

**SENATE . . . . . No. 429**

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**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Nine**  
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An Act establishing a lead service replacement 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. Notwithstanding any general or special law to the contrary, the Department  
2 of Environmental Protection is hereby directed to establish a Lead Service Replacement Program  
3 to assist homeowners, homeowner associations or condominium associations with the  
4 replacement of lead service lines.

5           SECTION 2. The Department shall make loans available to qualifying municipalities at  
6 an interest rate of 0%. Municipalities may use these funds to replace the public portion (water  
7 main to the gate valve) of lead service lines as well as to provide low-interest Betterment Loans  
8 on the basis of a sliding scale that relates a homeowner’s income and assets to the cost of  
9 replacing lead services.

10          SECTION 3. Chapter 62, Section 6, is hereby amended by adding the following  
11 subsection, “(1) Any owner of residential property located in the commonwealth who is not a  
12 dependent of another taxpayer and who occupies said property as his principal residence, shall be  
13 allowed a credit equal to 40 per cent of the expenditures for the replacement of lead. Said  
14 expenditures shall be the actual cost to the taxpayer or \$5,000, whichever is less; provided,

15 however, that said credit shall be available to eligible taxpayers beginning in the tax year in  
16 which the repair or replacement of said lead service line was completed; and provided, further,  
17 that said credit shall not exceed \$1,500 in any tax year and any excess credit may be applied over  
18 the following five subsequent tax years up to an aggregate maximum of \$5,000. The amount of  
19 any such credit shall be reduced by an amount equal to the total interest subsidy or grant received  
20 from the commonwealth, whether directly or indirectly, toward the cost of said expenditures. The  
21 department shall promulgate such rules and regulations as are necessary to administer the credit  
22 afforded by this subsection, including, but not limited to, a notification system by the  
23 commonwealth to recipients of said interest subsidy or grant of the amount of the total subsidy  
24 provided by the commonwealth.”

25 SECTION 4. The Department of Revenue shall consult with the Department of  
26 Environmental Protection in developing rules, regulations and guidelines for said Program and  
27 related tax credit.