SENATE DOCKET, NO. 2010 FILED ON: 1/16/2009

SENATE . . . . . No. 656

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act Relative to Strengthening the Cost Certification Process of 40B ..

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

SECTION 1. Section 20 of chapter 40B of the general laws, as appearing in the 2006 official edition, is hereby amended by inserting, at the end thereof, the following: -

"Immediate Family", the spouse of a developer, and their parents, children, brothers, sisters, sons-in-law, daughters-in-law, aunts, uncles, grandparents, step-children, nieces and nephews.

"Related Party", the immediate family of a developer, or any entity in which the developer or his immediate family has at least a five percent financial interest.

"Related Party Transactions", a development-related transaction between a developer and a related party.

SECTION 2. Said chapter 40B of the general laws, as so appearing, is hereby further amended by inserting, after section 23, the following new sections:-

Section 23A. All documents submitted by the developer to the department, municipality, subsidizing agency, or project administrator shall be prepared and signed, under the pains and penalties of perjury.

Section 23B. (a) A developer of a development that the department determines earned profits that exceed the applicable reasonable return, as defined by regulations issued by the department, shall be personally liable for the amount by which the profit exceeds the reasonable return, payable to the municipality in which the project is sited.

(b) A penalty shall be assessed against a developer who does not submit a certified cost and income statement pursuant to guidelines issued by the department. Such penalty shall be not less than one percent of the total projected development costs for certified cost and income statements. Developers with outstanding certified cost and income statements shall not be allowed to apply for a comprehensive permit in the commonwealth until such time as the outstanding certified cost and income statements are submitted.