

**HOUSE . . . . . No. 3386**

**The Commonwealth of Massachusetts**

PRESENTED BY:

***Daniel Cullinane***

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

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

An Act creating construction relevance in the Economic Development Incentive Program.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Daniel Cullinane</i>	<i>12th Suffolk</i>
<i>Paul McMurtry</i>	<i>11th Norfolk</i>
<i>Daniel M. Donahue</i>	<i>16th Worcester</i>
<i>Peter V. Kocot</i>	<i>1st Hampshire</i>
<i>Jose F. Tosado</i>	<i>9th Hampden</i>
<i>Benjamin Swan</i>	<i>11th Hampden</i>
<i>John C. Velis</i>	<i>4th Hampden</i>
<i>Mary S. Keefe</i>	<i>15th Worcester</i>
<i>Joseph W. McGonagle, Jr.</i>	<i>28th Middlesex</i>
<i>James J. Dwyer</i>	<i>30th Middlesex</i>
<i>Thomas M. Petrolati</i>	<i>7th Hampden</i>
<i>Michael O. Moore</i>	<i>Second Worcester</i>
<i>Anne M. Gobi</i>	<i>Worcester, Hampden, Hampshire and Middlesex</i>
<i>Angelo J. Puppolo, Jr.</i>	<i>12th Hampden</i>
<i>James J. O'Day</i>	<i>14th Worcester</i>
<i>Brian M. Ashe</i>	<i>2nd Hampden</i>
<i>Stephen L. DiNatale</i>	<i>3rd Worcester</i>

<i>John J. Mahoney</i>	<i>13th Worcester</i>
<i>John W. Scibak</i>	<i>2nd Hampshire</i>
<i>Michael D. Brady</i>	<i>Second Plymouth and Bristol</i>
<i>Chris Walsh</i>	<i>6th Middlesex</i>
<i>Mark J. Cusack</i>	<i>5th Norfolk</i>

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By Mr. Cullinane of Boston, a petition (accompanied by bill, House, No. 3386) of Daniel Cullinane and others for legislation to promote the hiring of residents for permanent and construction jobs created by the Economic Development Incentive Program. Economic Development and Emerging Technologies.

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**The Commonwealth of Massachusetts**

**In the One Hundred and Eighty-Ninth General Court  
(2015-2016)**

An Act creating construction relevance in the Economic Development Incentive Program.

*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. Subclause (D) of clause (ii) of paragraph (1) of subsection (a) of section 3F  
2 of chapter 23A of the General Laws, as appearing in section 25 of chapter 287 of the acts of  
3 2014, is hereby amended by striking out the words “from among residents” and inserting in place  
4 thereof the following words:- regarding both the permanent and construction jobs among  
5 residents.

6           SECTION 2. Said clause (ii) of said paragraph (1) of said subsection (a) of said section  
7 3F of said chapter 23A, as so appearing , is hereby amended by striking out subclause (F) and  
8 inserting in place thereof the following subclause:- (F) the expansion, enhanced expansion or  
9 manufacturing retention and job growth project as described in the proposal, together with the  
10 municipal resources committed thereto, will, if certified, have a reasonable chance of increasing  
11 or retaining employment opportunities regarding both the permanent jobs and construction jobs

12 for residents of the expansion project area, ETA or municipality as applicable, as advanced in  
13 said proposal; and

14 SECTION 3. Subsection (b) of section 3F of chapter 23A, as so appearing, is hereby  
15 amended by striking out the first paragraph and inserting in place thereof the following 2  
16 paragraphs:-

17 A certified project shall retain its certification for the period specified by the EACC in its  
18 certification decision; provided, however, that such specified period shall be not less than 5 years  
19 from the date of certification nor more than: (i) 20 years from such date; or (ii) the number of  
20 years requested by the municipality approving the project proposal, whichever is lesser, unless  
21 such certification is revoked prior to the expiration of the specified period. The certification of a  
22 project shall be revoked only by the EACC and only upon: (1) the petition of the municipality  
23 that approved the project proposal, if applicable, if the petition satisfies the authorization  
24 requirements for a municipal application or the petition of the director of economic development;  
25 and (2) the independent investigation and determination of the EACC that representations made  
26 by the controlling business in its project proposal are materially at variance with the conduct of  
27 the controlling business subsequent to the certification and such variance is found to frustrate the  
28 public purposes that such certification was intended to advance; provided, however, that the  
29 EACC shall review the controlling business's and its contractor's compliance to the labor  
30 affirmation section of the preliminary EDIP application; provided, further, that the EACC shall  
31 review such certified project at least once every 2 years; provided, further, that for an expansion  
32 project where the actual number of permanent full-time employees employed by the controlling  
33 business at the project is less than 50 per cent of the number of such permanent full-time  
34 employees projected in the project proposal, then this shall be deemed a material variance for the

35 purposes of a revocation determination. Upon such a revocation, the commonwealth, and the  
36 municipality, in the case of a certified expansion project, shall have causes of action against the  
37 controlling business for the value of any economic benefit received by the controlling business  
38 prior or subsequent to such revocation; and

39           During construction on EDIP and TIF funded projects, recipients of tax relief are  
40 responsible for notifying the EACC when they or 1 of their contractors or third parties violates 1  
41 of the tenets in the labor affirmation section, including failing to provide workers compensation  
42 coverage as required by chapter 152, or serious wage and hour violations which may result in  
43 debarment from public works projects. Contractors that violate the labor affirmation section on  
44 a TIF project that results in a state ordered stop-work-order shall be barred further participation  
45 on said project and shall be barred from participation in EDIP projects for the duration of any  
46 state ordered public works debarment. Recipient of the TIF shall be responsible to cease all  
47 contracts with contractors that violate the labor affirmation section or risk decertification. The  
48 failure to report a violation of the labor affirmation section or the continued use of a debarred  
49 contractor shall result in a EACC decertification hearing for both TIF and EDIP Investment Tax  
50 Credits for the project.

51           SECTION 4. Clause (i) of subsection (d) of said section 3F said chapter 23A, as so  
52 appearing, is hereby amended by striking out subclause (B) and inserting in place thereof the  
53 following subclause:-

54           (B) the degree to which the project is expected to increase employment opportunities for  
55 residents regarding the permanent and construction jobs of the project ETA and of the  
56 commonwealth; and

57 SECTION 5. Clause (ii) of said subsection (d) of said section 3F of said chapter 23A, as  
58 so appearing, is hereby amended by striking out subclause (B) and inserting in place thereof the  
59 following subclause:-

60 (B) the degree to which the project is expected to increase employment opportunities for  
61 residents regarding both the permanent and construction jobs of the project ETA and of the  
62 commonwealth; and

63 SECTION 6. Clause (iii) of said subsection (d) of said section 3F of said chapter 23A, as  
64 so appearing, is hereby amended by striking out subclause (B) and inserting in place thereof the  
65 following subclause:-

66 (B) the degree to which the project is expected to increase employment opportunities for  
67 residents regarding both the permanent and construction jobs.