

**HOUSE . . . . . No. 2780**

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**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Nine**  
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An Act relative to district improvement financing..

*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. Section 1 of chapter 40Q of the General Laws is hereby amended by  
2 striking the definition “Inflation factor” inserted by section 18 of chapter 46 of the acts of 2003  
3 and inserting in place thereof the following: "Inflation factor", if the city or town has not  
4 included an election statement in its invested revenue district development program, a ratio: (1)  
5 the numerator of which shall be the total assessed value of all parcels of residential, commercial  
6 and industrial real estate that are assessed at full and fair cash value for the current fiscal year  
7 minus the new growth adjustment factor for the current fiscal year attributable to the residential,  
8 commercial and industrial real estate as determined by the commissioner of revenue pursuant to  
9 paragraph (f) of section 21C of chapter 59; and (2) the denominator of which shall be the total  
10 assessed value for the preceding fiscal year of all the parcels included in the numerator;  
11 provided, however, the ratio shall not be less than 1. In the event, that the proposed Invested  
12 Revenue District does not include residential property, then the assessed value attributable to  
13 residential property shall not be included in either the numerator or the denominator in  
14 calculating the inflation factor. SECTION 2. Section 1 of chapter 40Q of the General Laws is

15 hereby further amended by striking the word “and” appearing between subparagraphs (6) and (7)  
16 of the definition “Invested revenue district development program” and by inserting at the end of  
17 the sentence defining “Invested revenue district program” the following punctuation and words:-  
18 ,and (8) if applicable, a statement of the city or town electing that the original assessed value not  
19 be increased by the adjustment factor SECTION 3. Section 1 of chapter 40Q of the General  
20 Laws is hereby further amended by striking the definition of “Original assessed value” inserted  
21 by section 18 of chapter 46 of the acts of 2003 and inserting in its place the following two  
22 sentences:- "Original assessed value", the aggregate assessed value of the invested revenue  
23 district as of the base date. If the city or town has not included an election statement in its  
24 investment district development program, the original assessed value in any year shall be equal  
25 to the original assessed value as of the base date multiplied by the adjustment factor for that  
26 fiscal year. SECTION 4. Section 1 of chapter 40Q of the General Laws is hereby further  
27 amended by inserting the following new definition immediately prior to the definition of “Base  
28 date” as appearing in section 18 of chapter 46 of the acts of 2003: - “Adjustment factor”, for  
29 each fiscal year of the term of a given development program, the product of the inflation factors  
30 for each fiscal year subsequent to the first fiscal year immediately following the base date. (e)  
31 Section 1 of chapter 40Q of the General Laws is hereby further amended by striking  
32 subparagraph 8 of the definition of “Development program” inserted by section 18 of chapter 46  
33 of the acts of 2003 and inserting in its place the following new subparagraph:- “the duration of  
34 the program which shall not exceed the longer of (i) 30 years from the date of designation of the  
35 district or (ii) 30 years from project stabilization (as defined in the development program).