee; provided further, that not less than  
288 \$250,000 shall be allocated for the purpose of job training at Holyoke Works; provided further,  
289 that \$250,000 shall be expended for an employment training program for unemployed or  
290 underemployed young adults with disabilities, provided that funds shall be awarded  
291 competitively by the Executive Office of Labor and Workforce Development to community-  
292 based organizations with recognized success in creating strong collaborations with employers to  
293 consider young adults with disabilities and said organization shall provide extensive training and  
294 internship programming and ongoing post-placement support for participants and employers; and  
295 provided further, that \$100,000 shall be expended to the Central Massachusetts Center for  
296 Business and Enterprise to support custom workforce training curriculums in the manufacturing  
297 industry through a higher learning institution within the Blackstone  
298 Valley..... \$45,900,000

299           7009-2006    For competitive grants to cities, towns, regional school districts and  
300 institutions of public higher education, including state and municipal colleges and universities,  
301 for capital investment to support the establishment and implementation of early college high  
302 school programs, which may include, but shall not be limited to, design, engineering and

303 construction costs to create or improve facilities, equipment costs or information technology  
304 costs associated with the programs; provided, that the programs shall support students who work  
305 simultaneously on the completion of a high school diploma from the partnering school district  
306 while also earning free college credits towards an associate degree or certificate at the partnering  
307 institution of higher education; provided further, that the programs shall provide full access to  
308 college support services, student activities and tutoring and shall ensure holistic wrap-around  
309 support that meets the academic, social and emotional needs of the student and shall ensure full  
310 access to the same for students with physical or learning disabilities; provided further, that in  
311 awarding these grants, preference shall be given to innovative joint proposals developed by  
312 partnering school districts, colleges and local and regional nonprofits, where appropriate; and  
313 provided further, that the grants shall be awarded, to the extent feasible, in a manner that reflects  
314 geographic and demographic diversity..... \$2,400,000

315 MASSACHUSETTS DEPARTMENT OF TRANSPORTATION

316 Office of the Secretary

317 6720-1340 For mitigation of or contribution toward any costs associated with or arising  
318 out of improvements to the Paul W. Conley terminal in the South Boston section of the city of  
319 Boston to accommodate mega ships for the continued competitiveness of the terminal, including  
320 costs related to berth construction and crane procurement; provided, that the secretary, in  
321 coordination with the chief executive officer of the Massachusetts Port Authority, shall seek to  
322 maximize federal funds and reimbursement to offset, to the extent feasible, costs incurred under  
323 this item; provided further, that the Massachusetts Port Authority shall submit an annual report  
324 not later than October 1 to the clerks of the senate and house of representatives who shall



325 forward the report to the chairs of the house and senate committees on bonding, capital  
326 expenditures and state assets and the report shall include, but shall not be limited to: (i) the  
327 progress on the dredging of the Boston harbor; (ii) updates on the berth construction and crane  
328 procurement authorized under this item; (iii) progress on efforts to seek federal funds and  
329 reimbursements; (iv) the feasibility of obtaining private funding; and (vi) the economic benefit  
330 derived from this investment; provided further, that funds shall be expended for investment in  
331 infrastructure improvements to the World Trade Center and other maritime facilities to  
332 accommodate future maritime uses, including Sail Boston 2017/Tall Ships  
333 ..... \$109,500,000

334 EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS

335 Department of Conservation and Recreation

336 2800-7109 For the design, construction, reconstruction, improvement or rehabilitation of  
337 department or navigable coastal and inland waterways projects including, but not limited to,  
338 dredging for the purpose of promoting trade, tourism and other economic benefits on a local,  
339 regional or statewide basis.....\$5,000,000

340 EXECUTIVE OFFICE OF PUBLIC SAFETY AND HOMELAND SECURITY

341 Office of the Secretary

342 8100-0026 For the State Police and the Boston Regional Intelligence Center/Boston  
343 Police Department to enhance and expand technology and protocols to establish and improve  
344 programs for the prevention of economic cybercrime, terrorist activities, organized crime,  
345 including gangs, and to enhance emergency response and transportation infrastructure alerts and

346 drug interdiction in accordance with an interagency agreement. The interagency agreement shall  
347 provide protocols to coordinate and share information and data aggregation developed by the  
348 parties and provide assistance and cooperation with the business community, the gateway  
349 communities, regional fusion centers, the Massachusetts Port Authority and the Mass Bay  
350 Transit  
351 Authority.....\$25,000,000

352 SECTION 3. Section 16G of chapter 6A of the General Laws, as appearing in the 2014  
353 Official Edition, is hereby amended by adding the following subsection:-

354 (n) There shall be a Designated Port Area Fund within the executive office of housing  
355 and economic development. The fund shall be administered and managed by a fund director,  
356 who shall be appointed by the secretary. The executive office shall adopt guidelines that are  
357 necessary to implement the program. The executive office shall consult with the Massachusetts  
358 Department of Transportation in the development of guidelines and may coordinate with other  
359 agencies, community development organizations and instrumentalities of the commonwealth to  
360 effectuate this section.

361 Money in or received for the fund may be deposited with and invested by an institution  
362 designated by the executive office and paid as the fund director shall direct. A return on an  
363 investment received by the fund shall be deposited and held for the use and benefit of the fund.  
364 The executive office may make payments from a deposit account for use under this section.

365 The executive office shall use the fund to make grants, loans or a combination thereof for  
366 the design, construction, repair, renovation, rehabilitation, or other capital improvements of  
367 existing commercial and marine industrial infrastructure and public maritime transportation

368 infrastructure in designated port areas. In making a loan, the executive office shall consider: (i)  
369 the impacts on future economic growth, commercial and industrial development and wastewater  
370 and wastewater pretreatment within the designated port area and on the commercial fishing  
371 industry; (ii) the attendant economic benefits to the commonwealth; and (iii) the benefits to the  
372 commonwealth's transportation system including the benefits derived from enhancing  
373 intermodal connections from the seaports to road, rail and air facilities.

374 The executive office shall submit an annual report to the clerks of the house of  
375 representatives and the senate, who shall forward the report to the chairs of the senate and house  
376 committees on ways and means, the chairs of the senate and house committees on rules and the  
377 senate and house chairs of the joint committee on economic development and emerging  
378 technologies on or before December 31. The report shall include a current assessment of the  
379 progress of each project funded through the program.

380 SECTION 4. Section 61 of chapter 7 of the General Laws, as so appearing, is hereby  
381 amended by adding the following subsection:-

382 (s) The SDO shall, every 2 years and in consultation with the Massachusetts Office on  
383 Disability, establish goals for participation of individuals with disabilities in all areas of state  
384 procurement contracting. Participation goals may be met by contracting or subcontracting with  
385 businesses that hire, or identify and recruit with the intent to hire, qualified applicants with  
386 disabilities. SDO shall provide assistance to the executive offices in determining opportunities  
387 for contracting with businesses that hire persons with disabilities to meet the participation goal  
388 set forth in this paragraph, including contractors and subcontractors providing goods and services  
389 under multi-year contracts or grants funded by agencies within the executive offices.

390 SDO shall file an annual report with the clerks of the house of representatives and the  
391 senate on or before October 31 on the progress made toward meeting the participation goal set  
392 forth in this paragraph.

393 SECTION 5. Section 18 of chapter 21A of the General Laws, as so appearing , is hereby  
394 amended by striking out, in line 269, the figure “3D” and inserting in place thereof the following  
395 figure:- 3G.

396 SECTION 6. Section 2 of chapter 21E of the General Laws, as so appearing, is hereby  
397 amended by striking out, in line 80, the figure “3D” and inserting in place thereof the following  
398 figure:- 3G.

399 SECTION 7. Chapter 23A of the General Laws is hereby amended by striking out  
400 sections 3A to 3G, inclusive, as so appearing, and inserting in place thereof the following 7  
401 sections:-

402 Section 3A. (a) There shall be an economic development incentive program, or EDIP,  
403 which shall be administered by the EACC, under the oversight of the secretary of housing and  
404 economic development, to provide incentives that stimulate job creation and investment of  
405 private capital and to promote economic growth and expand economic opportunity to all areas of  
406 the commonwealth. EDIP tax credits and other incentives shall be administered to stimulate job  
407 creation, attract new business activity and promote investment that would not otherwise occur in  
408 the commonwealth.

409 (b) As used in this section and sections 3B to 3H, inclusive, the following words shall  
410 have the following meanings unless the context clearly requires otherwise:

411 “Affiliate”, a business which directly or indirectly controls another business, a business  
412 which is controlled by another business or a business which is under direct or indirect common  
413 control of at least 1 other business including, but not limited to, a business with whom a business  
414 is merged or consolidated or which purchases all or substantially all of the assets of a business.

415 “Business”, a corporation, partnership, firm, unincorporated association or other entity  
416 engaging or proposing to engage in economic activity within the commonwealth and any affiliate  
417 thereof which is subject to taxation under chapter 62 or 63.

418 “Certified project”, a proposed project that is certified by the EACC pursuant to section  
419 3C.

420 “Controlling business”, a business that owns, leases or has the power to direct the  
421 operation or management of all or a portion of a facility at which the business employs or intends  
422 to employ permanent full-time employees.

423 “EDIP contract”, a written agreement between MOBD and the recipient of EDIP tax  
424 credits setting forth the amount of credits awarded, the schedule on which the credits may be  
425 claimed, any restriction on the carryover of unused credits, the consequences for failing to  
426 produce the projected new jobs or new investment and such other terms and conditions as  
427 MOBD may in its discretion require.

428 “EDIP tax credits”, the tax credits authorized by the EACC pursuant to section 3D and  
429 claimed by a taxpayer pursuant to subsection (g) of section 6 of chapter 62 or section 38N of  
430 chapter 63.

431 “Expansion of an existing facility”, the relocation of business functions and employees  
432 from 1 location in the commonwealth to another location in the commonwealth or the expansion  
433 of an existing facility located in the commonwealth if such relocation or expansion results in a  
434 net increase in the number of permanent full-time employees at the relocated or expanded  
435 facility.

436 “Facility”, the real property, which may include multiple buildings or locations, owned or  
437 leased, on which a business is undertaking or will undertake a commercial, manufacturing or  
438 industrial activity.

439 “Gateway municipality”, a municipality with a population greater than 35,000 and less  
440 than 250,000 with a median household income below the commonwealth’s average and a rate of  
441 educational attainment of a bachelor’s degree or above that is below the commonwealth’s  
442 average.

443 “Material noncompliance”, the failure of a controlling business to substantially achieve  
444 the capital investment, job creation, job retention or other economic benefits set forth in the  
445 EDIP contract or any other act, omission or misrepresentation by the controlling business that  
446 frustrates the public purpose of the economic development incentive program.

447 “Municipal project endorsement”, an endorsement, by vote of the city council with the  
448 approval of the mayor in a city and by vote of the board of selectmen in a town, of a proposed  
449 project by the municipality in which a proposed project will be located which shall include: (i) a  
450 finding by the municipality that the proposed project will be consistent with the municipality’s  
451 economic development objectives; (ii) a finding by the municipality that the proponent of the  
452 proposed project has the means to undertake and complete the proposed project; (iii) a finding by

453 the municipality that the proposed project will have a reasonable chance of increasing or  
454 retaining employment opportunities as advanced in the proposal; (iv) a determination by the  
455 municipality that the proposed project will not overburden the municipality’s infrastructure and  
456 other supporting resources; and (v) a description of the local tax incentive, if any, offered by the  
457 municipality in support of the proposed project, together with a copy of the fully executed tax  
458 increment financing agreement or the fully executed agreement setting forth the terms of the  
459 special tax assessment, as applicable.

460 “Municipality”, a city or town or, in a case in which 2 or more cities or towns agree to act  
461 jointly for some purpose pursuant to a collaborative agreement, all cities and towns participating  
462 in the collaborative agreement.

463 “Permanent full-time employee”, an individual who is paid wages by a controlling  
464 business and who: (i) at the inception of the employment relationship, does not have a  
465 termination date which is either a date certain or determined with reference to the completion of  
466 some specified scope of work; (ii) works at least 35 hours per week; and (iii) receives employee  
467 benefits at least equal to those provided to other full-time employees of the controlling business;  
468 provided, however, that “permanent full-time employee” shall not include contractors or part-  
469 time employees who may be included in a calculation of the controlling business’ full-time  
470 equivalent workforce.

471 “Proportion of compliance”, a fraction which has as its numerator the number of actual  
472 permanent full-time employees at a facility and which has as its denominator the number of  
473 permanent full-time employees required to be employed at the facility under the terms of an  
474 EDIP contract.

475 “Proposed project”, a proposal submitted by a controlling business to the EACC for  
476 designation as a certified project.

477 “Real estate project”, the construction, rehabilitation or improvement of any building or  
478 other structure on a parcel of real property which, when completed, will result in at least a 100  
479 per cent increase in the assessed value of the real property over the assessed value of the real  
480 property prior to the project.

481 “Refundable credit”, a tax credit awarded pursuant to this chapter that is not limited by  
482 the amount of the controlling business’ tax liability and which may result in a payment from the  
483 department of revenue to the controlling business or a reimbursement of costs incurred for  
484 capital investments made as a part of a certified project.

485 “Replacement of an existing facility”, the relocation of business functions and personnel  
486 from 1 facility located in the commonwealth to another facility located in the commonwealth or  
487 the improvement of an existing facility; provided, that such relocation or improvement does not  
488 qualify as an expansion of the existing facility.

489 “Special tax assessment”, a temporary reduction in real property tax offered by a  
490 municipality and approved by the EACC in accordance with subsection (c) of section 3E.

491 “Tax increment financing agreement”, an agreement between a municipality and a real  
492 property owner consistent with subsection (b) of section 3E and section 59 of chapter 40.

493 “TIF”, tax increment financing.

494 Section 3B. (a) There shall be an economic assistance coordinating council, or EACC,  
495 established within MOBD which shall consist of: the secretary of housing and economic



496 development or the secretary's designee who shall serve as co-chairperson; the undersecretary of  
497 housing and community development or a designee who shall serve as co-chairperson; 1 person  
498 to be appointed by the secretary of housing and economic development; the director of career  
499 services or a designee; the secretary of labor and workforce development or a designee; the  
500 director of the office of business development or a designee; the president of the Commonwealth  
501 Corporation or a designee; and 8 persons to be appointed by the governor, 1 of whom shall be  
502 from the western region of the commonwealth, 1 of whom shall be from the central region of the  
503 commonwealth, 1 of whom shall be from the eastern region of the commonwealth, 1 of whom  
504 shall be from the northeastern region of the commonwealth, 1 of whom shall be from the  
505 southeastern region of the commonwealth, 1 of whom shall be from Cape Cod or the Islands, 1  
506 of whom shall be a representative of a higher educational institution in the commonwealth and 1  
507 of whom shall be from the Merrimack Valley. The persons appointed by the governor shall have  
508 expertise in issues pertaining to training, business relocation or inner city and rural development  
509 and shall be knowledgeable in public policy or international and state economic and industrial  
510 trends. Each member appointed by the governor shall serve at the pleasure of the governor. The  
511 council shall adopt by-laws to govern its affairs.

512 (b) The EACC shall administer the economic development incentive program and may:

513 (i) promulgate regulations and adopt policies and guidances to effectuate the  
514 purposes of sections 3A to 3H, inclusive;

515 (ii) certify projects for participation in the economic development incentive  
516 program and establish regulations for evaluating the proposals of those projects;

517 (iii) certify and approve tax increment financing agreements and special tax  
518 assessments pursuant to section 3E of this chapter and section 59 of chapter 40;

519 (iv) authorize municipalities to apply to the United States Foreign Trade Zone  
520 Board for the privilege of establishing, operating and maintaining a foreign trade zone in  
521 accordance with section 3G;

522 (v) assist municipalities in obtaining state and federal resources and assistance for  
523 certified projects and other job creation and retention opportunities;

524 (vi) provide appropriate coordination with other state programs, agencies,  
525 authorities and public instrumentalities to enable certified projects and other job creation and  
526 retention opportunities to be more effectively promoted by the commonwealth; and

527 (vii) monitor the implementation of the economic development incentive  
528 program.

529 (c) The secretary of housing and economic development shall appoint within the MOBD  
530 a director of economic assistance who shall be responsible for administering the EDIP in  
531 consultation with the secretary of housing and economic development, the director of MOBD  
532 and the EACC. The director of economic assistance shall advise the EACC on matters related to  
533 the EDIP but shall not serve as a member of the EACC. The MOBD shall annually submit to the  
534 governor, the chairs of senate and the house committees on ways and means and the senate and  
535 house chairs of the joint committee on economic development and emerging technologies within  
536 90 days after the end of its fiscal year a report setting forth its operations and accomplishments,  
537 including a listing of all projects certified pursuant to the EDIP. The report shall also include  
538 recommended policies or actions, if any, to improve the effectiveness of the EDIP.

539 Section 3C. (a) A controlling business may petition the EACC to certify a proposed  
540 project that will create new permanent full-time employees within the commonwealth. Each  
541 proposed project submitted by a controlling business to the EACC for review and certification  
542 shall include: (i) a detailed description of the proposed project; (ii) a representation by the  
543 controlling business regarding the amount of capital investment to be made, the number of new  
544 jobs to be created and the number of existing jobs to be retained; (iii) a representation by the  
545 controlling business regarding any other economic benefits or other public benefits expected to  
546 result from the construction of the proposed project; (iv) a municipal project endorsement; and  
547 (vi) any other information that the EACC shall require by regulation, policy or guidance.

548 (b) Upon receipt of a completed project proposal and municipal project endorsement, the  
549 EACC may certify the proposed project, deny certification of the proposed project or certify the  
550 proposed project with conditions. In order to certify a proposed project, with or without  
551 conditions, the EACC shall make the following required findings based on the project proposal,  
552 the municipal project endorsement and any additional investigation that the EACC shall make  
553 and incorporate in its minutes: (i) the proposed project is located or will be located within the  
554 commonwealth;

555 (ii) (A) if the controlling business has at least 1 existing facility in the commonwealth,  
556 then the proposed project shall be an expansion of an existing facility and not merely the  
557 replacement of an existing facility except in the case of a proposed project that will enable a  
558 controlling business to retain jobs in a gateway city as provided in subclause (2) of clause (B) ;  
559 or (B) the proposed project will either: (1) enable the controlling business to hire new permanent  
560 full-time employees in the commonwealth; or (2) enable the controlling business to retain at least  
561 50 permanent full-time jobs at a facility located in a gateway city or in an adjacent city or town

562 that is accessible by public transportation to residents of a gateway city and such jobs otherwise  
563 would be relocated outside of the commonwealth; (iii) the controlling business has committed to  
564 maintaining new and retained jobs for a period of at least 5 years after the completion of the  
565 proposed project; (iv) the proposed project appears to be economically feasible and the  
566 controlling business has the financial and other means to undertake and complete the proposed  
567 project; (v) unless the proposed project will be located in a gateway municipality, a duly  
568 authorized representative of the controlling business has certified to the EACC that the  
569 controlling business would not have undertaken the proposed project but for the EDIP tax credits  
570 and local tax incentives available to it pursuant to this chapter; and (vi) the proposed project  
571 complies with all applicable statutory requirements and with any other criteria that the EACC  
572 may prescribe by regulation, policy or guidance.

573           The EACC shall, by regulation, policy or guidance, provide for the contents of an  
574 application for project certification which may include a requirement that the controlling  
575 business provide written evidence to support the certification provided for in clause (v).

576           (c) A certified project shall retain its certification for the period specified by the EACC  
577 in its certification decision; provided, however, that such specified period shall be not less than 5  
578 years or more than 20 years from the date of certification.

579           Section 3D. (a) The EACC may award to the controlling business of a certified project or  
580 to its affiliate tax credits available pursuant to subsection (g) of section 6 of chapter 62 or  
581 pursuant to section 38N of chapter 63. The amount of any such credits awarded and the schedule  
582 on which those credits may be claimed shall be determined by the EACC based on: (i) the degree  
583 to which the certified project is expected to increase employment opportunities for residents of

584 the commonwealth, with consideration given to the number of new full-time jobs to be created,  
585 the number of full-time jobs to be retained, the salary or other compensation that will be paid to  
586 the employees and the amount of new state income tax to be generated; (ii) the timeframe within  
587 which new jobs will be created and the commitment of the controlling business for how long  
588 they will be maintained, with preference given to certified projects in which a significant portion  
589 of the new jobs shall be created within 2 years; (iii) the amount of capital to be invested by the  
590 controlling business in the certified project; (iv) the degree to which the certified project is  
591 expected to generate net new economic activity within the commonwealth by generating  
592 substantial sales from outside of the commonwealth; (v) the extent to which the certified project  
593 is expected to contribute to the economic revitalization of a gateway municipality or increase  
594 employment opportunities to residents of a gateway municipality; (vi) the economic need of the  
595 municipality or region in which the certified project is to be located as determined by income  
596 levels, employment levels or educational attainment levels; and (vii) commitments, if any, made  
597 by the controlling business to use Massachusetts firms, suppliers and vendors or to retain women  
598 or minority-owned businesses during the construction of the certified project.

599           The EACC shall have discretion as to how to weigh and apply these criteria. When  
600 making an award of tax credits pursuant to subsection (g) of section 6 of chapter 62 or pursuant  
601 to section 38N of chapter 63, the EACC may, at its sole discretion: (i) limit the award to a  
602 specific dollar amount; (ii) specify the schedule on which the tax credits may be claimed; and  
603 (iii) limit or restrict the right of the controlling business to carry unused tax credits forward to  
604 subsequent tax years. When a controlling business expects that new jobs will be created over a  
605 period of multiple years, the EACC, in awarding tax credits, may allocate and make such credits

606 available to the taxpayer on a schedule that ensures that the tax credits are claimed on or after the  
607 date that the jobs are created.

608 (b) The EACC may grant refundable tax credits to a certified project; provided, however,  
609 that the EACC shall not authorize more than \$5,000,000 in refundable tax credits for any single  
610 calendar year.

611 (c) The total amount of tax credits that may be authorized by the EACC under this  
612 section for any calendar year shall not exceed \$30,000,000 which shall be calculated in  
613 accordance with the relevant provisions of subsection (g) of section 6 of chapter 62 and section  
614 38N of chapter 63. The EACC may authorize an award of tax credits to a controlling business  
615 that spans multiple years if the total amount of credits due to be taken in any single calendar year  
616 does not exceed the applicable cap.

617 (d) The MOBD shall require the recipient of tax credits awarded pursuant to this section  
618 to execute an EDIP contract after the EACC awards tax credits under this section.

619 (e) The decision by the EACC to certify or deny certification of a proposed project  
620 pursuant to section 3C and the decision by the EACC to award or deny tax credits to the  
621 controlling business of a certified project pursuant to this section, including without limitation  
622 the amount of such award, and any conditions or limitations on such award, shall be decisions  
623 that are within the sole discretion of the EACC. Such decisions by the EACC shall be final and  
624 shall not be subject to administrative appeal or judicial review pursuant to chapter 30A or give  
625 rise to any other cause of action or legal or equitable claim or remedy.

626 Section 3E. (a) A municipality may offer a local tax incentive to the owner or controlling  
627 business of a certified project, or to the owner of a real estate project, if the municipality

628 determines that the project is consistent with the municipality's economic development  
629 objectives and is likely to increase or retain employment opportunities for residents of the  
630 municipality.

631 (b) Tax increment financing may be offered by a municipality in accordance with section  
632 59 of chapter 40 to the controlling business of a certified project, or to any person or entity  
633 undertaking a real estate project or to any person or entity expanding a facility in an area  
634 designated by the EACC as a TIF-eligible area. The EACC may designate an area as a TIF-  
635 eligible area if it finds, upon petition from the municipality, that there is a strong likelihood that  
636 any of the following will occur within the area in question within a specific and reasonably  
637 proximate period of time: (i) a significant influx or growth in business activity; (ii) the creation  
638 of a significant number of new jobs and not merely a replacement or relocation of current jobs  
639 within the commonwealth; or (iii) a private project or investment that will contribute  
640 significantly to the resiliency of the local economy.

641 If a municipality offers tax increment financing to the owner of a certified project, the  
642 municipal project endorsement for the certified project shall include a fully executed copy of the  
643 tax increment financing agreement adopted pursuant to said section 59 of said chapter 40. Any  
644 tax increment financing agreement shall be approved by the EACC before it shall be valid and  
645 enforceable. The EACC may approve a tax increment financing agreement pursuant to  
646 regulations adopted by the EACC. Any approval shall include a finding, reflected in the EACC's  
647 minutes, that the tax increment financing agreement complies with said section 59 of said  
648 chapter 40 and will further the public purpose of encouraging increased industrial and  
649 commercial activity in the commonwealth.

650 (c) A municipality may offer a special tax assessment to the controlling business of a  
651 certified project, to a person or entity undertaking a real estate project or to a person or entity  
652 proposing to retain permanent full-time jobs at a facility that otherwise would be at risk of  
653 relocating outside of the commonwealth. Any special tax assessment shall be set forth in a  
654 written agreement between the municipality and the property owner. The agreement shall include  
655 the amount of the tax reduction and the period of time over which such reduction shall be in  
656 effect, which shall be for not less than 5 years or not more than 20 years. Every special tax  
657 assessment approved by the EACC shall provide for a reduction of the real property tax that  
658 otherwise would be due. The reduction shall be based upon a percentage reduction in the tax that  
659 otherwise would be due on the full assessed value of the affected property. The special tax  
660 assessment shall provide for tax reduction at least equal to the following: (i) in the first year, the  
661 tax reduction shall be not less than 50 per cent of the tax that would be due based on the full  
662 assessed value of the affected property; (ii) in the second and third years, the tax reduction shall  
663 be not less than 25 per cent of the tax that would be due based on the full assessed value of the  
664 affected property; and (iii) in the fourth and fifth years, the tax reduction shall be not less than 5  
665 per cent of the tax that would be due based on the full assessed value of the affected property.

666 The municipality may at its discretion provide for greater real property tax reductions  
667 than provided in clauses (i) to (iii).

668 A written agreement for a special tax assessment pursuant to this subsection shall be  
669 approved by the EACC before it is valid and enforceable. The EACC may approve special tax  
670 assessments pursuant to rules and regulations adopted by the EACC if the EACC determines  
671 that: (i) the municipality has made a formal determination that the property owner is either  
672 undertaking a project or making other investment that will contribute to economic revitalization



673 of the municipality and will significantly increase employment opportunities for residents of the  
674 municipality or is retaining permanent full-time employees that otherwise would be relocated to  
675 a facility outside of the commonwealth; (ii) the special tax assessment is reasonably necessary to  
676 enable the owner's investment in the project or to retain the jobs that otherwise would be  
677 relocated; and (iii) the total amount of local tax foregone is reasonably proportionate to the  
678 public benefits resulting from the special tax assessment. Any such approval shall include a  
679 finding, reflected in the EACC's minutes, that the special tax assessment complies with the  
680 requirements of this section.

681 (d) Any tax increment financing agreement or special tax assessment approved by the  
682 EACC shall not be amended without the approval of the EACC.

683 Section 3F. (a) Not later than 2 years after the initial certification of a project by the  
684 EACC, and annually thereafter, the controlling business or affiliate awarded EDIP tax credits  
685 shall file a report with MOBD, signed by an authorized representative of the controlling business  
686 or affiliate, certifying whether the controlling business or affiliate has achieved the job creation  
687 projections, job retention projections and other material obligations or representations set forth in  
688 the EDIP contract.

689 (b) In the event that MOBD finds that a controlling business or an affiliate is in material  
690 noncompliance with a representation made to the EACC in its application for project  
691 certification or the obligations set forth in an EDIP contract, MOBD may recommend to the  
692 EACC that it revoke the project certification. Prior to making a recommendation, MOBD shall  
693 provide written notice to the controlling business stating the basis for the recommended  
694 revocation and offering the controlling business an opportunity for a hearing at which the

695 controlling business may contest the basis for the recommendation or establish mitigating  
696 circumstances which may be relevant to the recommendation.

697 (c) The EACC may revoke a project certification if it determines that a controlling  
698 business or affiliate is in material noncompliance with a representation made in its application  
699 for project certification or the obligations set forth in an EDIP contract. The EACC shall have the  
700 discretion to determine whether material noncompliance shall result in revocation of a project  
701 certification, taking into account: (i) the conduct of the controlling business subsequent to the  
702 project certification; (ii) the extent to which the material noncompliance is the result of  
703 unforeseen conditions that are outside the control of the controlling business; (iii) the potential  
704 impact on the municipality in which the certified project is located; and (iv) other considerations  
705 as the EACC shall establish by regulation or policy.

706 Where the EACC determines that material noncompliance is due to factors outside the  
707 control of the controlling business, the EACC may elect to provide the controlling business with  
708 reasonable opportunity to cure the material noncompliance. If the EACC revokes a project's  
709 certification, it shall determine the proportion of compliance with job creation requirements  
710 applicable to the certified project, and shall report the proportion of compliance to the controlling  
711 business and to the department of revenue.

712 (d) Revocation of a project certification shall take effect on the first day of the tax year in  
713 which the material noncompliance occurred, as determined by the EACC. If the EACC revokes a  
714 project certification, then: (i) all EDIP tax credits available to the controlling business shall be  
715 recaptured in accordance with subsection (g) of section 6 of chapter 62 and subsection (i) of  
716 section 38N of chapter 63; and (ii) the local tax incentive, if any, shall terminate unless the

717 written agreements between the municipality and the controlling business provide otherwise. In  
718 the event of such termination, the municipality may, at its discretion, preserve the local tax  
719 incentive by amending the written agreement with the controlling business in the same manner as  
720 the municipality approved it and submitting such amendment to the EACC for approval in  
721 accordance with this section.

722 (e) If a controlling business has claimed tax credits awarded under this chapter prior to  
723 the date on which the EACC makes a determination to revoke project certification, then the  
724 recapture provisions of subsection (g) of section 6 of chapter 62 and subsection (i) of section  
725 38N of chapter 63 shall apply. If a controlling business has benefited from a local tax incentive  
726 under this chapter prior to the revocation of a project certification, then notwithstanding any  
727 general law to the contrary, the municipality that offered the local tax incentive may recapture  
728 the value of the tax not paid by making a special assessment on the controlling business in the  
729 tax year that follows the EACC's decision to revoke project certification. The assessment,  
730 payment and collection of the special assessment shall be governed by procedures provided for  
731 the taxation of omitted property pursuant to section 75 of chapter 59 notwithstanding the time  
732 period set forth in said chapter 59 for which omitted property assessments may be imposed for  
733 each of the fiscal years included in the special assessment.

734 Section 3G. (a) The EACC may designate 1 or more areas as an economic target area or  
735 economic opportunity area in connection with an application from a municipality seeking the  
736 designation under the federal Empowerment Zones and Enterprise Communities Program or  
737 other local, state or federal programs that contemplate such designations. Designations of new  
738 economic target areas, if any, shall be made in accordance with the criteria in subsection (b).  
739 Designations of new economic opportunity areas, if any, shall be made at the discretion of the

740 EACC in accordance with regulations to be promulgated by the EACC, or rules or policies  
741 adopted by the EACC.

742 (b) The EACC may from time to time designate as an economic target area an area of the  
743 commonwealth comprised of 3 or more contiguous census tracts or 1 or more contiguous  
744 municipalities provided that the area proposed for designation meets 1 of the following criteria:

745 (i) the proposed economic target area has an unemployment rate that exceeds the statewide  
746 average by not less than 25 per cent; (ii) if the proposed economic target area is located in a  
747 metropolitan area, then not less than 51 per cent of the households in the proposed economic  
748 target area have incomes that are below 80 per cent of the median income for households in the  
749 metropolitan area; (iii) if the proposed economic target area is not located in a metropolitan area,  
750 then not less than 51 per cent of the households in the proposed economic target area have  
751 incomes that are below 80 per cent of the median income for households in the commonwealth;  
752 (iv) the proposed economic target area has a poverty rate which is not less than 20 per cent  
753 higher than the average poverty rate for the commonwealth; (v) the area proposed for  
754 designation has heightened economic need due to: (i) an industrial or military base closure; (ii)  
755 the presence of underutilized maritime or electric generation facilities; or (iii) a commercial  
756 vacancy rate greater than 20 per cent; or (vi) the area proposed for designation has exceptional  
757 potential for economic development as a result of: (i) the proposed redevelopment of blighted  
758 real estate or abandoned buildings totaling not less than 1,000,000 square feet; (ii) the proposed  
759 establishment of a regional technology center of not less than 3,000,000 square feet; or (iii) the  
760 proposed development of a Class I renewable energy generating facility.

761 (c) A city or town with an economic opportunity area may make application to the United  
762 States Foreign Trade Zones Board under 19 U.S.C. 81(a) to 81(u), inclusive, for a grant to the

763 city or town for the privilege of establishing, operating and maintaining a foreign trade zone  
764 within its economic opportunity area. Upon petition from a city or town, the EACC may  
765 authorize any other city or town to make application to the Foreign Trade Zones Board for a  
766 grant to the city or town for the privilege of establishing, operating and maintaining a foreign  
767 trade zone.

768 SECTION 8. Subsection (a) of section 3J of said chapter 23A, as appearing in the 2014  
769 Official Edition, is hereby amended by striking out the first paragraph and inserting in place  
770 thereof the following paragraph:-

771 The Massachusetts office of business development shall partner with regional economic  
772 development organizations to establish a plan to support regionally based efforts to grow and  
773 retain existing businesses and attract new business to the commonwealth. To implement the  
774 regional plan and to provide efficient and consistent responses to businesses seeking assistance  
775 from the commonwealth, the office shall create a regional economic development program. To  
776 implement the program, the office shall contract with regional economic development  
777 organizations, as defined in section 3K. The contracts and reimbursements shall be designed to  
778 support regionally based efforts to stimulate, encourage, facilitate and nurture economic growth  
779 and prosperity in the commonwealth including, but not limited to, the identification of regional  
780 competitive strengths, challenges and opportunities, regional cluster development strategies,  
781 long-range regional workforce skills, pipeline, transportation and land use planning and other  
782 systems-based activities related to the growth and retention of existing businesses and the  
783 attraction of new businesses into the commonwealth. The contracts shall support a network of  
784 partnerships between regional economic development organizations and the Massachusetts office  
785 of business development.

786 SECTION 9. Said section 3J of said chapter 23A, as so appearing, is hereby further  
787 amended by adding the following subsection:-

788 (d) Contracts for services entered into under this section shall include, but not be limited  
789 to, the following services to be performed by the regional economic development organizations  
790 on behalf of the commonwealth: (i) assessing regional competitive strengths, weaknesses and  
791 opportunities; (ii) representing the regional business community in long-range workforce skills  
792 pipeline planning efforts to ensure robust skills and talent pipelines that meet regional needs; (iii)  
793 representing the regional business community in collaborative, long-range workforce skills,  
794 transportation and land use planning; (iv) promoting regionally significant industry clusters; (v)  
795 promoting connections across sectors of the regional economy; (vi) maintaining an inventory of  
796 key development parcels; (vii) marketing the region in coordination with the Massachusetts  
797 marketing partnership established under section 13A; and (viii) furnishing advice and assistance  
798 to businesses and industrial prospects which may locate in the region.

799 SECTION 10. Section 65 of said chapter 23A, as inserted by section 12 of chapter 286 of  
800 the acts of 2014, is hereby amended by striking out subsection (j) and inserting in place thereof  
801 the following subsection:-

802 (j) The executive office of housing and economic development shall consult with the  
803 department of agricultural resources to develop and implement the Massachusetts Food Trust  
804 Program. To the maximum extent feasible, the community development financial institution and  
805 the executive office of housing and economic development shall seek to align efforts with the  
806 recommendations of the most recent Massachusetts local food action plan as accepted by the  
807 Massachusetts food policy council or subsequent plans accepted by the council.

808 SECTION 11. Section 65 of said chapter 23A, as inserted by section 29 of chapter 287 of  
809 the acts of 2014, is hereby repealed.

810 SECTION 12. Said chapter 23A of the General Laws is hereby further amended by  
811 adding the following section:-

812 Section 67. (a) The secretary of housing and economic development shall establish a  
813 financial services advisory council in the executive office of housing and economic  
814 development, the purpose of which shall be to advise the governor or the governor's designee on  
815 policies, strategies and initiatives designed to preserve and advance the competitiveness and  
816 leadership of the commonwealth's financial services industry, including the banking, investment  
817 management and insurance sectors.

818 (b) The council shall be comprised of: the secretary of housing and economic  
819 development, who shall serve as chair; the senate and house chairs of the joint committee on  
820 economic development and emerging technologies; the senate and house chairs of the joint  
821 committee on financial services; the commissioner of higher education; the executive director of  
822 the Massachusetts international trade office; and 8 representatives of the business community  
823 who shall be appointed by the secretary of housing and economic development, including not  
824 less than 2 business representatives from each of the following sectors: banking, investment  
825 management and insurance sectors; not less than 1 business representative from a company with  
826 its headquarters located in Suffolk, Middlesex, Essex, Norfolk or Worcester county or district;  
827 not less than 1 business representative from a company with its headquarters located in  
828 Hampshire, Hampden, Franklin or Berkshire county or district; and not less than 1 business  
829 representative from a company with its headquarters located in Bristol, Plymouth, Nantucket or

830 Barnstable county or district or the county of Dukes County. The secretary, in making the  
831 appointments, shall consider the size of the business representative's company, including its  
832 employee base within the commonwealth and the amount of assets under management or  
833 premiums in force. Business representatives shall be appointed for 2-year terms and may be  
834 reappointed without limitation on the number of terms.

835 (c) The council shall convene at least 3 meetings per calendar year to exchange ideas and  
836 develop strategies for business and government to work together to strengthen the financial  
837 services industry in areas such as public policy, workforce development, international trade and  
838 direct foreign investment and industry promotion.

839 SECTION 13. Subsection (c) of section 5 of chapter 23G of the General Laws, as  
840 appearing in the 2014 Official Edition, is hereby amended by striking out clause (1) and inserting  
841 in place thereof the following clause:-

842 (1) that the loan is to be secured by a mortgage or security interest in real or personal  
843 property, or a combination thereof, deemed satisfactory to the board.

844 SECTION 14. Said subsection (c) of said section 5 of said chapter 23G, as so appearing,  
845 is hereby further amended by striking out clause (8) and inserting in place thereof the following  
846 clause:-

847 (8) that the principal amount of the loan, excluding any portion thereof the proceeds of  
848 which are to fund reserves and disregarding any other funds or other arrangements obtained for  
849 reserve purposes, does not exceed the value of the sum of all assets securing the loan as  
850 determined by the agency.



851 SECTION 15. Section 7 of said chapter 23G, as so appearing, is hereby amended by  
852 striking out, in line 31, the figure “\$500,000” and inserting in place thereof the following figure:-  
853 \$1,000,000.

854 SECTION 16. Section 8 of chapter 23H of the General Laws, as so appearing, is hereby  
855 amended by striking out, in lines 7 and 8, the words “persons residing in economic opportunity  
856 areas,”.

857 SECTION 17. Section 5 of chapter 23I of the General Laws, as so appearing, is hereby  
858 amended by striking out, in line 69, the words “in an economic opportunity area pursuant to  
859 section 3F” and inserting in place thereof the following words:- as defined in section 3A.

860 SECTION 18. Section 49 of chapter 23K of the General Laws, as so appearing, is hereby  
861 amended by striking out in line 3, the figure “3F” and inserting in place thereof the following  
862 figure:- 3C.

863 SECTION 19. Said section 49 of said chapter 23K, as so appearing, is hereby further  
864 amended by striking out, in line 5, the figure “3E” and inserting in place thereof the following  
865 figure:- 3G.

866 SECTION 20. Said section 49 of said chapter 23K, as so appearing, is hereby further  
867 amended by striking out, in lines 25 and 26, the words “the economic opportunity area” and  
868 inserting in place thereof the following words:- EDIP tax.

869 SECTION 21. Section 59 of chapter 40 of the General Laws, as so appearing, is hereby  
870 amended by striking out, in lines 11 to 15, inclusive, the words “an economic target area or an  
871 area presenting exceptional opportunities for increased economic development, as defined by

872 section 3D of chapter 23A and as may be defined further by regulations adopted by the economic  
873 assistance coordinating council” and inserting in place thereof the following words:- an  
874 economic target area as defined in section 3G of chapter 23A or an area designated by the  
875 economic assistance coordinating council as a TIF-eligible area pursuant to subsection (b) of  
876 section 3E of said chapter 23A.

877 SECTION 22. Said section 59 of said chapter 40, as so appearing, is hereby further  
878 amended by striking out, in lines 84 and 88, the figure “3F” and inserting in place thereof, in  
879 each instance, the figure:- 3E.

880 SECTION 23. Section 60 of said chapter 40, as so appearing, is hereby amended by  
881 striking out, in lines 5 to 7, inclusive, the words “the director of housing and community  
882 development, in consultation with the department of economic development and” and inserting  
883 in place thereof the following words:- the department of housing and community development,  
884 in consultation with.

885 SECTION 24. Said section 60 of said chapter 40, as so appearing, is hereby amended by  
886 striking out, in lines 15 to 18, inclusive, the words “characterized by a predominance of  
887 commercial land uses, a high daytime or business population, a high concentration of daytime  
888 traffic and parking” and inserting in place thereof the following words:- located within an area of  
889 concentrated development, as that term is defined in section 2 of chapter 40R, characterized by a  
890 predominance of commercial land uses.

891 SECTION 25. Subsection (a) of said section 60 of said chapter 40, as so appearing, is  
892 hereby amended by striking out clause (ii) and inserting in place thereof the following clause:-

893 (ii) describe the construction, reconstruction, rehabilitation and related activities, public  
894 and private, contemplated for such UCH-TIF zone as of the date of the adoption of the UCH-TIF  
895 plan; provided, however, that in the case of public construction, the UCH-TIF plan shall include  
896 a detailed projection of the costs and a betterment schedule for the defrayal of such costs;  
897 provided, further, that the UCH-TIF plan shall provide that no costs of such public construction  
898 shall be recovered through betterments or special assessments imposed on a party which has not  
899 executed an UCH-TIF agreement in accordance with clause (v); and provided, further, that in the  
900 case of private construction, the UCH-TIF plan shall include the types of affordable housing and  
901 residential and commercial growth which are projected to occur within such UCH-TIF zone  
902 together with such documentary evidence of the projected public benefits as are required by the  
903 regulations;

904 SECTION 26. Clause (iii) of said subsection (a) of said section 60 of said chapter 40, as  
905 so appearing, is hereby amended by striking out subclauses (1) to (3), inclusive, and inserting in  
906 place thereof the following 2 subclauses:-

907 (1) the numerator of which shall be: (A) in an UCH-TIF zone where the property includes  
908 primarily residential uses, the total assessed value of all parcels of all residential real estate that  
909 are assessed at full and fair cash value for the current fiscal year minus the new growth  
910 adjustment factor for the current fiscal year attributable to the residential real estate as  
911 determined by the commissioner of revenue pursuant to paragraph (f) of section 21C of said  
912 chapter 59; or (B) in an UCH-TIF zone where the property includes a mix of residential and  
913 commercial uses, the total assessed value of all parcels of all residential and commercial real  
914 estate that are assessed at full and fair cash value for the current fiscal year minus the new  
915 growth adjustment factor for the current fiscal year attributable to the residential and commercial

916 real estate as determined by the commissioner of revenue pursuant to said paragraph (f) of said  
917 section 21C of said chapter 59; and

918 (2) the denominator of which shall be the total assessed value for the preceding fiscal  
919 year of all the parcels included in the numerator; provided, however, that such ratio should not be  
920 less than 1.

921 SECTION 27. Said subsection (a) of said section 60 of said chapter 40, as so appearing,  
922 is hereby further amended by striking out clause (v) and inserting in place thereof the following  
923 clause:-

924 (v) state that each owner of property located in an UCH-TIF zone seeking to establish  
925 eligibility for tax increment exemptions from annual property taxes pursuant to clause (iii) shall  
926 execute an agreement, referred to as an UCH-TIF agreement, with the city or town, the form of  
927 which shall be included as an attachment to the UCH-TIF plan. The UCH-TIF agreement shall  
928 include, but not be limited to, the following: (1) all material representations of the parties which  
929 served as a basis for the granting of a UCH-TIF exemption; (2) any terms deemed appropriate by  
930 the city or town relative to compliance with the UCH-TIF agreement including, but not limited  
931 to, what shall constitute a default by the property owner and what remedies shall be allowed  
932 between the parties for any such defaults, including an early termination of the agreement; (3)  
933 provisions requiring that one of the affordability thresholds described in subsection (b) is met;  
934 (4) provisions stating that housing units that meet the affordability requirements of subsection (b)  
935 shall be subject to use restrictions as defined in this section; (5) a detailed recitation of the tax  
936 increment exemptions and the maximum percentage of the cost of public improvements that can  
937 be recovered through betterments or special assessments regarding a parcel of real property

938 pursuant to clauses (iii) and (iv); (6) a detailed recitation of all other benefits and responsibilities  
939 inuring to and assumed by the parties to an agreement; and (7) a provision that the agreement  
940 shall be binding upon subsequent owners of the parcel of real property; and.

941 SECTION 28. Said section 60 of said chapter 40, as so appearing, is hereby further  
942 amended by striking out subsections (b) to (e), inclusive, and inserting in place thereof the  
943 following 5 subsections:-

944 (b) As a condition of the granting of an UCH-TIF exemption, a property owner must  
945 satisfy 1 of the following affordability thresholds:

946 (i) At least 15 per cent of the housing units assisted by the UCH-TIF agreement shall  
947 be affordable to occupants or families with incomes at or below 80 per cent of the area median  
948 income where the city or town is located, as defined by the United States Department of Housing  
949 and Urban Development, hereinafter referred to as AMI; or

950 (ii) At least 25 per cent of the housing units assisted by the UCH-TIF agreement shall  
951 be affordable to occupants or families with incomes at or below 110 per cent of the AMI; or

952 (iii) The property shall satisfy the requirements of an existing inclusionary zoning  
953 ordinance or by-law in the city or town, under which the property owner is required to make a  
954 portion of the housing units assisted by the UCH-TIF agreement affordable to low- and  
955 moderate-income households.

956 In addition, to support a finding of public benefit based on residential and commercial  
957 growth in an urban center, at least one of the following conditions must be met:

958 (i) The UCH-TIF zone has either: (1) an unemployment rate that exceeds the statewide  
959 average by at least 25 per cent, (2) a commercial vacancy rate of 15 per cent or more; or (3) an  
960 average household income below 115 per cent of the AMI;

961 (ii) At least 51 per cent of the land area within the UCH-TIF zone is located within a  
962 qualified census tract, as defined in Section 42(d)(5) of the Internal Revenue Code; or

963 (iii) At least 51 per cent of the land area within the UCH-TIF zone constitutes a: (1)  
964 blighted open area, (2) decadent area or (3) sub-standard area, as defined in section 1 of chapter  
965 121A.

966 (c) The department of housing and community development shall review each UCH-  
967 TIF plan to determine whether it complies with the terms of this section and any regulations  
968 adopted by the department; provided further, that the department shall certify, based upon the  
969 information submitted in support of the UCH-TIF plan by the city or town and through such  
970 additional investigation as the department may make, that the plan is consistent with the  
971 requirements of this section and will further the public purpose of encouraging increased  
972 residential growth, affordable housing and commercial growth in the commonwealth; provided  
973 further, that a city or town may, at any time, revoke its designation of a UCH-TIF zone and, as a  
974 consequence of such revocation, shall immediately cease the execution of any additional  
975 agreements pursuant to clause (v) of subsection (a); provided, further, that a revocation shall not  
976 affect agreements relative to property tax exemptions and limitations on betterments and special  
977 assessments pursuant to said clause (v) of said subsection (a), use restrictions or options to  
978 purchase and rights of first refusal required by this section which were executed before the  
979 revocation.

980           (d)     The board, agency, or officer of the city or town authorized pursuant to clause (vi)  
981 of said subsection (a) to execute UCH-TIF agreements shall submit each executed UCH-TIF  
982 agreement to the department of housing and community development for approval. The  
983 department shall, as a condition of such approval, certify that the UCH-TIF agreement complies  
984 with the terms of this section and furthers the public purpose of encouraging increased residential  
985 growth, affordable housing and commercial growth in the commonwealth. Upon receipt of the  
986 department's certification, the board, agency or officer of the city or town authorized pursuant to  
987 said clause (vi) of said subsection (a) to execute UCH-TIF agreements shall forward to the board  
988 of assessors a copy of the approved UCH-TIF agreement, together with a list of the parcels  
989 included therein. An executed and approved UCH-TIF shall be recorded in the registry of deeds  
990 or the registry district of the land court wherein the land lies.

991           (e)     Notwithstanding any other general or special law to the contrary, an affordable  
992 housing development that benefits from a real estate tax exemption pursuant to this section that  
993 meets the affordability requirements of subsection (b) and subclause (3) of clause (v) of  
994 subsection (a) shall continue to meet those requirements for 30 years or for the term of any  
995 municipal bonds issued to finance the construction, reconstruction or rehabilitation of such  
996 development, whichever is shorter as may be specified in the recorded restriction. Such  
997 restriction shall be approved by the department of housing and community development in  
998 accordance with section 32 of chapter 184 and shall be recorded in the registry of deeds or the  
999 registry district of the land court wherein the land lies.

1000           (f)     The owner of property subject to an UCH-TIF agreement shall certify to the city  
1001 or town the incomes of the families or occupants, upon initial occupancy, of the affordable  
1002 housing units designated in the UCH-TIF agreement and such certification shall be provided to

1003 the department of housing and community development on an annual basis. If the owner fails to  
1004 provide certification or otherwise fails to comply with the UCH-TIF agreement, including failing  
1005 to maintain the affordability of housing units assisted pursuant to this section, the city or town  
1006 may place a lien on the property in the amount of the real estate tax exemptions granted pursuant  
1007 to the UCH-TIF agreement for any year in which the owner is not in compliance with this  
1008 subsection. If the city or town determines, with the approval of the department of housing and  
1009 community development, that the owner is unlikely to come into compliance with the  
1010 affordability requirements of said subsection (b) and said subclause (3) of said clause (v) of said  
1011 subsection (a), the city or town may place a lien on the property in the amount of the total real  
1012 estate tax exemption granted pursuant to the UCH-TIF agreement. Any such lien shall be  
1013 recorded in the registry of deeds or the registry district of the land court wherein the land lies.

1014 SECTION 29. Section 6 of chapter 40A of the General Laws, as so appearing, is hereby  
1015 amended by striking out, in line 29, the word “six” and inserting in place thereof the following  
1016 figure:- 12.

1017 SECTION 30. Section 9 of said chapter 40A, as so appearing, is hereby amended by  
1018 striking out, in line 165, the word “two” and inserting in place thereof the following figure:- 3.

1019 SECTION 31. Section 4 of chapter 40G of the General Laws, as so appearing, is hereby  
1020 amended by striking out, in line 85, the words “as defined in section 3D” and inserting in place  
1021 thereof the following words:- designated pursuant to section 3G.

1022 SECTION 32. Section 2 of chapter 40H of the General Laws, as so appearing, is hereby  
1023 amended by striking out, in lines 59 and 60, the words “section 3D of chapter 23A” and



1024 inserting in place thereof the following words:- section 3G of chapter 23A, or meeting the  
1025 criteria for such designation.

1026 SECTION 33. Section 4G of chapter 40J of the General Laws, as so appearing, is hereby  
1027 amended by striking out, in lines 19 and 24, the figure “\$3” and inserting in place thereof, in  
1028 each instance, the following figure:- \$1.

1029 SECTION 34. Section 6D of said chapter 40J, as so appearing, is hereby amended by  
1030 adding the following subsection:-

1031 (g) The institute shall, in consultation with the secretary of housing and economic  
1032 development and informal advisers from the public and private sectors, develop strategies and  
1033 action plans to facilitate the continued development and accelerating growth of the e-health  
1034 cluster in the commonwealth involving a range of products, services and systems at the  
1035 intersection of medicine, healthcare and information technology including, but not limited to: (i)  
1036 electronic health records; (ii) consumer wearable devices; (iii) care systems; (iv) payment  
1037 management systems; (v) healthcare robotics; (vi) telemedicine; and (vii) big data analytics, for  
1038 the purpose of improving health care quality, reducing costs and supporting the expansion of  
1039 economic opportunities for the citizens of the commonwealth. Without limiting the generality of  
1040 the foregoing, the institute may: (A) develop a market access program connecting provider and  
1041 payer needs with ideas and products through pilot programs; (B) undertake a healthcare big data  
1042 initiative designed to improve healthcare data transparency and availability; (C) create  
1043 opportunities for e-health cluster stakeholders, including investors, entrepreneurs and healthcare  
1044 providers, to convene to exchange ideas and make connections; and (D) encourage the adoption  
1045 of open-source software principles, which may include recommendations toward the

1046 establishment of procurement rules that enable major technology systems, platforms and  
1047 products purchased by the state to remain open for the development of third party end-user  
1048 software and application designs that improve ease of access and utilization of those major  
1049 technology systems. In furtherance of the purposes of this subsection, the institute shall  
1050 coordinate and collaborate with such other agencies, authorities and public instrumentalities as  
1051 the secretary of housing and economic development may suggest and shall endeavor to identify  
1052 moneys and resources that could be made available for those purposes. The corporation may  
1053 expend moneys credited to the e-Health Institute Fund established in section 6E for the purposes  
1054 of this subsection, without compliance with any further restrictions contained in section 6E, and  
1055 to expend for the purposes of this subsection any other moneys available to the corporation that  
1056 are not expressly restricted by law.

1057 SECTION 35. Section 6I of chapter 40J of the General Laws is hereby amended by  
1058 striking out subsection (b) and inserting in place thereof the following subsection:-

1059 (b) There shall be a MassCAN advisory board to consist of 13 members to be appointed  
1060 by the governor, including: 1 person recommended by the Massachusetts Competitive  
1061 Partnership, Inc.; 1 person recommended by the Massachusetts Business Roundtable; 1 person  
1062 recommended by the Massachusetts Technology Leadership Council, Inc.; 1 person  
1063 recommended by a federally-funded research corporation; 1 person recommended by the chair of  
1064 the computer science department of a public university; 1 person recommended by the  
1065 Massachusetts Association of School Superintendents, Inc.; 1 person recommended by the  
1066 Greater Boston chapter of the Computer Science Teachers Association; 1 person recommended  
1067 by the METCO program; 1 person recommended by the Massachusetts Technology Leadership  
1068 Council Education Foundation; 1 person recommended by The Partnership, Inc.; 1 person

1069 recommended by TechNet; 1 person recommended by the Society of Hispanic Professional  
1070 Engineers; and 1 person recommended by the Massachusetts chapter of the Society of Women  
1071 Engineers.

1072 SECTION 36.. The General Laws are hereby amended by inserting after chapter 40W the  
1073 following chapter:-

1074 Chapter 40X

1075 Community Benefit Districts

1076 Section 1. As used in this chapter, the following words shall have the following meanings  
1077 unless the context clearly requires otherwise:

1078 “Community benefit district” or “CBD”, a district formed pursuant to this chapter which  
1079 has at least 1 geographic area with clearly defined boundaries.

1080 “CBD corporation”, the nonprofit corporation designated to receive funds and otherwise  
1081 implement the CBD, including the board of directors, officers and any employees.

1082 “CBD fee”, a payment for services or improvements specified by the initial management  
1083 plan and any management plan.

1084 “Initial management plan”, the strategic and operating plan for the CBD as approved by  
1085 the municipal governing body as part of the creation of the CBD.

1086 “Management plan”, any subsequent, updated version of the initial management plan that  
1087 is approved by the board of directors.

1088 “Memorandum of understanding with the municipality” or “MOU”, a document which  
1089 describes the standard government services and supplemental services to be provided within the  
1090 CBD and how the municipality will participate in the CBD as a property owner and member.

1091 “Municipal governing body”, the city council or board of aldermen in a city or the board  
1092 of selectmen or town council in a town.

1093 “Petition signer”, a property owner, or their designee, within the CBD who affirmatively  
1094 signs the petition to establish the CBD.

1095 “Property”, real property located within the CBD, whether commercial, tax exempt or  
1096 residential.

1097 “Property owner”, the owner of record of property; provided, however, that when a  
1098 property is owned by an entity other than a natural person, a petition signer for that property shall  
1099 include the petition-signer’s title and shall demonstrate its authority to sign as owner; and  
1100 provided further, that if a property is owned by multiple persons, the signature of 1 owner shall be  
1101 sufficient if that owner demonstrates authority to sign on behalf of the other owners.

1102 “Standard government services”, governmental functions, programs, activities, facilities,  
1103 improvements and other services that a municipality is authorized to perform or provide and that  
1104 are paid for out of the municipal government budget.

1105 “Supplemental services”, the provision of programs, public rights of way services,  
1106 activities, amenities or information in addition to the standard governmental services provided to  
1107 the CBD.

1108           Section 2. The rights and powers of a CBD corporation in a CBD approved by the  
1109 municipal governing body pursuant to section 4 shall include: retaining or recruiting business;  
1110 administering and managing central and neighborhood business districts; promoting economic  
1111 development; managing parking; designing, engineering, constructing, maintaining or operating  
1112 buildings, facilities, urban streetscapes or infrastructures to further economic development and  
1113 public purposes; conducting historic preservation activities; leasing, owning, acquiring, or  
1114 optioning real property; owning and managing parks, public spaces and community facilities;  
1115 supplementing maintenance, security, or sanitation; planning and designing services; formulating  
1116 a fee structure; accumulating interest; incurring costs or indebtedness; entering into contracts;  
1117 suing and being sued; employing legal and accounting services; undertaking planning, feasibility  
1118 and market analyses; developing common marketing and promotional activities; engaging in  
1119 placemaking, programming, and event management within the district; soliciting donations,  
1120 sponsorships and grants; operating transit services; and supporting public art, human and  
1121 environmental services related to the enhancement of the district or other supplemental services  
1122 or programs that would further the purposes of this chapter.

1123           Section 3. The organization of a CBD shall be initiated by a petition of the property  
1124 owners within the proposed CBD, which shall be filed in the office of the clerk of the  
1125 municipality and contain the following:

1126           (i) the signatures of the property owners or petition signers in the proposed district who  
1127 support the establishment of the district and who will pay more than 50 per cent of the  
1128 assessments proposed to be levied; provided, however, that the amount of the assessment  
1129 attributable to property owned by the same property owner that is in excess of 20 per cent of the  
1130 amount of all assessments proposed shall not be included in the calculation or, alternatively, if

1131 there are not more than 4 property owners in the proposed district, all such property owners shall  
1132 sign the petition;

1133 (ii) a description of and a site map delineating the boundaries of the proposed CBD;

1134 (iii) the identity and address of the CBD corporation, including its initial set of directors  
1135 and officers and a copy of its by-laws;

1136 (iv) An initial management plan, which shall set forth the supplemental services and  
1137 programs, vision, strategy, budget and fee structures proposed for the CBD;

1138 (v) the criteria for waiving the fee for any property owner within the CBD who can  
1139 provide evidence that the imposition of such a fee would create a significant financial hardship;  
1140 and

1141 (vi) a staffing plan, which may include private nonprofit, for profit or public agency  
1142 contractors or subcontractors.

1143 A petition may include a mechanism for reimbursing the municipality for the costs  
1144 incurred in establishing the CBD, and for costs incurred in collecting the district fees. A copy of  
1145 the petition shall be filed with the undersecretary of housing and community development and  
1146 the secretary of housing and economic development not more than 30 days following receipt of  
1147 the petition by the clerk of the municipality.

1148 Section 4. (a) The municipal governing body shall hold a public hearing not more than  
1149 60 days following receipt of the petition by the clerk of the municipality. Written notification of  
1150 the hearing shall be sent to each property owner within the boundary of the proposed CBD not  
1151 more than 30 days before a hearing by mailing notice to the address listed in the property tax

1152 records. Notification of the hearing shall be published for 2 consecutive weeks in a newspaper of  
1153 general circulation in the area, the last publication being not less than 14 days before the hearing  
1154 and listed on the municipality's website. The public notice shall contain the proposed boundaries  
1155 of the CBD, the proposed fee level, a summary of supplemental programs and services and  
1156 where the property owner may obtain a full copy of the initial management plan.

1157 (b) Prior to the public hearing, the municipal governing body shall direct the town clerk,  
1158 city clerk or a designee to determine that the establishment criteria have been met, as set forth in  
1159 section 3. In determining whether a signature is authentic, the clerk shall apply the same standard  
1160 used when certifying signatures for a petition to place a referendum on a local or state ballot.

1161 (c) Not more than 45 days after the public hearing, a municipal governing body, in its  
1162 sole discretion, may, by vote of the city council with approval of the mayor in a city and by vote  
1163 of the board of selectmen in a town, declare the district organized and describe the boundaries  
1164 and service area of the district; provided, however, that in a town with a population of not more  
1165 than 10,000, the district shall not be declared organized without a vote by the board of selectmen  
1166 and a town meeting. The declaration shall include authorization to municipal staff to enter into  
1167 an agreement with the CBD corporation with respect to operations and funding consistent with  
1168 the approved initial management plan. Upon such declaration, the CBD may commence  
1169 operations.

1170 (d) Notice of the declaration of the organization of the CBD shall be mailed or delivered  
1171 to each property owner within the proposed CBD. The notice shall explain that membership in  
1172 the CBD is irrevocable unless the CBD is dissolved pursuant to section 10 and shall include a  
1173 description of the basis for determining the district fee, the projected fee level and the services to

1174 be provided within the CBD. Such notice shall be published for 2 consecutive weeks in a  
1175 newspaper of general circulation in the area, the last publication being not more than 30 days  
1176 after the vote to declare the district organized.

1177 (e) Participation in the CBD shall be permanent unless the CBD is dissolved pursuant to  
1178 section 10. All property owners, including public, private and nonprofit entities, shall participate,  
1179 although each shall contribute in accordance with fee structures based upon the benefits  
1180 anticipated to be received, as outlined in the initial management plan.

1181 Section 5. (a) Each CBD corporation shall have a not for profit board of directors that  
1182 shall oversee its operations to insure the implementation of the initial management plan and any  
1183 management plan. At least 51 per cent of the board shall be composed of property owners or  
1184 their designees, and the remaining members may be a balanced group of stakeholders  
1185 representing the community, including residents, municipal government, business tenants and  
1186 nonprofits.

1187 (b) The initial management plan shall be updated at least once every 3 years by the CBD  
1188 board of directors and a copy thereof shall be mailed, emailed or delivered to each CBD member  
1189 and filed with the municipal governing body.

1190 (c) The CBD corporation shall comply with the public charity reporting requirements of  
1191 section 8F of chapter 12.

1192 Section 6. All real property located within a proposed CBD shall be considered in the fee  
1193 formula for supplemental services and programs as outlined in the initial management plan. The  
1194 CBD corporation, at its sole discretion, may grant a financial hardship waiver to any property  
1195 owner, pursuant to the waiver criteria established within the CBD. A waiver is not intended to be



1196 permanent and shall be requested and granted on an annual basis, and shall be based upon  
1197 temporary, extraordinary circumstances. The CBD corporation may also, at its discretion,  
1198 approve in-kind contributions or services in addition to, or in lieu of, fees upon execution of a  
1199 memorandum of agreement with a property owner.

1200           Section 7. Upon formal approval of a CBD, the municipal governing body shall adopt the  
1201 district fee structure for the financing of items submitted in the initial management plan for the  
1202 CBD; provided, however, that the total fees assessed in any 1 year may not exceed 1/2 of 1 per  
1203 cent of the sum of the assessed valuation of the real property owned by participating members in  
1204 the CBD district.

1205           The basis of a district fee may be determined by a formula utilizing at least 1 or a  
1206 combination of the following methodologies:

1207           (i) different levels for varying classifications of real property;

1208           (ii) benefit zones;

1209           (iii) assessed valuation;

1210           (iv) building or parcel square footage;

1211           (v) street frontage; or

1212           (vi) any other formula which meets the objectives of the CBD.

1213           The CBD, through its management plan, shall have the option to limit or cap the  
1214 maximum annual fee derived from individual properties or the total annual revenue generated by  
1215 the CBD.

1216           The initial management plan may also propose a “phase-in” period of not more than 3  
1217 years, with assessments increasing over the stated period. The formula for determining the  
1218 district fee structure shall be set forth in the original petition as required by section 3.

1219           The CBD may change the formula or the assessment level set forth in the initial  
1220 management plan or management plan by 2/3 vote of its board of directors, ratified by vote of  
1221 the property owners who are required to pay more than 50 per cent of the assessments. Within 30  
1222 days after amendment of the formula or assessment level, the CBD shall file notice of the  
1223 changes with the municipal governing body, the undersecretary of housing and community  
1224 development and the secretary of housing and economic development.

1225           In addition to receiving funds from the district fee, the CBD corporation may receive  
1226 grants, donations, revenues generated from parking fees, CBD activities or gifts on behalf of the  
1227 CBD.

1228           Section 8. The collector or treasurer of the municipality may collect district fees in  
1229 designated CBDs and disburse the funds to the CBD corporation. In addition to the items  
1230 identified in section 3A of chapter 60, the collector or treasurer may include notices for district  
1231 fees in the envelope or electronic message in which a property bill is sent.

1232           District fees collected shall be used solely to fund items to further the goals identified and  
1233 approved in the initial management plan for the CBD.

1234           The collector or treasurer shall disburse fee revenues to the CBD corporation not later  
1235 than 30 days after the collection of such fees, together with any interest earned on those fees.

1236           Following establishment of the CBD, all fees billed by or on behalf of the CBD and  
1237 unpaid after 30 days from the date of billing shall become a lien on the property, which shall  
1238 have priority over all other liens except municipal liens and mortgages of record prior to the  
1239 recording of a notice of lien, if notice of the lien is duly recorded by the CBD corporation in the  
1240 appropriate registry of deeds or land court registry district.

1241           Section 9. At any time after the establishment of a CBD pursuant to this chapter, the  
1242 district boundaries upon which the establishment was based may, upon the recommendation of  
1243 the CBD corporation, be amended by the municipal governing body after compliance with the  
1244 procedures set forth in this section.

1245           The CBD corporation shall prepare a petition, consistent with the criteria described in  
1246 section 3; provided, however, that if the petition concerns an amendment to expand the district,  
1247 the petition shall be accompanied by signatures of the property owners who are required to pay  
1248 more than 50 per cent of the assessments in the expanded area. If the petition concerns an  
1249 amendment to reduce the size of the district, it shall be accompanied by signatures of the  
1250 property owners who are required to pay more than 50 per cent of the assessments levied in the  
1251 existing district. The municipal governing body shall hold a public hearing not more than 60  
1252 days after its receipt of a petition to amend the district boundaries. In the case of an expansion  
1253 petition, written notification of the hearing shall be sent to each property owner within the  
1254 proposed expansion area of the CBD not more than 30 days before the hearing, by mailing notice  
1255 to the address listed in the property tax records. In the case of a reduction petition, the notice  
1256 shall be sent to each property owner in the existing district. For either an expansion or reduction  
1257 petition, notification of the hearing shall also be published for 2 consecutive weeks in a  
1258 newspaper of general circulation in the area with the last publication being not more than 14 days

1259 before the hearing and shall be listed on the municipality's website. For an expansion petition,  
1260 the public notice shall contain the proposed expanded boundaries of the CBD, the fee level, a  
1261 summary of supplemental programs and services, and where the property owner may obtain a  
1262 full copy of the management plan. For a reduction petition, the public notice shall contain the  
1263 proposed reduced boundaries of the CBD and any changes in the fee level, supplemental  
1264 programs and services or other material aspects of the management plan that will occur as a  
1265 result of the boundary change. Not more than 30 days after the hearing, and upon determination  
1266 by the city or town clerk, or designee, that the petition has met the necessary criteria, the  
1267 municipal governing body, in its sole discretion, may by a vote declare the district boundaries  
1268 amended.

1269           Upon the adoption of an amendment to the district boundaries which increases the size of  
1270 the district, owners of property to be added to the district shall be notified of the new boundaries  
1271 of the district in accordance with section 4.

1272           Section 10. A CBD may be dissolved by petition to the municipal governing body and a  
1273 subsequent decision by that governing body to authorize dissolution.

1274           A petition to dissolve a CBD shall contain the signatures of the property owners who are  
1275 required to pay more than 50 per cent of the assessments levied in the district; provided,  
1276 however, that the amount of the assessment attributable to property owned by the same property  
1277 owner that is in excess of 20 per cent of the amount of all assessments proposed shall not be  
1278 included in the calculation.

1279           The municipal governing body shall hold a public hearing not more than 30 days after its  
1280 receipt of a petition on the issue of dissolution.

1281           After a public hearing, the municipal governing body may declare the CBD dissolved;  
1282 provided, however, that no CBD shall be dissolved until it has satisfied or paid in full all of its  
1283 outstanding indebtedness, obligations and liabilities; until funds are on deposit and available  
1284 therefore or until a repayment schedule has been formulated and municipally approved. Upon  
1285 dissolution, the CBD shall not incur any new or increased financial obligations.

1286           Any liabilities, either current or future, incurred as a result of action to accomplish the  
1287 purposes of the management plan shall not be an obligation of the municipality. Liabilities shall  
1288 be paid for entirely from revenue gained from the project or facilities authorized, or from the fees  
1289 on the properties in the CBD.

1290           Upon the dissolution of a CBD, any remaining revenues derived from the sale of assets  
1291 acquired with fees collected shall be refunded to the property owners in the CBD by applying the  
1292 same formula used to calculate the fee in the fiscal year in which the CBD is dissolved.

1293           Nothing in this section shall prevent the filing of a subsequent petition for a similar  
1294 community benefit district.

1295           Section 11. A CBD may include noncontiguous geographic areas within the municipality.  
1296 If the petition proposes such a district, each noncontiguous area shall separately qualify by  
1297 meeting the signature threshold in section 3. Once the clerk has determined that the  
1298 establishment criteria have been met, the municipality shall consider whether the CBD as a  
1299 whole should be approved. A petition to reduce or dissolve a CBD with noncontiguous areas  
1300 shall be signed by property owners representing at least 50 per cent of the assessments in the  
1301 CBD as a whole. A petition to expand such a CBD shall be signed by property owners  
1302 representing 50 per cent of the assessments in the expanded area only. A CBD that includes

1303 noncontiguous areas may set services, programs and fees to take into account the differing  
1304 circumstances of each area.

1305           Section 12. A CBD may be located in more than 1 municipality if the petition in each  
1306 municipality separately complies with this chapter. Petitioners shall state in each petition  
1307 whether they will proceed with establishment if the other municipality or municipalities involved  
1308 do not approve the proposed CBD. A petition to reduce a CBD located in more than 1  
1309 municipality shall be signed by property owners with 50 per cent of the assessments in that  
1310 municipality's portion of the district. A petition to expand such a CBD shall be signed by  
1311 property owners representing 50 per cent of the assessments in the expanded area only. A  
1312 petition to dissolve the entire CBD located in more than 1 municipality shall be signed by  
1313 property owners representing 50 per cent of the assessments in each municipality. A CBD  
1314 located in more than 1 municipality may set services, programs and fees to take into account the  
1315 differing circumstances of each area.

1316           SECTION 37. Section 2 of chapter 40R of the General Laws, as appearing in the 2014  
1317 Official Edition, is hereby amended by inserting after the definition of "Approved smart growth  
1318 zoning district" the following definition:

1319           "Approved starter home zoning district", a starter home zoning district that has been  
1320 adopted by a city or town and approved by the department in accordance with this chapter and  
1321 the regulations of the department, so as to be eligible for the receipt of financial and other  
1322 incentives. The department may revoke its approval if the obligations of the city or town are not  
1323 met.

1324 SECTION 38. Said section 2 of said chapter 40R, as so appearing, is hereby further  
1325 amended by inserting after the definition of “Approving authority” the following definition:-

1326 “Area of concentrated development”, a center of commercial activity within a  
1327 municipality, including town and city centers, other existing commercial districts in cities and  
1328 towns, and existing rural village districts.

1329 SECTION 39. Said section 2 of said chapter 40R, as so appearing, is hereby further  
1330 amended by striking out the definition of “Developable land area” and inserting in place thereof  
1331 the following definition:-

1332 “Developable land area”, that area within an approved smart growth or starter home  
1333 zoning district that can be feasibly developed into residential or mixed use development  
1334 determined in accordance with regulations of the department. Developable land area shall not  
1335 include: (1) land area that is already substantially developed, including existing parks and  
1336 dedicated, perpetual open space within such substantially developed portion; (2) open space  
1337 designated by the city or town as provided in section 6; or (3) areas exceeding one-half acre of  
1338 contiguous land that are unsuitable for development because of topographic features or for  
1339 environmental reasons, such as wetlands.

1340 It shall include the land area occupied by or associated with underutilized residential,  
1341 commercial, industrial or institutional buildings or uses that have the potential to be recycled or  
1342 converted into residential or mixed use developments as determined in accordance with  
1343 regulations of the department.

1344 SECTION 40. Said section 2 of said chapter 40R, as so appearing, is hereby further  
1345 amended by striking out the definition of “Eligible locations” and inserting in place thereof the  
1346 following definition:-

1347 “Eligible locations”, areas that by virtue of their infrastructure, transportation access,  
1348 existing underutilized facilities, or location make highly suitable locations for residential or  
1349 mixed use smart growth zoning districts or starter home zoning districts, including without  
1350 limitation (1) areas near transit stations, including rapid transit, commuter rail and bus and ferry  
1351 terminals; or (2) areas of concentrated development, including town and city centers, other  
1352 existing commercial districts in cities and towns, and existing rural village districts.

1353 SECTION 41. Said section 2 of said chapter 40R, as so appearing, is hereby further  
1354 amended by striking the definitions of “Letter of eligibility” and “Mixed use development” and  
1355 inserting in place thereof the following 4 definitions:-

1356 “Housing production plan”, an affordable housing plan adopted by a municipality and  
1357 approved by the department in accordance with its regulations.

1358 “Housing production summary”, a detailed summary of the city or town’s: (1) affordable  
1359 housing production history, (2) housing needs and housing demand assessment, (3) analysis of  
1360 development constraints and capacity, (4) current housing goals and strategy for achieving those  
1361 goals and (5) proposed locations for affordable housing production.

1362 “Letter of eligibility”, a letter to a city or town to be issued by the department within 60  
1363 days of receiving a complete and approvable application from a city or town for approval of a  
1364 smart growth or starter home zoning district.



1365 “Mixed use development”, a development containing a mix of residential uses and non-  
1366 residential uses, including, without limitation: commercial, institutional, industrial or other uses;  
1367 all conceived, planned and integrated to create vibrant, workable, livable and attractive  
1368 neighborhoods.

1369 SECTION 42. Said section 2 of said chapter 40R, as so appearing, is hereby further  
1370 amended by striking out the definition of “Project” and inserting in place thereof the following 2  
1371 definitions:-

1372 “Production bonus payment”, a one-time payment to a municipality from the Smart  
1373 Growth Housing Trust Fund, established in section 35AA of chapter 10 for each housing unit of  
1374 new construction that is created in a starter home zoning district pursuant to the starter home  
1375 overlay provisions of the applicable zoning ordinance or by-law.

1376 “Project”, a proposed residential or mixed-use development within a smart growth or  
1377 starter home zoning district.

1378 SECTION 43. Said section 2 of said chapter 40R, as so appearing, is hereby further  
1379 amended by inserting after the definition of “Smart growth zoning district certificate of  
1380 compliance” the following 3 definitions:-

1381 “Starter home”, a single family home not exceeding 1,850 square feet in heated living  
1382 area; provided, however that nothing herein shall preclude a city or town from adopting a starter  
1383 home zoning district that would permit construction on a single lot in a starter home zoning  
1384 district of an accessory dwelling unit of 600 square feet or less on the same lot as a starter home.

1385           “Starter home zoning district”, a zoning district consisting of not less than 3 contiguous  
1386 acres of developable land area, adopted by a city or town pursuant to this chapter, that is  
1387 superimposed over 1 or more zoning districts in an eligible location, within which a developer  
1388 may elect to either : (1) develop starter homes in accordance with requirements of the starter  
1389 home zoning district ordinance or by-law or (2) develop a project in accordance with  
1390 requirements of the underlying zoning district, and otherwise consistent with department  
1391 guidance.

1392           “Starter home zoning district certificate of compliance”, a written certification by the  
1393 department in accordance with section 7.

1394           SECTION 44. Section 3 of said chapter 40R, as so appearing, is hereby amended by  
1395 inserting, after the word “district”, in lines 2 and 7, the following words:- or starter home zoning  
1396 district.

1397           SECTION 45. Said section 3 of said chapter 40R, as so appearing, is hereby further  
1398 amended by inserting after the word “districts”, in line 15, the following words:- or starter home  
1399 zoning districts.

1400           SECTION 46. Section 4 of said chapter 40R, as so appearing, is hereby amended by  
1401 inserting after the word “growth”, in line 3, the following words:- or starter home.

1402           SECTION 47. Said section 4 of said chapter 40R, as so appearing, is hereby further  
1403 amended by inserting after the word “district”, in line 14, the following words:- or starter home  
1404 zoning district.

1405 SECTION 48. Said chapter 40R is hereby further amended by striking out sections 5 to  
1406 10, inclusive, as so appearing, and inserting in place thereof the following 6 sections:-

1407 Section 5. The chief executive of a city or town desiring to adopt a smart growth zoning  
1408 district or starter home zoning district ordinance or by-law shall submit the necessary materials  
1409 to the department for a preliminary determination of eligibility for approval. The information in  
1410 the application shall:

1411 (a) identify and describe the boundaries of the proposed smart growth zoning district  
1412 or starter home zoning district;

1413 (b) identify and describe the developable land area within the proposed smart growth  
1414 zoning district or starter home zoning district;

1415 (c) as to smart growth zoning districts only, identify and describe other residential  
1416 development opportunities for infill housing and the residential re-use of existing buildings and  
1417 underutilized buildings within already developed areas;

1418 (d) include any comprehensive housing plan or housing production plan previously  
1419 adopted by the city town or, if the city or town has no comprehensive housing plan or housing  
1420 production plan, a housing production summary, as set forth in section 8;

1421 (e) include a copy of the proposed smart growth district or starter home zoning  
1422 district ordinance or by-law;

1423 (f) by narrative and exhibits, establish the elements set forth in section 6.

1424 Section 6. (a) A proposed smart growth zoning district or starter home zoning district  
1425 shall satisfy the following minimum requirements:

1426 (1) Each proposed district shall be located in an eligible location.

1427 (2) The zoning for each proposed smart growth zoning district shall provide for  
1428 residential use to permit a mix of housing for families, individuals, persons with special needs  
1429 and the elderly.

1430 (3) Housing density in a proposed smart growth district shall be at least: 20 units per  
1431 acre for multi-family housing on the developable land area, 8 units per acre for single-family  
1432 homes on the developable land area, and 12 units per acre for 2 and 3 family buildings on the  
1433 developable land area. Housing density in a proposed starter home district shall satisfy the  
1434 following criteria: (a) the density shall be no less than 4 units per acre of developable land area;  
1435 (b) the development shall emphasize smart growth principles of development, such as cluster  
1436 development and other forms of development providing for common open space usable for  
1437 passive or active recreational activities, or the use of low-impact development techniques; and  
1438 (c) at least 50 per cent of the starter homes to be developed in a proposed starter home district,  
1439 excluding accessory dwelling units, must contain 3 or more bedrooms.

1440 (4) The zoning ordinance or by-law for each proposed smart growth zoning district  
1441 shall provide that not less than 20 per cent of the residential units constructed in projects of more  
1442 than 12 units shall be affordable housing and shall contain mechanisms to ensure that not less  
1443 than 20 per cent of the total residential units constructed in each proposed district shall be  
1444 affordable housing.

1445 (5) The zoning ordinance or by-law for each proposed starter home zoning district  
1446 shall provide that, as a condition of the increased density permitted in a starter home zoning  
1447 district, not less than 20 per cent of the residential units created as starter homes shall be

1448 affordable to and occupied by individuals and families whose annual income is less than 100 per  
1449 cent of the area median income as determined by the United States Department of Housing and  
1450 Urban Development, and shall contain mechanisms to ensure that the required percentage of the  
1451 total residential units constructed in each proposed starter home district shall meet such  
1452 affordability requirements, including an affordable housing restriction, as defined in section 31  
1453 of chapter 184, that has a term of not less than 30 years.

1454 (6) A proposed smart growth zoning district shall permit infill housing on existing  
1455 vacant lots and shall allow the provision of additional housing units in existing buildings,  
1456 consistent with neighborhood building and use patterns, building codes and fire and safety codes.

1457 (7) A proposed smart growth zoning district or starter home zoning district shall not  
1458 be subject to limitation of the issuance of building permits for residential uses or a local  
1459 moratorium on the issuance of such permits. In addition, a proposed starter home zoning district  
1460 shall not be subject to any municipal environmental or health ordinances, bylaws or regulations  
1461 that exceed applicable requirements of state law or regulation, unless the department of  
1462 environmental protection has determined that specific local conditions warrant imposition of  
1463 more restrictive local standards, or the imposition of such standards would not render infeasible  
1464 the development contemplated under the comprehensive housing plan, housing production plan  
1465 or housing production summary submitted as part of the application for such district.

1466 (8) A proposed smart growth zoning district or starter home zoning district shall not  
1467 impose restrictions on age or any other occupancy restrictions on the district as a whole. This  
1468 shall not preclude the development of specific projects within a smart growth zoning district that  
1469 may be exclusively for the elderly, the disabled or for assisted living. Not less than 25 per cent of

1470 the housing units in such a project within a smart growth zoning district shall be affordable  
1471 housing, as defined in section 2.

1472 (9) Housing in a smart growth zoning district or starter home zoning district shall  
1473 comply with federal, state and local fair housing laws.

1474 (10) A proposed smart growth zoning district or starter home zoning district may not  
1475 exceed 15 per cent of the total land area in the city or town. Upon request, the department may  
1476 approve a larger land area if such approval serves the goals and objectives of this chapter.

1477 (11) The aggregate land area of all approved smart growth zoning districts and starter  
1478 home zoning districts in the city or town may not exceed 25 per cent of the total land area in the  
1479 city or town. The department may approve a larger combined land area if the department  
1480 determines that such approval serves the goals and objectives of this chapter.

1481 (12) Housing density in any proposed district shall not over burden infrastructure as it  
1482 exists or may be practicably upgraded in light of anticipated density and other uses to be retained  
1483 in the district.

1484 (13) A proposed smart growth zoning district or starter home zoning district ordinance  
1485 or by-law shall define the manner of review by the approving authority in accordance with  
1486 section 11 and shall specify the procedure for such review in accordance with regulations of the  
1487 department.

1488 (b) A city or town may modify or eliminate the dimensional standards contained in  
1489 the underlying zoning in the smart growth zoning district or starter home zoning district  
1490 ordinance or by-law in order to support desired densities, mix of uses and physical character. The

1491 standards that are subject to modification or waiver may include, but shall not be limited to;  
1492 height, setbacks, lot coverage, parking ratios and locations and roadway design standards.  
1493 Modified requirements may be applied as of right throughout all or a portion of the smart growth  
1494 zoning district or starter home zoning district, or on a project specific basis through the smart  
1495 growth zoning district or starter home zoning district plan review process as provided in the  
1496 ordinance or by-law. A city or town may designate certain areas within a smart growth zoning  
1497 district or starter home zoning district as dedicated perpetual open space through the use of a  
1498 conservation restriction as defined in section 31 of chapter 184 or such other means as may be  
1499 created by state law. The amount of such open space shall not be included as developable land  
1500 area within the smart growth zoning district or starter home zoning district. Open space may  
1501 include an amount of land equal to up to 10 per cent of what would otherwise be the developable  
1502 land area if the developable land would be less than 50 acres, and 20 per cent of what would  
1503 otherwise be the developable land area if the developable land area would be 50 acres or more.

1504 (c) The zoning for a proposed smart growth zoning district may provide for mixed  
1505 use development.

1506 (d) A smart growth zoning district or starter home zoning district may encompass an  
1507 existing historic district or districts. A city or town, with the approval of the department, may  
1508 establish a historic district in an approved smart growth zoning district or starter home zoning  
1509 district in accordance with chapter 40C, so long as the establishment of the historic district meets  
1510 the requirements for such a historic district and does not render the city or town noncompliant  
1511 with this chapter, as determined by the department. The historic districts may be coterminous or  
1512 non-coterminous with the smart growth zoning district or starter home zoning district. Within

1513 any such historic district, the provisions and requirements of the historic district may apply to  
1514 existing and proposed buildings.

1515 (e) A city or town may require more affordability than required by this chapter, both  
1516 in the percentage of units that must be affordable, and in the levels of income for which the  
1517 affordable units must be accessible, provided, however, that affordability thresholds shall not  
1518 unduly restrict opportunities for development.

1519 (f) With respect to a city or town with a population of fewer than 10,000 persons, as  
1520 determined by the most recent federal decennial census, for hardship shown, the department  
1521 may, pursuant to regulations adopted under this chapter, approve zoning for a smart growth  
1522 zoning district with lower densities than provided in this chapter, if the city or town satisfies the  
1523 other requirements set forth in this section; provided, however, that such approval shall not be  
1524 withdrawn solely because, in a future census, the population of the city or town exceeds 10,000  
1525 persons.

1526 (g) Any amendment or repeal of a zoning ordinance or by-law affecting an approved  
1527 smart growth zoning district or starter home zoning district shall not be effective without the  
1528 written approval by the department. Each amendment or repeal shall be submitted to the  
1529 department with an evaluation of the effect on the city or town's comprehensive housing plan or  
1530 housing production plan, if any. Amendments shall be approved only to the extent that the  
1531 district remains in compliance with this chapter. If the department does not respond to a  
1532 complete request for approval of an amendment or repeal within 60 days of receipt, the request  
1533 shall be deemed approved.



1534 (h) Nothing in this chapter shall affect a city or town's authority to amend its zoning  
1535 ordinances or by-laws under chapter 40A, so long as the changes do not affect the smart growth  
1536 zoning district or starter home zoning district.

1537 Section 7. (a) On or before October 1 of each year after the year of approval of a district  
1538 by the department, the department shall send a smart growth zoning district certificate of  
1539 compliance or starter home zoning district certificate of compliance, as applicable, to each city or  
1540 town with an approved district. In order to receive such a certificate, the city or town shall verify  
1541 within the time specified by the department that:

1542 (1) the city or town has adopted and approved a smart growth zoning district or a  
1543 starter home zoning district, as applicable;

1544 (2) the certification has not been revoked by the department;

1545 (3) the district is being developed in a manner that reasonably complies with the  
1546 applicable minimum requirements set forth in section 6 for housing density and affordability;

1547 (4) the approving authority has not unreasonably denied plans for projects, or has  
1548 only denied plans for projects in a manner consistent with its smart growth zoning district  
1549 ordinance or by-law or starter home zoning district ordinance or by-law, as applicable, the city or  
1550 town's comprehensive housing plan, housing production plan, or the housing production  
1551 summary submitted with the city or town's initial application for approval by the department, as  
1552 applicable, and this chapter.

1553 (b) If the department is unable to certify compliance, the department shall hold a  
1554 public hearing subject to chapter 30A. If the department concludes that the city or town is in

1555 material noncompliance with the requirements set forth in this section, the department may  
1556 revoke certification. A revocation of certification shall be recorded with the registry of deeds or  
1557 land court registry district for the county or district within which the city or town is located,  
1558 indexed in the grantor index under the name of the city or town. Any revocation of certification  
1559 or other sanctions imposed by the department shall not affect the validity of the smart growth  
1560 zoning ordinance or by-law or starter home zoning district ordinance or by-law, as applicable, or  
1561 the application of such ordinance or by-law to land, development or proposed development  
1562 within the smart growth zoning district.

1563           Section 8. A city or town shall submit to the department, concurrently with the city or  
1564 town's application for a letter of eligibility, either an existing comprehensive housing plan, an  
1565 existing housing production plan, or a housing production summary. The plan or summary shall  
1566 include an estimate of the projected number of units of new construction that could be built in  
1567 the proposed smart growth zoning district or starter home zoning district. If a city or town has  
1568 already completed a comprehensive housing plan or housing production plan, the city or town  
1569 shall submit with its application to the department a description of how the proposed smart  
1570 growth zoning district or starter home zoning district relates to and will further the goals of its  
1571 comprehensive housing plan or housing production plan, as well as an estimate of the projected  
1572 number of units of new construction that could be built within the district.

1573           Section 9. Each city or town with an approved smart growth zoning district or starter  
1574 home zoning district shall be entitled to payments pursuant to this section.

1575           (a) The commonwealth shall pay from the trust fund a zoning incentive payment,  
1576 according to the following schedule:

1577	Projected Units of	
1578	New Construction	Payment
1579	Up to 20	\$10,000
1580	21 to 100	\$75,000
1581	101 to 200	\$200,000
1582	201 to 500	\$350,000
1583	501 or more	\$600,000

1584            Subject to any conditions imposed by the department as a condition of approving a smart  
1585 growth zoning district or starter home zoning district, the zoning incentive payment shall be  
1586 payable upon confirmation of approval of the district by the department. The projected number  
1587 of units shall be based upon the zoning adopted in the smart growth zoning district or starter  
1588 home zoning district, and consistent with either the city or town's comprehensive housing plan or  
1589 housing production plan, if any, or the housing production summary submitted in accordance  
1590 with section 8.

1591            (b)    The commonwealth shall pay from the trust fund a one-time density bonus  
1592 payment to each city or town with an approved smart growth zoning district and a one-time  
1593 production bonus payment to each city or town with an approved starter home zoning district.  
1594 This payment shall be \$3,000 for each housing unit of new construction created in the smart  
1595 growth zoning district and \$3,000 for each housing unit of new construction created in the starter  
1596 home zoning district. The amount due shall be paid on a unit-by-unit basis in accordance with

1597 department regulations, upon submission by a city or town of proof of issuance of a building  
1598 permit for a particular housing unit or units within the district.

1599 (c) The executive office of environmental affairs, the executive office of  
1600 transportation, the department of housing and community development and the secretary of  
1601 administration and finance shall, when awarding discretionary funds, use a methodology of  
1602 awarding such funds that favors cities or towns with approved smart growth zoning districts or  
1603 starter home zoning districts and other approved zoning policies or initiatives that encourage  
1604 increased affordable housing production in the commonwealth including, but not limited to,  
1605 inclusionary zoning.

1606 Section 10. A city or town may adopt, in accordance with the regulations of the  
1607 department, design standards applicable to projects undergoing review by the approving  
1608 authority, to ensure that the physical character of development within the smart growth zoning  
1609 district or starter home zoning district is complementary to adjacent buildings and structures and  
1610 is consistent with the city or town's comprehensive housing plan or housing production plan, if  
1611 any, and any applicable master plan or plans for the city or town. Such standards may address the  
1612 scale and proportions of buildings, the alignment, the width and grade of streets and sidewalks,  
1613 the type and location of infrastructure, the location of building and garage entrances, off-street  
1614 parking, the protection of significant natural site features, the location and design of on-site open  
1615 spaces, exterior signs and buffering in relation to adjacent properties. In a smart growth zoning  
1616 district, the standards shall provide for high-density quality development consistent with the  
1617 character of building types, streetscapes and other city or town features traditionally found in  
1618 densely settled areas of the city or town or in the region of the city or town.

1619 A design standard shall not be adopted if it will add unreasonable costs to residential or  
1620 mixed-use developments. A design standard shall not unreasonably impair the economic  
1621 feasibility of proposed projects. The department may disapprove a request for the determination  
1622 of eligibility for a smart growth zoning district or starter home zoning district on account of a  
1623 design standard adding such unreasonable costs or unreasonably impairing such feasibility.

1624 SECTION 49. Section 11 of said chapter 40R, as so appearing, is hereby amended by  
1625 striking out, in line 2, the words “district zoning” and inserting in place thereof the following  
1626 words:- zoning district or starter home zoning district.

1627 SECTION 50. Said section 11 of said chapter 40R, as so appearing, is hereby further  
1628 amended by inserting after the word “district”, in line 11, the following words:- or starter home  
1629 zoning district.

1630 SECTION 51. Said section 11 of said chapter 40R, as so appearing, is hereby further  
1631 amended by inserting after the word “zoning”, in line 17, the following words:- district or starter  
1632 home zoning district.

1633 SECTION 52. Said section 11 of said chapter 40R, as so appearing, is hereby further  
1634 amended by inserting after the word “district”, in lines 70, 74 and 128, each time it appears, the  
1635 following words:- or starter home zoning district.

1636 SECTION 53. Said chapter 40R is hereby further amended by striking out section 12, as  
1637 so appearing, and inserting in place thereof the following section:-

1638 Section 12. The department shall be responsible for the administration, review, and  
1639 reporting on the smart growth zoning district and starter home zoning district programs as

1640 provided in this chapter. The department shall undertake or cause to be undertaken an annual  
1641 review and the preparation of a report on the programs set forth in this chapter and may require  
1642 data to be provided by cities and towns with smart growth zoning districts or starter home zoning  
1643 districts. The report shall be prepared on the basis of such data and shall be made available to  
1644 the general public and submitted to the general court annually, not later than November 15 of  
1645 each year, and shall cover the status of the program through the end of the prior fiscal year. The  
1646 report shall identify and describe the status of cities and towns that are actively seeking letters of  
1647 eligibility. It shall identify approved smart growth zoning districts and starter home zoning  
1648 districts and the amounts and anticipated timing of one-time density bonus payments and one-  
1649 time production bonus payments during the prior and current fiscal year. It shall summarize the  
1650 amount of land areas zoned for particular types of projects in both proposed and approved  
1651 districts, the number of projects being reviewed by cities and towns under section 11, including  
1652 the number and type of proposed residential units, the number of building permits issued, the  
1653 number of completed housing units and their type, and it shall set out the one-time density bonus  
1654 payments and one-time production bonus payments made to each city or town. For the then  
1655 current and the immediately succeeding fiscal years it shall make estimates for the: (i) number  
1656 and size of proposed new districts; (ii) potential number of residential units to be allowed in new  
1657 districts; and (iii) anticipated construction activity.

1658 SECTION 54. Said chapter 40R is hereby further amended by striking out section 14, as  
1659 so appearing, and inserting in place thereof the following section:-

1660 Section 14. If, within 3 years, no construction has been started within the smart growth  
1661 zoning district or starter home zoning district, the department shall require the cities and towns to  
1662 repay to the department all monies paid to the city or town under this chapter for said smart

1663 growth zoning district or starter home zoning district. Said 3 years shall commence on the date  
1664 of the payment of the zoning incentive payment for said smart growth zoning district or starter  
1665 home zoning district. All monies repaid to the department under this section shall be returned to  
1666 the trust fund.

1667 SECTION 55. Section 1 of chapter 40V of the General Laws, as so appearing, is hereby  
1668 amended by striking out the definition of “Certified housing development project” and inserting  
1669 in place thereof the following definition:-

1670 “Certified housing development project”, the new construction or substantial  
1671 rehabilitation of a housing development project that has been approved by the department for  
1672 participation in the housing development incentive program.

1673 SECTION 56. Said section 1 of said chapter 40V, as so appearing, is hereby further  
1674 amended by striking out the definitions of “Market rate residential unit” and “Qualified  
1675 substantial rehabilitation expenditure” and inserting in place thereof following 2 definitions:-

1676 “Market rate residential unit”, a residential unit priced consistently with prevailing rents  
1677 or sale prices in the municipality as determined based on criteria established by the department.

1678 “Qualified project expenditure”, an expenditure directly related to the construction or  
1679 substantial rehabilitation of a certified housing development project, including the cost of site  
1680 assessment and remediation of hazardous materials, but excluding the purchase of the property,  
1681 provided, however, that: (i) the department has certified that the proposed project meets the  
1682 definition of certified housing development project; (ii) prior to construction, the department has  
1683 certified that all or a portion of the project costs are for new construction or substantial  
1684 rehabilitation; and (iii) after the construction of the project has been completed, the department

1685 has certified that the project has been completed in compliance with this chapter and the  
1686 requirements and conditions of any prior certifications.

1687 SECTION 57. Said section 1 of said chapter 40V, as so appearing, is hereby further  
1688 amended by inserting after the word “property”, in line 34, the following words:- , including site  
1689 assessment and remediation of hazardous materials, but.

1690 SECTION 58. Section 4 of said chapter 40V, as so appearing, is hereby amended by  
1691 striking out, in line 12, the words “is a” and inserting in place thereof the following words:-  
1692 involves either new construction or the.

1693 SECTION 59. Said section 4 of said chapter 40V, as so appearing, is hereby further  
1694 amended by striking out, in line 13, the word “approve” and inserting in place thereof the  
1695 following word:- certify.

1696 SECTION 60. Said section 4 of said chapter 40V, as so appearing, is hereby further  
1697 amended by striking out, in line 35, the words “HDIP zone” and inserting in place thereof the  
1698 following words:- HD zone.

1699 SECTION 61. Said section 4 of said chapter 40V, as so appearing, is hereby further  
1700 amended by inserting after the word “certified”, in lines 44, 56, 57 and 83, each time it appears,  
1701 the following words:- housing development.

1702 SECTION 62. The introductory paragraph of section 5 of said chapter 40V, as so  
1703 appearing, is hereby amended by striking out the first sentence and inserting in place thereof the  
1704 following sentence:- The department may award tax credits available under subsection (q) of  
1705 section 6 of chapter 62 or section 38BB of chapter 63 of not more than 25 per cent of the cost of



1706 qualified project expenditures allocable to the market rate units in a project, as determined by the  
1707 department, to a sponsor of a certified housing development project.

1708 SECTION 63. Said section 5 of said chapter 40V, as so appearing, is hereby further  
1709 amended by striking out, in lines 9, 13 and 15, the word “project” and inserting in place thereof,  
1710 in each instance, the following words:- certified housing development project.

1711 SECTION 64. Section 3 of chapter 62 of the General Laws, as so appearing, is hereby  
1712 amended by striking out, in lines 114 and 115, the words “established by section three B of  
1713 chapter twenty-three A” and inserting in place thereof the following words:- pursuant to section  
1714 3G of chapter 23A.

1715 SECTION 65. Subparagraph (11) of paragraph (a) of part B of said section 3 of said  
1716 chapter 62, as so appearing, is hereby amended by adding the following sentence:- An individual  
1717 who is a nonresident for all or part of the taxable year shall not be eligible to claim this  
1718 deduction.

1719 SECTION 66. Paragraph (a) of part B of said section 3 of said chapter 62, as amended by  
1720 section 12 of chapter 10 of the acts of 2015, is hereby further amended by adding the following  
1721 subparagraph:-

1722 (19) An amount equal to the amount expended in the taxable year for the purchase of an  
1723 interest in, or the amount contributed in the taxable year to an account in, a prepaid tuition  
1724 program or college savings program established by the commonwealth or an instrumentality or  
1725 authority of the commonwealth; provided, however, that in the case of a single person or a  
1726 married person filing a separate return or as head of household, the total amount deducted in the

1727 taxable year shall not exceed \$1,000; and provided further, that in the case of a married couple  
1728 filing a joint return, the total amount deducted in the taxable year shall not exceed \$2,000.

1729           Notwithstanding a statute of limitations on the assessment of an income tax under this  
1730 chapter, a deduction taken under this subparagraph shall be subject to recapture in the taxable  
1731 years in which a distribution or a refund is made for a reason other than: (i) to pay qualified  
1732 higher education expenses as defined in 26 U.S.C. 529(e)(3); or (ii) the beneficiary's death,  
1733 disability or receipt of a scholarship. For the purposes of this subparagraph, “purchaser” or  
1734 “contributor” shall mean the person shown as the purchaser or contributor on the records of the  
1735 qualifying prepaid tuition or college savings program as of December 31 of the taxable year. In  
1736 the case of a transfer of ownership of a prepaid tuition contract or savings trust account, the  
1737 transferee shall succeed to the transferor's tax attributes associated with the prepaid tuition  
1738 contract or savings trust account including, but not limited to, carryover and recapture of a  
1739 deduction.

1740           Annually, not later than October 15, the commissioner shall submit a report to the  
1741 secretary of administration and finance, the chairs of the senate and house committees on ways  
1742 and means and the senate and house chairs of the joint committee on revenue that provides the  
1743 following information: (i) the number of prepaid tuition contracts or savings trust accounts  
1744 entered into or opened by residents of the commonwealth during the prior year; (ii) the amount  
1745 of the allowable deductions claimed under this subparagraph during the prior year; and (iii) the  
1746 adjusted gross income of each taxpayer qualifying for the deduction allowed under this  
1747 subparagraph.

1748 SECTION 67. Section 6 of said chapter 62 is hereby amended by striking out subsection  
1749 (g), as appearing in the 2014 Official Edition, and inserting in place thereof the following  
1750 subsection:-

1751 (g) (1) As used in this subsection, “certified project”, “controlling business”,  
1752 “EACC”, “EDIP contract” and “proposed project” shall have the same meanings as ascribed to  
1753 them in section 3A of chapter 23A.

1754 (2) A credit shall be allowed against the tax liability imposed by this chapter on  
1755 the owner or lessee of a certified project, to the extent the credit is authorized by the EACC, up  
1756 to an amount equal to 50 per cent of the liability in a taxable year; provided, however, that the 50  
1757 per cent limitation shall not apply where the credit is refundable under paragraph (6). The  
1758 amount of the credit shall be determined by the EACC under section 3D of chapter 23A and  
1759 other criteria or guidance that the council shall from time to time adopt; provided further, that a  
1760 credit awarded in connection with a certified project that will retain permanent full-time  
1761 employees in a gateway municipality without creating a net increase in permanent full-time  
1762 employees shall not exceed \$5,000 per retained employee. A credit allowed under this section  
1763 shall be taken only after the taxpayer executes an EDIP contract under said section 3D of said  
1764 chapter 23A.

1765 (3) The total amount of credits that may be authorized by the EACC in a calendar  
1766 year pursuant to this section and section 38N of chapter 63 shall not exceed \$30,000,000  
1767 annually; provided, however, that the total amount shall not include credits granted pursuant to  
1768 subsection (q) of section of 6 of this chapter and section 38BB of said chapter 63; and provided  
1769 further, that the total amount shall include: (i) refundable credits granted during the year pursuant

1770 to this section or said section 38N of said chapter 63; (ii) nonrefundable credits granted during  
1771 the year pursuant to this section or said section 38N of said chapter 63 to the extent that such  
1772 nonrefundable credits are estimated by the commissioner to offset tax liabilities during the year;  
1773 and (iii) carryforwards of credits from prior years under this section or said section 38N of said  
1774 chapter 63 to the extent that the credit carryforwards, if any, are estimated by the commissioner  
1775 to offset tax liabilities during the year. A portion of the annual cap not awarded by the EACC in  
1776 a calendar year shall not be applied to an award in a subsequent year. The EACC shall provide  
1777 the commissioner with the documentation that the commissioner deems necessary to confirm  
1778 compliance with the annual cap and the commissioner shall provide a report confirming  
1779 compliance to the secretary of administration and finance and the secretary of housing and  
1780 economic development.

1781 (4) A taxpayer entitled to a credit under this subsection for a taxable year may, to  
1782 the extent authorized by the EACC, carry over and apply to the tax liability imposed by this  
1783 chapter for any of the next succeeding 10 taxable years the portion, as reduced from year to year,  
1784 of those credits that exceed the tax liability imposed by this chapter for the taxable year;  
1785 provided, however, that the taxpayer shall not apply the credit to the tax liability imposed by this  
1786 chapter for a taxable year beginning more than 5 years after the certified project ceases to qualify  
1787 as a certified project under chapter 23A; and provided further, that notwithstanding the  
1788 foregoing, the EACC may limit or restrict the carryover of credits under section 3D of said  
1789 chapter 23A.

1790 (5) For the purposes of this subsection, the commissioner may aggregate the  
1791 activities of entities, whether or not incorporated, under common control as established in 26  
1792 U.S.C. 41(f).

1793                   (6) The commissioner shall promulgate the rules and regulations necessary to  
1794 implement this subsection including, but not limited to, provisions to prevent the generation of  
1795 multiple credits with respect to the same property.

1796                   (7) If a credit allowed under paragraph (2) is designated by the EACC as a  
1797 refundable credit, the credit shall first be applied against the tax liability of the taxpayer imposed  
1798 by this chapter and 100 per cent of the balance of the credit may, at the option of the taxpayer  
1799 and to the extent authorized by the EACC, be refundable to the taxpayer. In each case, the EACC  
1800 shall specify the timing of the refund which may be for the taxable year in which all or a portion  
1801 of the certified project is placed in service or the taxable year subsequent to the year in which the  
1802 required jobs are created. If the credit balance is refunded to the taxpayer, the credit carryover  
1803 provisions of paragraph (4) shall not apply.

1804                   (8) If the EACC revokes the certification of a project under section 3F of chapter  
1805 23A, a portion of the tax credit otherwise allowed by this section and claimed by the taxpayer  
1806 prior to the date on which EACC makes the determination to revoke its certification of the  
1807 project shall be added back as additional tax due and shall be reported as such on the return of  
1808 the taxpayer for the taxable period in which the EACC makes the determination to revoke the  
1809 certification of the project. The amount of credits subject to recapture shall be proportionate to  
1810 the taxpayer's compliance with the job creation requirements applicable to the certified project.  
1811 The taxpayer's proportion of compliance shall be determined by the EACC as part of its  
1812 revocation process and shall be reported to the taxpayer and the department of revenue at the  
1813 time that certification is revoked.

1814 (9) If a certified project is sold or otherwise disposed of, a tax credit allowed  
1815 under this subsection may be transferred to the purchaser of the certified project; provided,  
1816 however, that the EDIP contract shall be assigned to and assumed by the purchaser of the  
1817 certified project and the assignment and assumption shall be approved in writing by the EACC.

1818 (10) Nothing in this subsection shall limit the authority of the commissioner to  
1819 make an adjustment to a taxpayer's liability upon audit.

1820 SECTION 68. Said section 6 of said chapter 62 is hereby further amended by striking  
1821 out, in line 893, as so appearing, the word "ten" and inserting in place thereof the following  
1822 figure:- 25.

1823 SECTION 69. Said section 6 of said chapter 62 is hereby further amended by striking  
1824 out, in line 894, as so appearing, the words "substantial rehabilitation" and inserting in place  
1825 thereof the following word:- project.

1826 SECTION 70. Said section 6 of said chapter 62 is hereby further amended by striking  
1827 out, in line 905, and in lines 939 and 940, as so appearing, the word "rehabilitation" and inserting  
1828 in place thereof, in each instance, the following word:- project.

1829 SECTION 71. Said section 6 of said chapter 62 is hereby further amended by striking  
1830 out, in lines 923 and 935, as so appearing, the figure "5" and inserting in place thereof, in each  
1831 instance, the figure:- 10.

1832 SECTION 72. Said section 6 of said chapter 62, as most recently amended by section 1  
1833 of chapter 52 of the acts of 2015, is hereby further amended by adding the following subsection:-

1834 (t)(1) As used in this subsection, the following words shall have the following meanings  
1835 unless the context clearly requires otherwise:-

1836 “Business”, a profession, sole proprietorship, trade partnership, corporation, general  
1837 partnership, limited liability company, limited partnership, joint venture, business trust, public  
1838 benefit corporation, non-profit entity or other business entity.

1839 “Gateway municipality”, a gateway municipality as defined in section 3A of chapter 23A.

1840 “Qualifying business”, a business which: (i) has its principal place of business in the  
1841 commonwealth; (ii) has at least 50 per cent of its employees located in the business’s principal  
1842 place of business; (iii) has a fully developed business plan that includes all appropriate long-term  
1843 and short-term forecasts and contingencies of business operations, including research and  
1844 development, profit, loss and cash flow projections and details of angel investor funding; (iv)  
1845 employs 20 or fewer full-time employees at the time of the taxpayer investor’s initial qualifying  
1846 investment as provided for in paragraph (2); (v) has a federal tax identification number; and (vi)  
1847 has gross revenues equal to or less than \$500,000 in the fiscal year prior to eligibility.

1848 “Qualifying investment”, a monetary investment that is at risk and is not secured or  
1849 guaranteed; provided, however, that a qualifying investment shall not include venture capital  
1850 funds, hedge funds or commodity funds with institutional investors or investments in a business  
1851 involved in retail, real estate, professional services, gaming or financial services.

1852 “Taxpayer investor”, an accredited investor, as defined by the United States Securities  
1853 and Exchange Commission pursuant to 15 USC section 77b(15)(ii) who is not the principal  
1854 owner of the qualifying business and who is involved in the qualifying business as a full-time  
1855 professional activity.

1856           (2) A taxpayer investor who makes a qualifying investment in a qualifying business may  
1857 be allowed a credit against the taxes imposed by this chapter in an amount equal to 20 per cent of  
1858 the amount of the taxpayer's qualifying investment. A taxpayer investor who makes a qualifying  
1859 investment in a qualifying business with its principal place of business located in a gateway  
1860 municipality may be allowed a credit against the taxes imposed by this chapter in an amount  
1861 equal to 30 per cent of the amount of the taxpayer's qualifying investment. Taxpayer investors  
1862 may invest up to \$125,000 per qualifying business per year with a \$250,000 maximum for each  
1863 qualifying business. The total of all tax credits available to a taxpayer investor pursuant to this  
1864 subsection shall not exceed \$50,000 in a single calendar year.

1865           (3) Qualifying investments may be used by a qualifying business for the following  
1866 purposes: (i) capital improvements; (ii) plant equipment; (iii) research and development; and (iv)  
1867 working capital. Qualifying investments shall not be used to pay dividends, fund or repay  
1868 shareholders' loans, redeem shares, repay debt or pay wages or other benefits of the taxpayer  
1869 investor.

1870           (4) The credits allowed pursuant to paragraph (2) may be taken against income tax due in  
1871 either the tax year of the initial investment or in any of the 3 subsequent taxable years. Any  
1872 amount of the tax credit that exceeds the tax due for a taxable year may be carried forward by the  
1873 taxpayer investor to any of the 3 subsequent taxable years. If the qualifying business ceases to  
1874 have its principal place of business in the commonwealth within that 3 year period, the taxpayer  
1875 investor shall not claim any further credits and shall repay the total amount of credits claimed to  
1876 the commonwealth.



1877 (5) The Massachusetts Life Sciences Center, in consultation with the executive office of  
1878 housing and economic development and the commissioner, shall authorize, administer and  
1879 determine eligibility for this tax credit and allocate the credit in accordance with the standards  
1880 and requirements set forth in regulations promulgated pursuant to this subsection, and with the  
1881 goal of creating and maintaining jobs including, but not limited to, jobs in the following sectors:  
1882 digital e-health, information technology and healthcare. Tax credits authorized pursuant to this  
1883 subsection shall be subject to the annual cumulative cap pursuant to subsection (d) of section 5 of  
1884 chapter 23I.

1885 (6) The commissioner, the Massachusetts Life Sciences Center and the executive office  
1886 of housing and economic development shall promulgate regulations necessary to carry out this  
1887 subsection.

1888 SECTION 73. Subsection (a) of section 6I of said chapter 62, as appearing in the 2014  
1889 Official Edition, is hereby amended by inserting after the definition of “Median income” the  
1890 following definition:-

1891 “Qualified donation”, real or personal property given to a sponsor for the use of  
1892 purchasing, constructing or rehabilitating a qualified Massachusetts project.

1893 SECTION 74. Said subsection (a) of said section 6I of said chapter 62, as so appearing,  
1894 is hereby further amended by inserting after the definition of “Regulatory agreement” the  
1895 following definition:-

1896 “Sponsor”, a nonprofit organization which: (i) has been issued a ruling from the United  
1897 States Internal Revenue Service that the organization is exempt from income taxation pursuant to  
1898 section 501(c)(3) of the Internal Revenue Code; (ii) has material control over the operations of a

1899 qualified Massachusetts project; and (iii) either: (1) is a certified Community Development  
1900 Corporation as defined in chapter 40H; (2) is a certified Community Housing Development  
1901 Organization pursuant to 24 CFR section 92.2; or (3) is determined by the department to have a  
1902 history of successful development of affordable housing projects in the commonwealth.

1903 SECTION 75. Subsection (b) of said section 6I of said chapter 62, as so appearing, is  
1904 hereby amended by adding the following paragraph:-

1905 (4) The department may allocate Massachusetts low-income housing tax credits pursuant  
1906 to this section for a qualified donation by a taxpayer. The total Massachusetts low-income  
1907 housing tax credit available to a taxpayer for a qualified donation shall be equal to 50 per cent of  
1908 the donation's value as determined by the department; provided, however, that the department  
1909 may increase the amount of available credit for a qualified donation to not more than 65 per cent  
1910 of the donation's value if it deems the increase to be necessary to the project's viability.

1911 For the purposes of counting an authorization of a Massachusetts low-income housing tax  
1912 credit towards the total sum that the department may authorize annually pursuant to part (i) of  
1913 paragraph (1) of subsection (b), the department and the commissioner shall count any amount of  
1914 Massachusetts low-income housing tax credit authorized to a taxpayer for a qualified donation as  
1915 1/5 of the amount authorized for the qualified donation.

1916 SECTION 76 Said section 6I of said chapter 62, as so appearing, is hereby further  
1917 amended by inserting after the word "project", in line 81, the following words:- , whether by  
1918 qualified donation or otherwise.

1919 SECTION 77. Subsection (c) of said section 6I of said chapter 62, as so appearing, is  
1920 hereby amended by striking out paragraph (3) and inserting in place thereof the following  
1921 paragraph:-

1922 (3) The Massachusetts low-income housing tax credit authorized to a taxpayer with  
1923 respect to a qualified Massachusetts project other than a qualified donation shall be taken against  
1924 the taxes imposed pursuant to this chapter, claimed equally for 5 years and subtracted from the  
1925 amount of state tax otherwise due for each taxable period and shall not be refundable.

1926 The Massachusetts low-income housing tax credit authorized to a taxpayer with respect  
1927 to a qualified Massachusetts project attributable to a qualified donation shall be taken against the  
1928 taxes imposed pursuant to this chapter, claimed in a single year and subtracted from the amount  
1929 of state tax otherwise due for the taxable year and shall not be refundable.

1930 Any amount of the low-income housing tax credit, whether by qualified donation or  
1931 otherwise, that exceeds the tax due for a taxable year may be carried forward to any of the 5  
1932 subsequent taxable years.

1933 SECTION 78. Section 6M of said chapter 62, inserted by section 29 of chapter 238 of  
1934 the acts of 2012, is hereby amended by striking out, in line 89, as so appearing, the words “as  
1935 defined in section 3A” and inserting in place thereof the following words:- designated under  
1936 section 3G.

1937 SECTION 79. Paragraph (4) of subsection (c) of said section 6M of said chapter 62, as so  
1938 inserted, is hereby amended by striking out, in lines 155 and 156, the words “it has utilized at  
1939 least 95 per cent of the 3 year total of” and inserting in place thereof the following words:- the  
1940 department has determined that it has made satisfactory progress toward utilizing.

1941 SECTION 80. Subsection (a) of section 31H of chapter 63 of the General Laws, as  
1942 appearing in the 2014 Official Edition, is hereby amended by inserting after the definition of  
1943 “Median income”, the following definition:-

1944 “Qualified Donation”, real or personal property given to a sponsor to purchase, construct,  
1945 or rehabilitate a qualified Massachusetts project.

1946 SECTION 81. Said subsection (a) of said section 31H of said chapter 63, as so appearing,  
1947 is hereby further amended by inserting after the definition of “Regulatory agreement” the  
1948 following definition:-

1949 “Sponsor”, a nonprofit organization which: (i) has been issued a ruling from the United  
1950 States Internal Revenue Service that the organization is exempt from income taxation pursuant to  
1951 section 501(c)(3) of the Internal Revenue Code; (ii) has material control over the operations of a  
1952 qualified Massachusetts project; and (iii) either (A) is a certified Community Development  
1953 Corporation, as defined in chapter 40H; (B) is a certified Community Housing Development  
1954 Organization pursuant to 24 CFR section 92.2; or (C) is determined by the department to have a  
1955 history of successful development of affordable housing projects in the commonwealth.

1956 SECTION 82. Subsection (b) of said section 31H of said chapter 63, as so appearing, is  
1957 hereby amended by adding the following paragraph:-

1958 (4) The department may allocate Massachusetts low-income housing tax credits pursuant  
1959 to this section for a qualified donation by a taxpayer. The total Massachusetts low-income  
1960 housing tax credit available to a taxpayer for a qualified donation shall be equal to 50 per cent of  
1961 the donation’s value, as determined by the department; provided, however, that the department

1962 may increase the amount of available credit for a qualified donation to not more than 65 per cent  
1963 of the donation's value if it deems the increase to be necessary to the project's viability.

1964 For the purposes of counting an authorization of Massachusetts low-income housing tax  
1965 credit towards the total sum that the department may authorize annually pursuant to part (i) of  
1966 paragraph (1) of subsection (b), the department and the commissioner shall count any amount of  
1967 Massachusetts low-income housing tax credit authorized to a taxpayer for a qualified donation as  
1968 1/5 of the amount authorized for the qualified donation.

1969 SECTION 83. Said section 31H of said chapter 63, as so appearing, is hereby further  
1970 amended by inserting after the word "project", in line 83, the following words:- , whether by  
1971 qualified donation or otherwise.

1972 SECTION 84. Subsection (c) of said section 31H of said chapter 63, as so appearing, is  
1973 hereby amended by striking out paragraph (3) and inserting in place thereof the following  
1974 words:-

1975 (3) The Massachusetts low-income housing tax credit authorized to a taxpayer with  
1976 respect to a qualified Massachusetts project other than a qualified donation shall be taken against  
1977 the taxes imposed pursuant to this chapter, claimed equally for 5 years and subtracted from the  
1978 amount of state tax otherwise due for each taxable period and shall not be refundable.

1979 The Massachusetts low-income housing tax credit authorized to a taxpayer with respect  
1980 to a qualified Massachusetts project attributable to a qualified donation shall be taken against the  
1981 taxes imposed pursuant to this chapter, claimed in a single year and subtracted from the amount  
1982 of state tax otherwise due for the taxable year and shall not be refundable.

1983 Any amount of the low-income housing tax credit, whether by qualified donation or  
1984 otherwise, that exceeds the tax due for a taxable year may be carried forward to any of the 5  
1985 subsequent taxable years.

1986 SECTION 85. Said chapter 63 is hereby further amended by striking out section 38N, as  
1987 so appearing, and inserting in place thereof the following section:-

1988 Section 38N. (a)(1) As used in this section, “Certified project”, “EACC”, “EDIP  
1989 contract” and “Gateway municipality” shall have the same meanings as ascribed to them in  
1990 section 3A of chapter 23A.

1991 (b) A corporation subject to tax under this chapter that is the controlling business of a  
1992 certified project, or an affiliate of a controlling business, may take a credit against the excise  
1993 imposed by this chapter to the extent that the credit is authorized by the EACC, up to an amount  
1994 equal to 50 per cent of the liability in a taxable year; provided, however, that the 50 per cent  
1995 limitation shall not apply where the credit is refundable under subsection (d). The amount of the  
1996 credit shall be determined by EACC under section 3D of said chapter 23A and other criteria or  
1997 guidelines that the council shall from time to time adopt; provided, however, that a credit  
1998 awarded in connection with a certified project that will retain permanent full-time employees in a  
1999 gateway municipality without creating a net increase in permanent full-time employees shall not  
2000 exceed \$5,000 per retained employee. A credit allowed under this section shall be taken only  
2001 after the corporation executes an EDIP contract under said section 3D of said chapter 23A.

2002 (c) The total amount of credits that may be authorized by the EACC in a calendar year  
2003 pursuant to this section and subsection (g) of section 6 of chapter 62 shall not exceed  
2004 \$30,000,000 annually; provided, however, that the total amount shall not include credits under

2005 section 38BB of this chapter or subsection (q) of said section 6 of said chapter 62; and provided  
2006 further, that the total amount shall include: (i) refundable credits granted during the year under  
2007 this section or said subsection (g) or said section (6) of said chapter 62; (ii) nonrefundable credits  
2008 granted during the year under this section or said subsection (g) or said section (6) of said  
2009 chapter 62 to the extent that such nonrefundable credits are estimated by the commissioner of  
2010 revenue to offset tax liabilities during the year; and (iii) carryforwards of credits from prior years  
2011 under this section or said subsection (g) of said section 6 of said chapter 62 to the extent that  
2012 such credit carryforwards, if any, are estimated by the commissioner of revenue to offset tax  
2013 liabilities during the year. A portion of the annual cap not awarded by the EACC in a calendar  
2014 year shall not be applied to awards in a subsequent year.

2015           The economic assistance coordinating council shall provide the commissioner of revenue  
2016 with the documentation that the commissioner deems necessary to confirm compliance with the  
2017 annual cap and the commissioner shall provide a report confirming compliance to the secretary  
2018 of administration and finance and the secretary of housing and economic development.

2019           The credit allowed under this section may be taken by an eligible corporation; provided,  
2020 however, that the credit allowed by section 31A or 31H shall not be taken by such a corporation.

2021           (d) A corporation entitled to a credit under this section for a taxable year may, to the  
2022 extent authorized by the EACC, carry over and apply to the tax liability imposed by this chapter  
2023 for any of the next succeeding 10 taxable years the portion, as reduced from year to year, of  
2024 those credits that exceed the tax liability imposed by this chapter for the taxable year; provided,  
2025 however, that the corporation shall not apply the credit to the tax liability imposed by this  
2026 chapter for a taxable year beginning more than 5 years after the certified project ceases to qualify

2027 as a certified project under chapter 23A; and provided further, that notwithstanding the  
2028 foregoing, the economic assistance coordinating council may limit or restrict carryover of credits  
2029 under section 3D of said chapter 23A.

2030 (e) If a credit allowed under subsection (b) is designated by the EACC as a refundable  
2031 credit, the credit shall first be applied against the tax liability of the corporation under this  
2032 chapter and 100 per cent of the balance of the credit may, at the option of the corporation and to  
2033 the extent authorized by the EACC, be refundable to the corporation. In each case, the EACC  
2034 shall specify the timing of the refund which may be for the taxable year in which all or a portion  
2035 of the certified project is placed in service or the taxable year subsequent to the year in which the  
2036 required jobs are created. If the credit balance is refunded to the corporation, the credit carryover  
2037 provisions of subsection (d) shall not apply.

2038 (f) If a corporation is subject to a minimum excise under this chapter, the amount of the  
2039 credit allowed by this section shall not reduce the excise to an amount less than the minimum  
2040 excise.

2041 (g) If corporations file a combined return of income under section 32B, a credit generated  
2042 by an individual member corporation under this section shall first be applied against the  
2043 separately determined excise attributable to that member except as otherwise provided in this  
2044 section. A member corporation with an excess credit may apply its excess credit against the  
2045 excise of another group member to the extent that the other member corporation can use  
2046 additional credits. An unused, unexpired credit generated by a member corporation shall be  
2047 carried over from year to year by the individual corporation that generated the credit to the extent  
2048 authorized by the EACC.



2049 (h) The commissioner of revenue may promulgate rules and regulations necessary to  
2050 implement this section including, but not limited to, provisions to prevent the generation of  
2051 multiple credits with respect to the same property.

2052 (i) If the EACC revokes the certification of a project under section 3F of chapter 23A, a  
2053 portion of the tax credit otherwise allowed by this section and claimed by the corporation prior to  
2054 the date on which the EACC makes the determination to revoke its certification of the project  
2055 shall be added back as additional tax due and shall be reported as such on the return of the  
2056 corporation for the taxable period in which the EACC makes the determination to revoke the  
2057 certification of the project. The amount of credits subject to recapture shall be proportionate to  
2058 the corporation's compliance with the job creation requirements applicable to the certified  
2059 project. The corporation's proportion of compliance shall be determined by the EACC as part of  
2060 its revocation process and shall be reported to the corporation and the department of revenue at  
2061 the time certification is revoked.

2062 (j) If a certified project is sold or otherwise disposed of, a tax credit allowed under this  
2063 section may be transferred to the purchaser of the certified project; provided, however, that the  
2064 EDIP contract shall be assigned to and assumed by the purchaser of the certified project and the  
2065 assignment and assumption shall be approved in writing by the EACC.

2066 (k) Nothing in this section shall limit the authority of the commissioner of revenue to  
2067 make an adjustment to a corporation's liability upon audit.

2068 SECTION 86. Section 38O of said chapter 63, as so appearing, is hereby amended by  
2069 striking out, in lines 4 and 5, the words "as defined by section 3A" and inserting in place thereof  
2070 the following words:- designated under section 3G.

2071 SECTION 87. Section 38R of said chapter 63, as so appearing, is hereby amended by  
2072 inserting after the word “criteria”, in line 45, the following words:- ; provided, however, that the  
2073 Massachusetts historical commission shall ensure the award of tax credits pursuant to this section  
2074 to allow a taxpayer that acquires a qualified historic structure to receive any tax credits for  
2075 qualified rehabilitation expenditures previously awarded to the transferor of the qualified historic  
2076 structure if: (A) the rehabilitation was not placed in service by the transferor; (B) no credit has  
2077 been claimed by anyone other than the acquiring taxpayer as verified by the department of  
2078 revenue to the commission; (C) the taxpayer completes the rehabilitation and obtains  
2079 certification as provided in this section; and (D) the taxpayer conforms with all other  
2080 requirements of this section; and provided further, that in the case of a multi-phase project, tax  
2081 credits may be transferred for any phase that meets the criteria in subclauses (A) to (D),  
2082 inclusive.

2083 SECTION 88. Section 38BB of said chapter 63, as so appearing, is hereby amended by  
2084 striking out, in line 5, the figure “10” and inserting in place thereof the following figure:- 25.

2085 SECTION 89. Said section 38BB of said chapter 63, as so appearing, is hereby further  
2086 amended by striking out, in line 6, the words “substantial rehabilitation” and inserting in place  
2087 thereof the following word:- project.

2088 SECTION 90. Said section 38BB of said chapter 63, as so appearing, is hereby further  
2089 amended by striking out, in line 17, and in lines 38 and 39, the word “rehabilitation” and  
2090 inserting in place thereof, in each instance, the following word:- project.

2091 SECTION 91. Said section 38BB of said chapter 63, as so appearing, is hereby further  
2092 amended by striking out, in lines 23 and 34, the figure “5” and inserting in place thereof, in each  
2093 instance, the following figure:- 10.

2094 SECTION 92. Section 38EE of said chapter 63, as so appearing, is hereby amended by  
2095 striking out, in line 76, the words “as defined in section 3A” and inserting in place thereof the  
2096 following words:- designated under section 3G.

2097 SECTION 93. Said section 38EE of said chapter 63, as so appearing, is hereby further  
2098 amended by striking out, in lines 141 and 142, the words “it has utilized at least 95 per cent of  
2099 the 3-year total of” and inserting in place thereof the following words:- the department has  
2100 determined that it has made satisfactory progress toward utilizing.

2101 SECTION 94. Chapter 74 of the General Laws is hereby amended by adding the  
2102 following section:-

2103 Section 57. Subject to appropriation, the board of higher education shall establish and  
2104 maintain, in cooperation with local public and vocational school authorities, postsecondary  
2105 technical schools and the boards of trustees of community colleges, a program to support training  
2106 and education programs that address the workforce shortages of the advanced automotive and  
2107 diesel technician industry with the goal of training students, creating new jobs, retaining and  
2108 upgrading existing jobs, and retraining existing workers to implement new technologies and to  
2109 help meet the workforce and talent pipeline needs of employers including, but not limited to, a  
2110 person who has obtained a Class 1 license pursuant to sections 58 and 59 of chapter 140.

2111 There shall be, subject to appropriation, a grant program to implement this section to  
2112 which employers shall have access to:

2113 (i) identify, support or establish collaborative regional partnerships including, but not  
2114 limited to, employers, workforce development and education organizations, regional economic  
2115 development organizations established pursuant to sections 3J and 3K of chapter 23A and  
2116 economic development officials in every region where Class 1 licensees and related industries  
2117 demonstrate demand for automotive and diesel repair technicians;

2118 (ii) address critical workforce shortages in the automotive and diesel repair industry;

2119 (iii) improve and increase employment opportunities in the automotive and diesel repair  
2120 industry for low-income individuals, women and minorities;

2121 (iv) provide training and educational or career ladder services for employed or  
2122 unemployed automotive and diesel repair workers who are seeking new positions or  
2123 responsibilities within the automotive and diesel repair industry;

2124 (v) increase support for internship and apprentice training at facilities associated with  
2125 Class 1 licensees;

2126 (vi) boost industry-relevant instructor capacity for high school and postsecondary  
2127 programs; and

2128 (vii) direct support for succession planning, worker retention and upskilling strategies for  
2129 older and incumbent workers.

2130 For the purposes of the grant program, “eligible applicants” shall include, but not be  
2131 limited to: (i) employers and employer associations; (ii) local workforce investment boards; (iii)  
2132 institutions of higher education; (iv) kindergarten to grade 12, inclusive, and vocational  
2133 education institutions; (v) private for-profit and nonprofit organizations providing education and

2134 workforce training; (vi) 1-stop career centers; (vii) local workforce development entities; and  
2135 (viii) any partnership or collaboration between eligible applicants. Any funds allocated through  
2136 the program shall complement and not replace existing local, state, private or federal funding for  
2137 training and educational programs.

2138 A grant proposal submitted pursuant to this section shall include, but not be limited to:

2139 (i) a plan that defines specific goals for advanced automotive and diesel repair technology  
2140 workforce training and educational improvements;

2141 (ii) the evidence-based programs the applicant shall use to meet the goals;

2142 (iii) a budget necessary to implement the plan, including a detailed description of any  
2143 funding or in-kind contributions that an applicant will be providing in support of the proposal;

2144 (iv) any other private funding or private sector participation that the applicant anticipates  
2145 in support of the proposal; and

2146 (v) the proposed number of individuals who would be enrolled, complete training and be  
2147 placed into employment in the targeted industries.

2148 The board of higher education shall, in consultation with the executive office of housing  
2149 and economic development, executive office of labor and workforce development, the  
2150 department of education and entities representing parties who are eligible to participate in the  
2151 grant program, develop guidelines for an annual review of the progress being made by each  
2152 grantee. A grantee shall participate in any evaluation or accountability process implemented by  
2153 or authorized by the commonwealth corporation. The board shall file annual reports for the  
2154 duration of the programs with the chairs of the house and senate committee on ways and means,

2155 the chairs of the joint committee on labor and workforce development and the chairs of the joint  
2156 committee on economic development and emerging technologies not later than January 1;  
2157 provided, however, that the report shall include an overview of the activities of the programs, the  
2158 number of participants in the programs and the employment outcomes in the programs.

2159 SECTION 95. Section 225 of chapter 112 of the General Laws, as appearing in the 2014  
2160 Official Edition, is hereby amended by striking out, in line 26, the word “three” and inserting in  
2161 place thereof the following figure:- 2.

2162 SECTION 96. Section 6 of chapter 136 of the General Laws, as so appearing, is hereby  
2163 amended by striking out clause (31) and inserting in place thereof the following clause:-

2164 (31) The transport or delivery of goods in commerce, or for consideration, by motor truck  
2165 or trailer or other means, and the performance of all activities incidental thereto, including the  
2166 operation of all facilities and warehousing, necessary to prepare, stage, and effect such transport  
2167 or delivery; or the loading or unloading of same and the performance of labor, business and work  
2168 directly or indirectly related thereto.

2169 SECTION 96A. Chapter 138 of the General Laws is hereby amended by striking out  
2170 section 2A, inserted by section 42 of chapter 52 of the acts of 2016, and inserting in place  
2171 thereof the following section:-

2172 Section 2A. No person shall sell, offer for sale, manufacture or possess powdered  
2173 alcohol. Whoever violates this section shall be punished by a fine of not less than \$100 or more  
2174 than \$1,000.

2175           This section does not apply to (A) the use of powdered alcohol as an ingredient in non-  
2176 powdered products or (B) the production of, sale, offering to sell, or delivery, receipt or  
2177 purchasing for resale, powdered alcohol for the use as an ingredient in non-powdered products.

2178           SECTION 97. Section 12 of said chapter 138, as appearing in the 2014 Official Edition,  
2179 is hereby amended by striking out the second paragraph.

2180           SECTION 98. Section 15 of said chapter 138, as so appearing, is hereby amended by  
2181 striking out, in lines 97 and 149, the words “or connected therewith” and inserting in place  
2182 thereof, in each instance, the following words:- ; provided, however, that a common victualler  
2183 duly licensed to operate a restaurant under chapter 140 and holding a license under section 12  
2184 may be connected to premises licensed under this section if at least 50 per cent of the revenue  
2185 generated at the premises licensed under this section is derived from the sale of grocery items as  
2186 defined in section 184B of chapter 94; and provided further, that the connection between and the  
2187 design of the 2 locations so licensed, including interior connections, which shall be allowed,  
2188 shall clearly delineate the 2 premises in such a way as to: (i) make the boundaries of each  
2189 licensed premises clearly separate and identifiable to customers, alcohol distributors and  
2190 regulatory authorities; (ii) enable the respective licensees to maintain control of the licensed area,  
2191 egress and the sale, storage and service of alcoholic beverages; and (iii) otherwise conform with  
2192 this chapter.

2193           SECTION 99. The introductory paragraph of section 17 of said chapter 138 is hereby  
2194 amended by striking out the eleventh paragraph.

2195           SECTION 100. Said section 17 of said chapter 138 is hereby further amended by striking  
2196 out, in lines 316 and 319, as so appearing, the figure “12.”

2197 SECTION 101. Section 19B of said chapter 138, as so appearing, is hereby amended by  
2198 striking out, in lines 108 and 109, the words “section twelve of this chapter” and inserting in  
2199 place thereof the following words:- this section.

2200 SECTION 102. Said section 19B of said chapter 138, as so appearing, is hereby further  
2201 amended by striking out subsection (n) and inserting in place thereof the following subsection:-

2202 (n) Notwithstanding section 17, a local licensing authority, subject to the approval of the  
2203 commission, may grant a license to sell wine for consumption on the premises of a location that  
2204 it deems reasonable and proper, and approves in writing, on the grounds of a farmer-winery  
2205 licensed under this section and on the grounds of the vineyards operated as appurtenant and  
2206 contiguous to, and in conjunction with, the farmer-winery; provided, however, that a licensee  
2207 may sell, for on-premises consumption only, wines produced by the winery or produced for the  
2208 winery and sold under the winery brand name. Section 15A shall apply to the granting of a  
2209 license under this subsection.

2210 SECTION 103. Section 19C of said chapter 138, as so appearing, is hereby amended by  
2211 striking out subsection (n) and inserting in place thereof the following subsection:-

2212 (n) Notwithstanding section 17, a local licensing authority, subject to the approval of the  
2213 commission, may grant a license to sell malt beverages for consumption on the premises at any  
2214 location it deems reasonable and proper, and approves in writing, on the grounds of a farmer-  
2215 brewery licensed under this section and on the grounds of the farm operated as appurtenant and  
2216 contiguous to, and in conjunction with, such farmer-brewery; provided, however, that such  
2217 licensees may sell for on-premises consumption only malt beverages produced by the brewery or



2218 produced for the brewery and sold under the brewery brand name. All the procedures under  
2219 section 15A shall apply to the granting of a license under this subsection.

2220 SECTION 104. Section 19E of said chapter 138, as so appearing, is hereby amended by  
2221 striking out subsection (o) and inserting in place thereof the following subsection :-

2222 (o) Notwithstanding section 17, a local licensing authority, subject to the approval of the  
2223 commission, may grant a license to sell distilled spirits for consumption on the premises at any  
2224 location it deems reasonable and proper, and approves in writing, on the grounds of a farmer-  
2225 distillery licensed under this section and on the grounds of the farm operated as appurtenant and  
2226 contiguous to, and in conjunction with, such farmer-distillery; provided, however, that such  
2227 licensees may sell for on-premises consumption only distilled spirits produced by the distillery or  
2228 produced for the distillery and sold under the distillery brand name. All the procedures under  
2229 section 15A of this chapter shall apply to the granting of a license under this subsection.

2230 SECTION 105. Said chapter 138 is hereby further amended by inserting after section  
2231 19G the following section:-

2232 Section 19H. Notwithstanding section 17, a local licensing authority, subject to the  
2233 approval of the commission, may grant a license under this section to any person that holds any  
2234 combination of a farmer-winery license under section 19B, a farmer-brewery license under  
2235 section 19C or a farmer-distillery license under section 19E, may be granted a license under this  
2236 section to sell, for on-premises consumption, any alcoholic beverages produced by its said  
2237 section 19B, 19C or 19E license or produced for the said section 19B, 19C or 19E licensee and  
2238 sold under the licensee's brand name, on any of its premises licensed under said section 19B,  
2239 19C or 19E, and on the grounds of the farm operated as appurtenant and contiguous to, and in

2240 conjunction with, such premises; provided, however, that these premises are operated  
2241 appurtenant and contiguous to each other.

2242 SECTION 106. Section 33 of said chapter 138, as appearing in the 2014 Official  
2243 Edition, is hereby amended by striking out, in lines 14 and 15, 17 and 18, 24 and 25, and 27 and  
2244 28, each time they appear, the words “or on the day following when Christmas occurs on a  
2245 Sunday”.

2246 SECTION 106A. Said section 33 of said chapter 138, as so appearing, is hereby further  
2247 amended by inserting after the word “May”, in lines 23 and 26, in each instance, the following  
2248 words:- before 12:00 noon.

2249 SECTION 107. Section 30 of chapter 151A of the General Laws, as so appearing, is  
2250 hereby amended by striking out, in line 43, the word “fifteenth” and inserting in place thereof the  
2251 following word:- twentieth.

2252 SECTION 108. Said section 30 of said chapter 151A, as so appearing, is hereby further  
2253 amended by striking out, in line 45, the words “15 week application period shall be tolled” and  
2254 inserting in place thereof the following words:- 20-week application period shall be tolled and  
2255 the circumstances under which the application deadline may be waived for good cause.

2256 SECTION 109. Said section 30 of said chapter 151A, as so appearing, is hereby further  
2257 amended by inserting after the word “denied”, in line 55, the following words:- ; provided  
2258 further, that, if the claim for regular benefits was denied and the reversal of said denial did not  
2259 occur until after the thirty-first week of the claimant’s benefit year, the claimant shall not be  
2260 barred from applying for and commencing training, even if the benefit year has expired, so long

2261 as the claimant applies for training within 21 weeks of the notice of reversal and commences  
2262 training with the first available program.

2263 SECTION 110. Said section 30 of said chapter 151A, as so appearing, is hereby further  
2264 amended by striking out the last paragraph and inserting in place thereof the following  
2265 paragraph:-

2266 The department shall provide each claimant with written information regarding eligibility  
2267 for benefits under this section in the claimant's primary language, as required under section 62A,  
2268 including a notification that a claimant shall submit any application for benefits under this  
2269 section no later than the twentieth week of a new or continued claim unless the period is tolled  
2270 by regulation or waived for good cause.

2271 SECTION 111. The first paragraph of section 6B of chapter 159B of the General Laws,  
2272 as so appearing, is hereby amended by adding the following sentence:- The department shall  
2273 issue a decision on a written request for adjustment of the maximum charges not more than 12  
2274 months after its receipt of that request.

2275 SECTION 112. Chapter 161C of the General Laws is hereby amended by adding the  
2276 following section:-

2277 Section 8. Notwithstanding any general or special law to the contrary, the secretary of  
2278 transportation may offer and convey surplus rail and other track material, surplus rail-related  
2279 equipment, such as signals, and surplus railroad bridge materials to freight railroads operating on  
2280 tracks in the commonwealth to which they have rights and to the freight railroads operating on  
2281 in-state tracks owned by the commonwealth. Working in concert with the Massachusetts  
2282 Railroad Association, the Massachusetts Department of Transportation shall design and

2283 implement a fair, reasonable and orderly system to distribute the surplus assets; provided,  
2284 however, that the department may change that system, as needed, in order to improve it in any  
2285 way consistent with the objectives of the reuse program. The assets shall only be conveyed to a  
2286 railroad which has demonstrated an impending need for the assets at a specific in-state location.  
2287 The secretary shall cause to be created and published periodically a list of surplus rail assets  
2288 which may be made available through the department or from department projects and from  
2289 Massachusetts Bay Transportation Authority projects to the freight railroad companies operating  
2290 in the commonwealth.

2291 SECTION 113. Section 141 of chapter 175 of the General Laws, as appearing in the  
2292 2014 Official Edition, is hereby amended by striking out, in line 4, the word “twelve” and  
2293 inserting in place thereof the following figure:- 20.

2294 SECTION 114. Subsection (a) of section 162M of said chapter 175, as so appearing, is  
2295 hereby amended by inserting after paragraph (7) the following paragraph :-

2296 (7 1/2) Travel, limited line travel insurance, as defined in section 162Z.

2297 SECTION 115. Said chapter 175 is hereby further amended by inserting after section  
2298 162Y the following section:-

2299 Section 162Z. (a) As used in this section, the following words shall have the following  
2300 meanings unless the context clearly requires otherwise:

2301 “Designated responsible producer” or “DRP”, a person responsible for the limited lines  
2302 travel insurance producer’s compliance with the travel insurance laws, rules and regulations.

2303 “Limited lines travel insurance producer”, a (i) managing general underwriter; (ii)  
2304 managing general agent or third-party administrator; or (iii) licensed insurance producer,  
2305 including a limited lines producer, designated by an insurer as the travel insurance supervising  
2306 entity under subsection (g).

2307 “Offer and disseminate”, to provide general information, including a description of the  
2308 coverage and price, as well as processing the application, collecting premiums and performing  
2309 other permitted non-licensable activities.

2310 “Travel insurance”, insurance coverage for personal risks incidental to planned travel  
2311 including, but not limited to: (i) an interruption or cancellation of trip or event; (ii) loss of  
2312 baggage or personal effects; (iii) damages to accommodations or rental vehicles; or (iv) sickness,  
2313 accident, disability or death occurring during travel; provided, however, that “travel insurance”  
2314 shall not include major medical plans, which provide comprehensive medical protection for  
2315 travelers with trips lasting not less than 6 months, including people working overseas as an  
2316 expatriate or military personnel being deployed.

2317 “Travel retailer”, a business entity that makes, arranges or offers travel services and may  
2318 offer and disseminate travel insurance as a service to its customers on behalf of and under the  
2319 direction of a limited lines travel insurance producer.

2320 (b) (1) The commissioner may issue to an individual or business entity a limited lines  
2321 travel insurance producer license if that individual or business entity has filed an application for  
2322 a limited lines travel insurance producer license with the commissioner in a form and manner  
2323 prescribed by the commissioner. A limited lines travel insurance producer license authorizes a

2324 limited lines travel insurance producer to sell, solicit or negotiate travel insurance through a  
2325 licensed insurer.

2326 (2) A travel retailer may offer and disseminate travel insurance under a limited  
2327 lines travel insurance producer license if the following conditions are met:

2328 (i) the limited lines travel insurance producer or travel retailer provides to  
2329 purchasers of travel insurance: (A) a description of the material terms or the actual material  
2330 terms of the insurance coverage; (B) a description of the process for filing a claim; (C) a  
2331 description of the review or cancellation process for the travel insurance policy; and (D) the  
2332 identity and contact information of the insurer and limited lines travel insurance producer;

2333 (ii) at the time of licensure, the limited lines travel insurance producer  
2334 shall establish and maintain a register, on a form prescribed by the commissioner, of each travel  
2335 retailer that offers travel insurance on the limited lines travel insurance producer's behalf;  
2336 provided, however, that the register shall be maintained and updated annually by the limited lines  
2337 travel insurance producer and shall include the name, address and contact information of the  
2338 travel retailer and an officer or person who directs or controls the travel retailer's operations and  
2339 the travel retailer's federal tax identification number; provided further, that the limited lines  
2340 travel insurance producer shall submit the register to the division of insurance upon reasonable  
2341 request and shall certify that the travel retailer register complies with 18 U.S.C. section 1033;

2342 (iii) the limited lines travel insurance producer has designated 1 of its  
2343 employees, who is a licensed individual producer, as the DRP;

2344 (iv) the DRP, president, secretary, treasurer and any other officer or person  
2345 who directs or controls the limited lines travel insurance producer's insurance operations shall

2346 comply with the fingerprinting requirements applicable to insurance producers in the resident  
2347 state of the limited lines travel insurance producer;

2348 (v) the limited lines travel insurance producer has paid all applicable  
2349 insurance producer licensing fees;

2350 (vi) the limited lines travel insurance producer requires each employee and  
2351 authorized representative of the travel retailer, whose duties include offering and disseminating  
2352 travel insurance, to receive a program of instruction or training, which may be subject to review  
2353 by the commissioner; provided, however, that the training material shall, at a minimum, contain  
2354 instructions on the types of insurance offered, ethical sales practices and required disclosures to  
2355 prospective customers; and

2356 (vii) the limited lines travel insurance producer or travel retailer provides  
2357 its written consumer materials to the commissioner upon reasonable request.

2358 (3) The limited lines travel insurance producer, and those registered under its  
2359 license, are exempt from the examination requirements under section 162K and the continuing  
2360 education requirements under section 177E.

2361 (c) Any travel retailer offering or disseminating travel insurance shall make available to  
2362 prospective purchasers, brochures or other written materials that: (i) provide the identity and  
2363 contact information of the insurer and the limited lines travel insurance producer; (ii) explain that  
2364 the purchase of travel insurance is not required in order to purchase any other product or service  
2365 from the travel retailer; and (iii) explain that an unlicensed travel retailer is permitted to provide  
2366 general information about the insurance offered by the travel retailer, including a description of  
2367 the coverage and price, but is not qualified or authorized to answer technical questions about the

2368 terms and conditions of the insurance offered by the travel retailer or to evaluate the adequacy of  
2369 the customer's existing insurance coverage.

2370 (d) A travel retailer's employee or authorized representative who is not licensed as a  
2371 limited lines travel insurance producer shall not: (i) evaluate or interpret the technical terms,  
2372 benefits and conditions of the offered travel insurance coverage; (ii) evaluate or provide advice  
2373 concerning a prospective purchaser's existing insurance coverage; or (iii) hold oneself out as a  
2374 licensed insurer, licensed producer or insurance expert.

2375 (e) A travel retailer, whose insurance-related activities, and those of its employees and  
2376 authorized representatives, are limited to offering and disseminating travel insurance on behalf of  
2377 and under the direction of a limited lines travel insurance producer, meeting the conditions stated  
2378 in this section, may receive related compensation, not in the form of commissions, upon  
2379 registration by the limited lines travel insurance producer as described in subsection (b).

2380 (f) Travel insurance may be provided under an individual policy or under a group or  
2381 master policy.

2382 (g) As the insurer designee, the limited lines travel insurance producer is responsible for  
2383 the acts of the travel retailer and shall use reasonable means to ensure compliance by the travel  
2384 retailer with this section.

2385 (h) The limited lines travel insurance producer and any travel retailer offering and  
2386 disseminating travel insurance under the limited lines travel insurance producer license shall be  
2387 subject to the: (i) laws regarding unfair methods of competition and unfair and deceptive acts and  
2388 practices in the business of insurance; and (ii) the enforcement provisions applicable to insurance  
2389 producers.



2390 SECTION 116. Section 1 of chapter 176J of the General Laws, as appearing in the 2014  
2391 Official Edition, is hereby amended by inserting after the word “policy”, in line 201, the first  
2392 time it appears, the following words:- ; travel insurance.

2393 SECTION 117. The definition of “Health benefit plan” in said section 1 of said chapter  
2394 176J, as so appearing, is hereby amended by inserting after the third sentence the following 2  
2395 sentences:- Travel insurance for the purpose of this chapter is insurance coverage for personal  
2396 risks incident to planned travel, including but not limited to: (i) interruption or cancellation of  
2397 trip or event; (ii) loss of baggage or personal effects; (iii) damages to accommodations or rental  
2398 vehicles; or (iv) sickness, accident, disability or death occurring during travel, provided that the  
2399 health benefits are not offered on a stand-alone basis and are incidental to other coverages. The  
2400 term, “travel insurance” shall not include major medical plans, which provide comprehensive  
2401 medical protection for travelers with trips lasting 6 months or longer, including for example,  
2402 those working overseas as an ex-patriot or military personnel being deployed.

2403 SECTION 118. Section 13 of said chapter 176J, as so appearing, is hereby amended by  
2404 adding the following subsection:

2405 (d) Notwithstanding this chapter or any other general or special law to the contrary,  
2406 carriers may annually offer group purchasing cooperative members rewards or other incentives  
2407 for participation in wellness programs sponsored by the cooperative. The amount of such  
2408 rewards shall be determined by the carrier in coordination with the provider of the wellness  
2409 program, based upon the promotion and participation of the cooperative and its members in  
2410 sponsored wellness programs that include, among other things, health care education and the use  
2411 of available transparency tools. Any reward established pursuant to this subsection shall be

2412 submitted to the commissioner for informational purposes prior to the payment of any such  
2413 reward. The requirements to qualify for such reward shall be applied equally and consistently to  
2414 all cooperative members, treating all similarly situated cooperative members that have qualified  
2415 for the reward in the same manner.

2416 The commissioner shall study the ability of cooperatives to use other incentives for  
2417 wellness programs within the restrictions of state and federal rating rules and may also consider  
2418 the use of an innovation waiver to pursue such flexibility.

2419 SECTION 119. Chapter 301 of the acts of 1998, as amended by section 37 of chapter  
2420 303 of the acts of 2008, and as further amended by chapter 291 of the acts of 2014, is hereby  
2421 further amended by striking out, in subsection (c) of section 19, the last sentence and inserting in  
2422 place thereof the following 5 sentences:-

2423 The preceding three sentences of this subsection shall not apply to any portion of the  
2424 parkway. Ownership of any completed portion of the parkway, together with ownership of any  
2425 associated and completed infrastructure including but not limited to public utilities and sewer  
2426 and storm drain lines located within or adjacent to said portion, shall be transferred to the  
2427 applicable town, or to the authority, no later than the later of thirty days following the date on  
2428 which said portion of the parkway is completed or October 1, 2016, as applicable. Prior to the  
2429 date on which any portion of the parkway is completed and until such date that ownership of said  
2430 portion is transferred in accordance with the provisions of this subsection, said portion shall  
2431 remain subject to the master developer's control. On or after the date on which any portion of  
2432 the parkway is completed and ownership of said portion is transferred in accordance with the  
2433 provisions of this subsection, any applicable town, or the authority, may enter into a contract

2434 with a governmental person, a nonprofit person or a private person for the operation and  
2435 maintenance of said portion, together with operation and maintenance of associated  
2436 infrastructure including but not limited to public utilities and sewer and storm drain lines located  
2437 within or adjacent to said portion. For purposes of this subsection, (i) except for that portion of  
2438 the parkway constituting “Parkway-Phase 1” as defined in Article I of the Parkway financing  
2439 MOA, any portion of the parkway shall be deemed completed on the date on which said portion  
2440 is open and available for public use, and (ii) that portion of the parkway constituting “Parkway-  
2441 Phase 1” as defined in Article I of the Parkway financing MOA shall be deemed to have been  
2442 completed no later than August 19, 2013.

2443 SECTION 120. The second sentence of subsection (e) of section 7 of chapter 293 of the  
2444 acts of 2006 is hereby amended by striking out the figure “8”, inserted by section 88 of chapter  
2445 287 of the acts of 2014, and inserting in place thereof the following figure:- 10.

2446 SECTION 121. Item 7100-1000 of section 2 of chapter 258 of the acts of 2008, as  
2447 amended by section 66 of chapter 238 of the acts of 2012 is hereby further amended by striking  
2448 out the figure “\$3” and inserting in place thereof the following figure:- \$1.

2449 SECTION 122. Section 44 of chapter 303 of the acts of 2008 is hereby amended by  
2450 inserting after the figure “\$43,000,000” the following words:- excluding bonds issued to  
2451 refinance bonds previously issued under this section 44.

2452 SECTION 123. Item 6121-1317 of chapter 79 of the acts of 2014, as most recently  
2453 amended by chapter 359 of the acts of 2014, is hereby further amended by striking out the words  
2454 “construction of the Cochituate” and inserting in place thereof the following words:- acquisition  
2455 and construction of the Cochituate.

2456 SECTION 124. Subsection (c) of section 233 of chapter 165 of the acts of 2014, as  
2457 appearing in section 30 of chapter 119 of the acts of 2015, is hereby amended by striking out the  
2458 words “December 31, 2016” and inserting in place thereof the following words:- June 30, 2017.

2459 SECTION 125. Subsection (b) of section 22 of chapter 237 of the acts of 2014 is hereby  
2460 amended by striking out, in lines 5 and 6, the words “to Essex Sports Center, LLC” and inserting  
2461 in place thereof the following words:- initially to Essex Sports Center, LLC and any of its  
2462 leasehold mortgagees.

2463 SECTION 126. Subsection (c) of said section 22 of said chapter 237 is hereby amended  
2464 by striking out, in lines 5 and 6, the words “, or if Essex Sports Center, LLC ceases to be the  
2465 lessee at any time before the expiration of the lease”.

2466 SECTION 127. There is no section 127.

2467 SECTION 128. A controlling business or affiliate of a controlling business which has  
2468 been awarded state tax credits under chapter 19 of the acts of 1993 or sections 3A to 3H,  
2469 inclusive, of chapter 23A of the General Laws, and which intends to claim such credits on tax  
2470 filings for tax years beginning on or after January 1, 2016 shall enter into an EDIP, as defined in  
2471 said section 3A of said chapter 23A, contract setting forth the amount of the credits awarded, the  
2472 amount of credits claimed or carried over, and the job creation obligations of the controlling  
2473 business. Any controlling business or affiliate of a controlling business that fails to enter into an  
2474 EDIP contract in form and substance acceptable to the Massachusetts office of business  
2475 development on or before December 31, 2016 shall forfeit such credits. For purposes of this  
2476 section, the terms controlling business, and EDIP contract shall have the meanings ascribed to  
2477 them in said section 3A of said chapter 23A.

2478 SECTION 129 (a) Any reference to “economic target area” or “ETA” in the General  
2479 Laws shall mean an economic target area designated by the economic assistance coordinating  
2480 council, EACC, established pursuant to section 3B of chapter 23A of the General Laws, and in  
2481 existence on the effective date of this act or an area designated by the EACC as an economic  
2482 target area in accordance with section 3G of said chapter 23A.

2483 (b) Any reference to “economic opportunity area” or “EOA” in the General Laws shall be  
2484 deemed to mean an economic opportunity area designated by the EACC and in existence on the  
2485 effective date of this act or an area designated by the EACC as an economic opportunity area  
2486 pursuant to said section 3G of said chapter 23A. Existing economic target areas and economic  
2487 opportunity areas designated by the EACC prior to January 1, 2017 shall remain in effect until  
2488 their scheduled termination date, if any.

2489 SECTION 130. The Massachusetts Technology Park Corporation, established in section  
2490 3 of chapter 40J of the General Laws and doing business as the Massachusetts Technology  
2491 Collaborative, shall, subject to appropriation, create a cybersecurity and data analytics  
2492 technology development and training center of excellence, hereinafter referred to as to as the  
2493 center. The center shall convene interested public and private universities, governmental bodies  
2494 and industry participants to share public and private data sets to expand the commonwealth’s  
2495 data analytics capabilities. The center may: (i) match public and private universities with  
2496 industry participants to develop cybersecurity technology and expand data analytic capabilities;  
2497 (ii) provide a forum for sharing data sets for analysis; and (iii) provide skills building and  
2498 workforce training in cybersecurity and data analytics.

2499           The Massachusetts Technology Park Corporation shall file a report detailing the activities  
2500 of the center not later than September 1, 2017 with the clerks of the senate and house of  
2501 representatives who shall forward the report to the house and senate committees on ways and  
2502 means and the joint committee on economic development and emerging technologies.

2503           SECTION 131. Notwithstanding section 32G of chapter 90 of the General Laws or  
2504 section 6 of chapter 161B of the General Laws, or any other general or special law to the  
2505 contrary, the registrar of motor vehicles shall, upon application, issue a private driver school  
2506 license to a regional transit authority that engaged in the business of giving instruction for hire in  
2507 the operation of motor vehicles for any class of a commercial driver’s license as of January 1,  
2508 2016. Any such regional transit authority licensed as a private driver school may seek  
2509 compensation for such instruction.

2510           SECTION 132. Notwithstanding any general or special law to the contrary, to meet the  
2511 expenditures necessary in carrying out section 2A, the state treasurer shall, upon receipt of a  
2512 request by the governor, issue and sell bonds of the commonwealth in an amount to be specified  
2513 by the governor from time to time but not exceeding, in the aggregate, \$797,568,000. All bonds  
2514 issued by the commonwealth, as aforesaid, shall be designated on their face, Commonwealth  
2515 Economic Development Act of 2016, and shall be issued for a maximum term of years, not  
2516 exceeding 30 years, as the governor may recommend to the general court pursuant to section 3 of  
2517 Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall  
2518 be payable not later than June 30, 2051. All interest and payments on account of principal on  
2519 such obligations shall be payable from the General Fund. Bonds and interest thereon issued  
2520 under the authority of this section shall, notwithstanding any other provision of this act, be  
2521 general obligations of the commonwealth.

2522 SECTION 133. Notwithstanding any general or special law to the contrary, to meet the  
2523 expenditures necessary in carrying out section 2B, the state treasurer shall, upon receipt of a  
2524 request by the governor, issue and sell bonds of the commonwealth in an amount to be specified  
2525 by the governor from time to time but not exceeding, in the aggregate, \$41,000,000. All bonds  
2526 issued by the commonwealth, as aforesaid, shall be designated on their face, Commonwealth  
2527 Economic Development Act of 2016, and shall be issued for a maximum term of years, not  
2528 exceeding 30 years, as the governor may recommend to the general court pursuant to section 3 of  
2529 Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall  
2530 be payable not later than June 30, 2051. All interest and payments on account of principal on  
2531 such obligations shall be payable from the General Fund. Bonds and interest thereon issued  
2532 under the authority of this section shall, notwithstanding any other provision of this act, be  
2533 general obligations of the commonwealth.

2534 SECTION 134. Notwithstanding any general or special law to the contrary, to meet the  
2535 expenditures necessary in carrying out section 2C, the state treasurer shall, upon receipt of a  
2536 request by the governor, issue and sell bonds of the commonwealth in an amount to be specified  
2537 by the governor from time to time but not exceeding, in the aggregate, \$187,800,000. All bonds  
2538 issued by the commonwealth, as aforesaid, shall be designated on their face, Commonwealth  
2539 Economic Development Act of 2016, and shall be issued for a maximum term of years, not  
2540 exceeding 30 years, as the governor may recommend to the general court pursuant to section 3 of  
2541 Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall  
2542 be payable not later than June 30, 2051. All interest and payments on account of principal on  
2543 such obligations shall be payable from the General Fund. Bonds and interest thereon issued

2544 under the authority of this section shall, notwithstanding any other provision of this act, be  
2545 general obligations of the commonwealth.

2546 SECTION 135. Notwithstanding sections 24, 24A and 27 of chapter 10 of the General  
2547 Laws, chapter 271 of the General Laws or any other general or special law to the contrary, from  
2548 August 1, 2016 to July 31, 2018, inclusive, a person or entity that offers fantasy contests for a  
2549 cash prize to members of the public may offer a fantasy contest to residents of the  
2550 commonwealth pursuant to and in accordance with regulations promulgated by the attorney  
2551 general; provided further, for the purposes of section 7 of chapter 4 of the General Laws a  
2552 fantasy contest shall not be considered illegal gaming. "Fantasy contest" includes any fantasy or  
2553 simulated game or contest, in which: (i) the value of all prizes and awards offered to winning  
2554 participants are established and made known to the participants in advance of the contest; (ii) all  
2555 winning outcomes reflect the relative knowledge and skill of the participants and shall be  
2556 determined predominantly by accumulated statistical results of the performance of individuals,  
2557 including athletes in the case of sports events; and (iii) no winning outcome is based on the  
2558 score, point spread, or any performance or performances of any single actual team or  
2559 combination of such teams or solely on any single performance of an individual athlete or player  
2560 in any single actual event.

2561 SECTION 136. There shall be a special commission to conduct a comprehensive study  
2562 relative to the practical, economic, fiscal and health related impacts of the commonwealth  
2563 remaining on eastern daylight time, 4 hours behind coordinated universal time, also known as  
2564 Atlantic standard time, throughout the calendar year. The commission shall focus on the impact  
2565 to local and regional economies, education, public health, transportation, energy consumption,  
2566 commerce and trade if the time zone is altered. The commission shall be comprised of the



2567 following members: 3 members to be appointed by the governor, 1 of whom shall be a member  
2568 of the executive office of health and human resources and 1 of whom shall be a member of the  
2569 executive office of education; 3 members to be appointed by the president of the senate, 1 of  
2570 whom shall have expertise in economic development and 1 of whom shall have expertise in  
2571 energy; 1 member to be appointed by the senate minority leader; 3 members to be appointed by  
2572 the speaker of the house of representatives, 1 of whom shall have expertise in interstate  
2573 commerce and 1 of whom shall have expertise in transportation; and 1 member to be appointed  
2574 by the house minority leader.

2575 The commission shall convene its first meeting not later than October 1, 2016 and shall  
2576 file a report along with any recommendations for legislative reforms not later than March 31,  
2577 2017 with the clerks of the senate and house of representatives who shall forward the report to  
2578 the chairs of the joint committee on economic development and emerging technologies, the  
2579 chairs of the joint committee on public health and the chairs of the joint committee on education.

2580 SECTION 137. There shall be a special commission to conduct a comprehensive study  
2581 relative to the regulation of online gaming, fantasy sports gaming and daily fantasy sports. The  
2582 commission shall review all aspects of online gaming, fantasy sports gaming and daily fantasy  
2583 sports including, but not limited to: economic development, consumer protection, taxation, legal  
2584 and regulatory structures, implications for existing gaming, burdens and benefits to the  
2585 commonwealth and any other factors the commission deems relevant. The special commission  
2586 shall not include in its review a comprehensive review of the state lottery or its ability to provide  
2587 lottery products online or over the internet.

2588           The commission shall consist of: 1 person who shall be appointed by the governor who  
2589 shall have industry expertise in fantasy sports gaming; 1 person who shall be appointed by the  
2590 Massachusetts gaming commission; 1 person who shall be appointed by the attorney general who  
2591 shall have expertise in fantasy sports gaming consumer protection; 2 people who shall be  
2592 appointed by the president of the senate, 1 of whom shall be the senate chair of the joint  
2593 committee on economic development and emerging technologies; 1 person who shall be  
2594 appointed by the minority leader of the senate; 2 people who shall be appointed by the speaker of  
2595 the house of representatives, 1 of whom shall be the house chair of the joint committee on  
2596 economic development and emerging technologies; and 1 person who shall be appointed by the  
2597 minority leader of the house of representatives. The commission shall be co-chaired by the house  
2598 and senate chairs of the joint committee on economic development and emerging technologies  
2599 and shall convene its first meeting not later than November 1, 2016.

2600           The commission shall submit its final report and its recommendations for legislation by  
2601 filing the report and recommendations for legislation with the clerks of the senate and the house  
2602 of representatives not later than July 31, 2017.

2603           SECTION 138. The deduction allowed pursuant to clause (19) of subsection (a) of part B  
2604 of section 3 of chapter 62 of the General Laws shall apply for taxable years beginning on or after  
2605 January 1, 2017 through the tax year beginning on January 1, 2021.

2606           SECTION 139. Sections 5 to 7, inclusive, 16 to 22, inclusive, 31, 32, 55 to 65, inclusive,  
2607 67 to 78, inclusive, 80 to 86, inclusive, 88 to 92, inclusive, and 129 shall be effective for tax  
2608 years beginning on or after January 1, 2017.

2609           SECTION 140. Sections 23 to 28, inclusive, and 36 to 54, inclusive, shall take effect on  
2610   January 1, 2017.