

SENATE No. 88

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

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 hereby further amended by striking the word “and” appearing between subparagraphs (6) and (7) of the definition “Invested revenue district development program” and by inserting at the end of the sentence defining “Invested revenue district program” the following punctuation and words:- ,and (8) if applicable, a statement of the city or town electing that the original assessed value not be increased by the adjustment factor

SECTION 3. Section 1 of chapter 40Q of the General Laws is hereby further amended by striking the definition of “Original assessed value” inserted by section 18 of chapter 46 of the acts of 2003 and inserting in its place the following two sentences:- “Original assessed value”, the aggregate assessed value of the invested revenue district as of the base date. If the city or town has not included an election statement in its investment district development program, the original assessed value in any year shall be equal to the original assessed value as of the base date multiplied by the adjustment factor for that fiscal year.

SECTION 4. Section 1 of chapter 40Q of the General Laws is hereby further amended by inserting the following new definition immediately prior to the definition of “Base date” as appearing in section 18 of chapter 46 of the acts of 2003: -

“Adjustment factor”, for each fiscal year of the term of a given development program, the product of the inflation factors for each fiscal year subsequent to the first fiscal year immediately following the base date. (e) Section 1 of chapter 40Q of the General Laws is hereby further amended by striking subparagraph 8 of the definition of “Development program” inserted by section 18 of chapter 46 of the acts of 2003 and inserting in its place the following new subparagraph:- “the duration of the program which shall not exceed the longer of (i) 30 years from the date of designation of the district or (ii) 30 years from project stabilization (as defined in the development program).