HOUSE DOCKET, NO. FILED ON: 5/17/2012

HOUSE . . . . . No. 4107

The committee on Bonding, Capital Expenditures and State Assets, reports, that the Bill relative to infrastructure investment, enhanced competitiveness and economic growth in the Commonwealth (House, No. 4093) ought to pass with an amendment substituting therefore a bill with the same title (House, No. 4107). May 17, 2012. Antonio F.D. Cabral, for the committee.

The Commonwealth of Massachusetts

In the Year Two Thousand Twelve

An Act Relative to Infrastructure Investment, Enhanced Competitiveness and Economic Growth in the Commonwealth.

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. To provide for a program to support technology and economic development in the state that helps to enhance the economy and job growth throughout the state, and promote the well-being of those living in the state, the sum set forth in section 2, for the several purposes and subject to the conditions specified in this act, are hereby made available, subject to the laws regulating the disbursement of public funds, which sum shall be in addition to any amounts previously appropriated for these purposes.

SECTION 2.

XXXX-XXXX For the Scientific and Technology Research and Development Matching Grant Fund

established in section 3 of this act …… $25,000,000

11 7007-1200 For the Massachusetts Technology Collaborative, established under section 3
12 of chapter 40J of the General Laws, to establish a talent pipeline program that provides paid
13 internships to technology startups and innovation companies; provided however that the
14 Massachusetts Technology collaborative shall seek private funds necessary to match
15 contributions equal to $1 for every $1 contributed by Massachusetts Technology Collaborative
16 through a matching internship program; provided however, that $1,000,000 shall be used to
17 establish an entrepreneur and startup venture capital mentoring program, in consultation with the
18 Massachusetts Technology Development Corporation established in section 2 of chapter 40G,
19 that would provide assistance, mentoring, and advice to start-ups and innovation companies by
20 connecting early-stage entrepreneurs, technology startups, and small businesses with venture
21 capital financing; provided further, that in the design and implementation of these programs, the
22 Massachusetts Technology Collaborative shall consult with and review the talent pipeline and
23 mentoring programs that are administered by the Venture Development Center at the university
24 of Massachusetts at boston established under chapter 123 of the acts of 2006 in order to model
25 and bring to scale successful talent pipeline programs and practices; provided, further that the
26 Massachusetts' Technology Collaborative shall file annual reports for the duration of the
27 programs with the chairs of the house and senate committee on ways and means and the chairs
28 of the joint committee on economic development and emerging technologies, on or before
29 January 1. The report shall include an overview of the activities of the programs, the number of
30 participants in the programs, and an analysis of the impact of said programs on the innovation
31 economy and workforce. …….....
32 $2,000,000

33 SECTION 3 . Chapter 40J of the General Laws, as appearing in the 2008 Official Edition,
34 is hereby amended by inserting after section 4F the following new section:-

35 Section 4G. (a) The general court finds that scientific and technology research and
36 development conducted at higher education institutions and non-profit research institutions in the
37 state is vital to identifying and developing new knowledge that leads to innovations that drive the
38 state's economy, promote economic development and job growth opportunities throughout the
39 diverse regions of the state, improve the quality of life for those living in the state and throughout
40 the world, and help strengthen the state's global competitiveness.

41 (b) In order to assist in fostering additional scientific and technology research and
42 development in the state, there is hereby established a fund to be known as the Scientific and
43 Technology Research and Development Matching Grant Fund, hereinafter referred to as the
44 "matching grant fund", to which shall be credited the proceeds of bonds or notes of the
45 commonwealth issued for the purpose, and any appropriations designated by the general court to
46 be credited thereto. The matching grant fund shall be administered by the corporation. The
47 corporation shall hold the matching grant fund in an account or accounts separate from other
48 funds of the corporation. The purpose of the matching grant fund is to provide matching funds
49 for capital expenditures to be made in connection with projects which are sponsored by the
50 University of Massachusetts, research universities, or non-profit research institutions in the state
51 for scientific or technology research and development and funded in part by the federal
52 government, or other public or private funds including, but not limited to, venture capital;
53 provided, that any grant awarded in accordance with this section shall leverage at least $3 for
54 each dollar granted from sources other than an agency as defined by Section 39 of chapter 6 of
55 the general laws; provided further, funds expended specifically for this matching fund from the

56 higher education bond bill, established by section 258 of the Acts of 2008 as amended by this
57 Act shall not count towards the $3 of financing that is required for the matching fund; provided
58 further, that prior to awarding any grant under this section the corporation shall determine that
59 the grant will advance the finding contained in paragraph (a); provided further, that priority shall
60 be given to large-scale, long-term research and development activities that have the greatest
61 potential to support scientific and technological innovation and stimulate economic and
62 employment opportunities in the state; and provided, further that at least fifty percent of the grant
63 funds under this section shall be reserved for award, subject to qualification, to the University of
64 Massachusetts. The University of Massachusetts may, if it deems necessary to help ensure
65 efficient and effective research and development efforts, enter into collaborative agreements with
66 other higher education institutions in the state to undertake parts of any research and
67 development project for which grant funding under this section is sought.

68 (c) To support effective planning and implementation of the matching grant fund, the
69 corporation shall develop program guidelines or regulations in consultation with the University
70 of Massachusetts and such other institutions or persons as deemed appropriate by the
71 corporation. The corporation shall annually file a report with the joint committee on higher
72 education and the house and senate committees on ways and means detailing the grants awarded
73 under this section.

74 SECTION 4. To meet expenditures necessary in carrying out section 2, the state treasurer
75 shall, upon the request of the governor, issue and sell bonds of the commonwealth in an amount
76 to be specified by the governor from time to time but not exceeding, in the aggregate,
77 $25,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on their
78 face, the Massachusetts Technology Park Corporation Scientific and Technology Research and

79 Development Matching Grant Fund Act of 2011, and shall be issued for a maximum term of
80 years, not exceeding 30 years as the governor may recommend to the general court under section
81 3 of Article LXII of the Amendments to the Constitution. The bonds shall be payable not later
82 than June 30, 2048. All interest and payments on account of principal on these obligations shall
83 be payable from the General Fund. Bonds and interest on bonds issued under this section shall,
84 notwithstanding any other provision of this act, be general obligations of the commonwealth.

85 SECTION 5. Item 7100-1000 of section 2 of chapter 258 of the acts of 2008 is hereby
86 amended by inserting after the words: "in the city of Worcester;" the following words: - provided
87 further that not less than $25,000,000 shall be expended in collaboration and coordination with
88 funds granted pursuant to the provisions of section 4G of chapter 40J of the general laws as
89 created by this act, provided that funds expended for this purpose shall leverage at least $3 for
90 each dollar granted and that funds expended for this purpose shall not qualify as meeting the
91 requirements for leveraged dollars required under said section 40G;

92 SECTION 6. Chapter 6C of the General Laws is hereby amended by striking out sections
93 47 through 48.

94 SECTION 7: Chapter 23A of the General Laws is hereby amended by inserting after
95 section 62 the following section:-

96 SECTION 63

97 MASSWORKS INFRASTRUCTURE PROGRAM

98 Section 63. (a) There shall be within the executive office of housing and economic
99 development a MassWorks Infrastructure Program to issue public infrastructure grants to

100 municipalities and other public instrumentalities for design, construction, building, land
101 acquisition, rehabilitation, repair, and other improvements to publicly-owned infrastructure
102 including, but not limited to, sewers, utility extensions, streets, roads, curb-cuts, parking, water
103 treatment systems, telecommunications systems, transit improvements, and pedestrian and
104 bicycle ways. The grant program shall also provide for commercial and residential
105 transportation and infrastructure development, improvements and various capital investment
106 projects under the Growth Districts Initiative administered by the executive office of housing and
107 economic development. The grants shall be used to assist municipalities to advance projects that
108 support job creation and expansion, housing development and rehabilitation, community
109 development, and small town transportation projects. Further, the grant program may be used to
110 match other public and private funding sources to build or rehabilitate transit oriented housing
111 located within .25 miles of a commuter rail station, subway station, ferry terminal, or bus station,
112 at least 25 percent of which shall be affordable. Preference shall be given to projects that support
113 smart growth as defined by the state's Sustainable Development Principles.

114 (b) Eligible public infrastructure must be located on public land or on public leasehold,
115 right-of-way or easement.

116 (c) There shall be at least one open solicitation period each year to accept and consider
117 new applications. Not less than 12 weeks before the annual open solicitation period, the
118 executive office of housing and economic development shall release the criteria upon which the
119 applications will be judged including, but not limited to, a minimum project readiness standard,
120 overall spending targets by project type, preferences for projects that align with the state's
121 Sustainable Development Principles, and other preferences applying to that funding round.
122 Grants may also be made out of round at the discretion of the secretary of housing and economic

123 development subject to the foregoing criteria. All grant awards shall be made only after
124 consultation with the appropriate regional planning agency.

125 (d) Any eligible city or town, acting by and through its municipal officers or by and
126 through any agency designated by such municipal officers to act on their behalf may apply to the
127 program for a grant in a specific amount to fund a specified project. Two or more municipalities
128 may apply jointly, with one municipality acting as fiscal agent, or through a regional planning
129 agency acting as fiscal agent. Said grants may be made in addition to other forms of local, state,
130 and federal assistance.

131 (e) Within the program, a portion of the grant funds shall be dedicated annually to assist
132 towns with populations of 7,000 or less in undertaking projects to design, construct, reconstruct,
133 widen, resurface, rehabilitate, and otherwise improve roads and bridges or for the construction of
134 chemical storage facilities, that support economic or community development. Such towns shall
135 be eligible for a grant not to exceed $1,000,000, and towns shall be eligible to receive one grant
136 every 3 fiscal years. Two or more towns eligible under this subsection may file a joint
137 application for a single project serving those towns, but the total amount distributed to any one
138 town shall not exceed the maximum amount allowed under this section. Receipt of a grant which
139 is part of a joint application shall not preclude a town from receiving additional funds under a
140 separate application. Receipt of a grant of funds dedicated annually to assist towns with
141 population of 7,000 or less shall not preclude a town from receiving additional funds that support
142 job creation and expansion, housing development and rehabilitation, and community
143 development from the MassWorks Infrastructure Program.

144 (f) The secretary of housing and economic development may establish rules and
145 regulations to govern the application and distribution of grants under this section. The rules and
146 regulations may include provisions for joint applications by 2 or more eligible towns for a single
147 project serving those towns. Any rules or regulations, or any amendment or repeal of any rules or
148 regulations adopted under this section shall be filed with the clerks of the senate and house of
149 representatives.

150 (g) The secretary of housing and economic development shall report annually to the
151 clerks of the house of representatives and the senate, the chairs of the joint committee on
152 transportation, the chairs of the joint committee on economic development and emerging
153 technologies, the chairs of the senate and house committees on ways and means, and the chairs
154 of the joint committees on state administration and regulatory oversight on the activities and
155 status of the MassWorks Infrastructure Program. The report shall include a list and description
156 of all projects that received grant funds under the program, the amount of the grant awarded to
157 the project, other sources of public funds that supported the project, a detailed analysis of the
158 economic impact of each project including but not limited to the number of construction and full
159 time equivalent jobs to be created, number of housing units to be created, the private investment
160 in the project, and the expected tax revenue generated from the project.

161 SECTION 8. Section 57A of chapter 121B is hereby repealed.

162 SECTION 9 Item 6033-9013 of section 2 of chapter 246 of the acts of 2002 is hereby
163 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
164 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
165 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the

166 aforementioned item shall be transferred to the Executive Office of Housing and Economic
167 Development; provided further, that any unexpended balance as of September 1, 2012 from the
168 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
169 2009 shall be transferred to item 7002-8005 within the Executive Office of Housing and
170 Economic Development; and provided further, that before October 1, 2012 the Executive Office
171 for Housing and Economic Development shall submit a report on the amount of authorization
172 expended from this item before April 1, 2012; provided further, that said report shall detail
173 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
174 completing awards; and provided further that said report shall be delivered to the joint committee
175 on ways & means, house committee on bonding, capital expenditures and state assets and the
176 senate committee on bonding, capital expenditures and state assets.

177 SECTION 10 Item 6033-0428 of section 2B of chapter 291 of the acts of 2004 is hereby
178 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
179 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
180 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
181 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
182 2009 shall be transferred to item 7002-8010 within the Executive Office of Housing and
183 Economic Development; provided further, that any unexpended balance as of September 1, 2012
184 from the aforementioned item shall be transferred to the Executive Office of Housing and
185 Economic Development; and provided further, that before October 1, 2012 the Executive Office
186 for Housing and Economic Development shall submit a report on the amount of authorization
187 expended from this item before April 1, 2012; provided further, that said report shall detail
188 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for

189 completing awards; and provided further that said report shall be delivered to the joint committee
190 on ways & means, house committee on bonding, capital expenditures and state assets and the
191 senate committee on bonding, capital expenditures and state assets.

192 SECTION 11. Item 6033-0499 of said section 2B of said chapter 291 is hereby amended
193 by adding the following words:- ; provided, that after April 1, 2012 this item shall be used for the
194 MassWorks Infrastructure Program, as established by section 63 of chapter 23A of the General
195 Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
196 aforementioned or its successor item established as a result of Chapter 25 of the Acts of 2009
197 shall be transferred to item 7002-8015 within the Executive Office of Housing and Economic
198 Development; provided further, that any unexpended balance as of September 1, 2012 from the
199 aforementioned item shall be transferred to the Executive Office of Housing and Economic
200 Development; and provided further, that before October 1, 2012 the Executive Office for
201 Housing and Economic Development shall submit a report on the amount of authorization
202 expended from this item before April 1, 2012; provided further, that said report shall detail
203 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
204 completing awards; and provided further that said report shall be delivered to the joint committee
205 on ways & means, house committee on bonding, capital expenditures and state assets and the
206 senate committee on bonding, capital expenditures and state assets.

207 SECTION 12. Item 6001-0421 of section 2I of said chapter 291 is hereby amended by
208 adding the following words:- ; provided, that after April 1, 2012 this item shall be used for the
209 MassWorks Infrastructure Program, as established by section 63 of chapter 23A of the General
210 Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
211 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of

212 2009 shall be transferred to the item 7002-8020 within Executive Office of Housing and
213 Economic Development; provided further, that any unexpended balance as of September 1, 2012
214 from the aforementioned item shall be transferred to the Executive Office of Housing and
215 Economic Development; and provided further, that before October 1, 2012 the Executive Office
216 for Housing and Economic Development shall submit a report on the amount of authorization
217 expended from this item before April 1, 2012; provided further, that said report shall detail
218 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
219 completing awards; and provided further that said report shall be delivered to the joint committee
220 on ways & means, house committee on bonding, capital expenditures and state assets and the
221 senate committee on bonding, capital expenditures and state assets.

222 SECTION 13. Item 1100-8000 of section 2B of chapter 123 of the Acts of 2006 is hereby
223 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
224 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
225 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
226 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
227 2009 shall be transferred to the Executive Office of Housing and Economic Development;
228 provided further, that any unexpended balance as of September 1, 2012 from the aforementioned
229 item shall be transferred to item 7005-8025 within the Executive Office of Housing and
230 Economic Development; and provided further, that before October 1, 2012 the Executive Office
231 for Housing and Economic Development shall submit a report on the amount of authorization
232 expended from this item before April 1, 2012; provided further, that said report shall detail
233 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
234 completing awards; and provided further that said report shall be delivered to the joint committee

235 on ways & means, house committee on bonding, capital expenditures and state assets and the
236 senate committee on bonding, capital expenditures and state assets.

237 SECTION 14. Item 6033-0887 of section 2B of chapter 86 of the acts of 2008, is hereby
238 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
239 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
240 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
241 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
242 2009 shall be transferred to the item 7002-8030 within Executive Office of Housing and
243 Economic Development; provided further, that any unexpended balance as of September 1, 2012
244 from the aforementioned item shall be transferred to the Executive Office of Housing and
245 Economic Development; and provided further, that before October 1, 2012 the Executive Office
246 for Housing and Economic Development shall submit a report on the amount of authorization
247 expended from this item before April 1, 2012; provided further, that said report shall detail
248 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
249 completing awards; and provided further that said report shall be delivered to the joint committee
250 on ways & means, house committee on bonding, capital expenditures and state assets and the
251 senate committee on bonding, capital expenditures and state assets.

252 SECTION 15. Item 7004-0035 of section 2 of chapter 119 of the acts of 2008 is hereby
253 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
254 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
255 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
256 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
257 2009 shall be transferred to the item 7005-8035 within Executive Office of Housing and

258 Economic Development; provided further, that any unexpended balance as of September 1, 2012
259 from the aforementioned item shall be transferred to the Executive Office of Housing and
260 Economic Development; and provided further, that before October 1, 2012 the Executive Office
261 for Housing and Economic Development shall submit a report on the amount of authorization
262 expended from this item before April 1, 2012; provided further, that said report shall detail
263 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
264 completing awards; and provided further that said report shall be delivered to the joint committee
265 on ways & means, house committee on bonding, capital expenditures and state assets and the
266 senate committee on bonding, capital expenditures and state assets.

267 SECTION 16. Item 6035-0887 of section 2B of chapter 303 of the acts of 2008, as
268 amended by section 34 of chapter 26 of the acts of 2009 is hereby amended by adding the
269 following words:- ; provided, that after April 1, 2012 this item shall be used for the MassWorks
270 Infrastructure Program, as established by section 63 of chapter 23A of the General Laws;
271 provided further, that any uncommitted balance as of April 1, 2012 from the aforementioned
272 item or its successor item established as a result of Chapter 25 of the Acts of 2009 shall be
273 transferred to the item 7002-8040 within Executive Office of Housing and Economic
274 Development; provided further, that any unexpended balance as of September 1, 2012 from the
275 aforementioned item shall be transferred to the Executive Office of Housing and Economic
276 Development; and provided further, that before October 1, 2012 the Executive Office for
277 Housing and Economic Development shall submit a report on the amount of authorization
278 expended from this item before April 1, 2012; provided further, that said report shall detail
279 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
280 completing awards; and provided further that said report shall be delivered to the joint committee

281 on ways & means, house committee on bonding, capital expenditures and state assets and the
282 senate committee on bonding, capital expenditures and state assets.

283 SECTION 17. Item 6035-0877 of section 2B of chapter 303 of the acts of 2008, as
284 amended by section 33 of chapter 26 of the acts of 2009, is hereby amended by adding the
285 following words:- ; provided, that after April 1, 2012 this item shall be used for the MassWorks
286 Infrastructure Program, as established by section 63 of chapter 23A of the General Laws;
287 provided further, that any uncommitted balance as of April 1, 2012 from the aforementioned
288 item shall be transferred to the Executive Office of Housing and Economic Development;
289 provided further, that any unexpended balance as of September 1, 2012 from the aforementioned
290 item or its successor item established as a result of Chapter 25 of the Acts of 2009 shall be
291 transferred to item 7002-8045 within the Executive Office of Housing and Economic
292 Development; and provided further, that before October 1, 2012 the Executive Office for
293 Housing and Economic Development shall submit a report on the amount of authorization
294 expended from this item before April 1, 2012; provided further, that said report shall detail
295 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
296 completing awards; and provided further that said report shall be delivered to the joint committee
297 on ways & means, house committee on bonding, capital expenditures and state assets and the
298 senate committee on bonding, capital expenditures and state assets.

299 SECTION 18. Item 6001-0803 of section 2C of chapter 303 of the acts of 2008 is hereby
300 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
301 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
302 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
303 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of

304 2009 shall be transferred to item 7002-8050 within the Executive Office of Housing and
305 Economic Development; provided further, that any unexpended balance as of September 1, 2012
306 from the aforementioned item shall be transferred to the Executive Office of Housing and
307 Economic Development; and provided further, that before October 1, 2012 the Executive Office
308 for Housing and Economic Development shall submit a report on the amount of authorization
309 expended from this item before April 1, 2012; provided further, that said report shall detail
310 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
311 completing awards; and provided further that said report shall be delivered to the joint committee
312 on ways & means, house committee on bonding, capital expenditures and state assets and the
313 senate committee on bonding, capital expenditures and state assets..

314 SECTION 19. Item 6001-0817 of said section 2C of said chapter 303 is hereby amended
315 by adding the following words:- ; provided, that after April 1, 2012 this item shall be used for the
316 MassWorks Infrastructure Program, as established by section 63 of chapter 23A of the General
317 Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
318 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
319 2009 shall be transferred to the item 7002-8055 within Executive Office of Housing and
320 Economic Development; provided further, that any unexpended balance as of September 1, 2012
321 from the aforementioned item shall be transferred to the Executive Office of Housing and
322 Economic Development; and provided further, that before October 1, 2012 the Executive Office
323 for Housing and Economic Development shall submit a report on the amount of authorization
324 expended from this item before April 1, 2012; provided further, that said report shall detail
325 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
326 completing awards; and provided further that said report shall be delivered to the joint committee

327 on ways & means, house committee on bonding, capital expenditures and state assets and the
328 senate committee on bonding, capital expenditures and state assets.

329 SECTION 20. Item 1100-8020 of section 2C of chapter 304 of the acts of 2008, is hereby
330 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
331 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
332 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
333 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
334 2009 shall be transferred to item 7002-8060 within the Executive Office of Housing and
335 Economic Development; provided further, that any unexpended balance as of September 1, 2012
336 from the aforementioned item shall be transferred to the Executive Office of Housing and
337 Economic Development; and provided further, that before October 1, 2012 the Executive Office
338 for Housing and Economic Development shall submit a report on the amount of authorization
339 expended from this item before April 1, 2012; provided further, that said report shall detail
340 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
341 completing awards; and provided further that said report shall be delivered to the joint committee
342 on ways & means, house committee on bonding, capital expenditures and state assets and the
343 senate committee on bonding, capital expenditures and state assets.

344 SECTION 21. Item 6001-0816 of section 2B of chapter 240 of the acts of 2010, as
345 amended by Section 1 of chapter 412 of the acts of 2010 is hereby amended by adding the
346 following words:- ; provided, that after April 1, 2012 this item shall be used for the MassWorks
347 Infrastructure Program, as established by section 63 of chapter 23A of the General Laws;
348 provided further, that any uncommitted balance as of April 1, 2012 from the aforementioned
349 item or its successor item established as a result of Chapter 25 of the Acts of 2009 shall be

350 transferred to item 7002-8060 within the Executive Office of Housing and Economic
351 Development; provided further, that any unexpended balance as of September 1, 2012 from the
352 aforementioned item shall be transferred to the Executive Office of Housing and Economic
353 Development; and provided further, that before October 1, 2012 the Executive Office for
354 Housing and Economic Development shall submit a report on the amount of authorization
355 expended from this item before April 1, 2012; provided further, that said report shall detail
356 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
357 completing awards; and provided further that said report shall be delivered to the joint committee
358 on ways & means, house committee on bonding, capital expenditures and state assets and the
359 senate committee on bonding, capital expenditures and state assets.

360 SECTION 22 . The General Laws are hereby amended by inserting after chapter 23J the
361 following chapter:

362 CHAPTER 23L. LOCAL INFRASTRUCTURE DEVELOPMENT PROGRAM

363 Section 1. As used in this chapter, the following words shall, unless the context clearly
364 requires otherwise, have the following meanings:-

365 "Agency", the Massachusetts Development Finance Agency established pursuant to
366 section 2 of chapter 23G of the General Laws, as amended from time to time.

367 "Amended improvement plan" a plan describing any change to the improvement plan
368 with respect to the boundaries of a development zone, or material change to the method of
369 assessing costs, description of improvements, the maximum cost of the improvements, or method
370 of financing the improvements that is approved through the same procedures as the original
371 improvement plan adopted pursuant to this chapter.

372 “Assessing party”, shall mean the municipality identified in the improvement plan to
373 assess any infrastructure assessments in the development zone.

374 “Cost”, shall include the cost of: (a) construction, reconstruction, renovation, demolition,
375 maintenance and acquisition of all lands, structures, real or personal property, rights, rights-of-
376 way, utilities, franchises, easements, and interests acquired or to be acquired by the public
377 facilities owner; (b) all labor and materials, machinery and equipment including machinery and
378 equipment needed to expand or enhance services from the municipality, the commonwealth or
379 any other political subdivision thereof to the development zone; (c) financing charges and
380 interest prior to and during construction, and for 1 year after completion of the improvements,
381 interest and reserves for principal and interest, including costs of municipal bond insurance and
382 any other type of credit enhancement or financial guaranty and costs of issuance; (d) extensions,
383 enlargements, additions, and enhancements to improvements; (e) architectural, engineering,
384 financial and legal services; (f) plans, specifications, studies, surveys and estimates of costs and
385 of revenues; (g) administrative expenses necessary or incident to the construction, acquisition,
386 and financing of the improvements; and (h) other expenses as may be necessary or incident to the
387 construction, acquisition, maintenance, and financing of the improvements.

388 “Development zone”, one or more parcels of real estate in the municipality, contiguous or
389 not, described in the improvement plan and to be benefited by the improvements and subject to
390 infrastructure assessments as described in the improvement plan.

391 “Infrastructure assessments”, assessments, betterments, special assessments, charges or
392 fees as described in this chapter and the improvement plan and assessed by the assessing party

393 upon the real estate within the development zone to defray the cost of improvements financed in
394 accordance with this chapter.

395 "Improvement plan", a plan set forth in the petition for the establishment of a
396 development zone setting forth the proposed improvements, services and programs, revitalization
397 strategy, replacement and maintenance plan, the cost estimates for said improvements, and the
398 replacement and maintenance program, the identity of the public facilities owner or owners and
399 the administrator of the plan, the boundaries of the development zone, the analysis of any costs
400 of financing said improvements, the identification of the assessing party, the method and
401 structure of the infrastructure assessments, the selection of any or all of the assessing powers
402 listed in section 4 that shall be utilized by the assessing party within the development zone, the
403 description of the infrastructure development project within the development zone, the proposed
404 use of any bonds or notes to finance such project by the agency, the participation of the agency,
405 if any, in a district improvement financing program as described in section 7, and if so, a
406 description of any assessing powers to be utilized, and the estimates of the costs and expenses to
407 be levied and assessed on the real estate in the development zone.

408 "Improvements", the acquiring, laying, constructing, improving and operating of capital
409 improvements to be owned by a public facilities owner, including, but not limited to, storm
410 drainage systems, dams, sewage treatment plants, sewers, water and well systems, roads, bridges,
411 culverts, tunnels, streets, sidewalks, lighting, traffic lights, signage and traffic control systems,
412 parking, including garages, public safety and public works buildings, parks, landscaping of
413 public facilities, cultural and performing arts facilities, recreational facilities, marine facilities
414 such as piers, wharfs, bulkheads and sea walls, transportation stations and related facilities,
415 shuttle transportation equipment, fiber and telecommunication systems, facilities to produce and

416 distribute electricity, including alternate energy sources such as co-generation and solar
417 installations, the investigation and remediation associated with the cleanup of actual or perceived
418 environmental contamination within the development zone in accordance with applicable
419 governmental regulations and provided that no such investigation or remediation shall impair the
420 rights of the public facilities owner or any other person to contribution or reimbursement from
421 any potentially responsible party for the costs thereof, and other improvements; provided that
422 improvements shall not include any improvements located in, or serving gated communities, so
423 called, not including age restricted developments operated by non-profit organizations, that
424 prohibit access to the general public and any type of improvement that is specifically prohibited
425 in the United States internal revenue code from using tax-exempt financing.

426 "Infrastructure development project", the acquisition, construction, expansion,
427 improvement or equipping of improvements serving any new or existing commercial, retail,
428 industrial, or residential facilities or mixed use project.

429 "Massachusetts opportunity rebuilding and expansion infrastructure program", or
430 "MORE infrastructure", a program established under this act, designed to finance infrastructure
431 improvements benefiting existing and new residential, commercial and industrial properties and
432 the citizens and businesses of the commonwealth.

433 "Municipal governing body", in a city, the city council with the approval of the mayor,
434 and in a city having a Plan D or E form of charter, the city council with the approval of the city
435 manager, the town council in a town with a town council form of government, or otherwise the
436 board of selectmen in a town with a town meeting form of government.

437 “Municipality”, a city or town, or cities and towns, if the development zone, is located in
438 more than 1 municipality.

439 “Person”, any natural or corporate person, including bodies politic and corporate, public
440 departments, offices, agencies, authorities and political subdivisions of the commonwealth,
441 corporations, trusts, limited liability companies, societies, associations, and partnerships and
442 subordinate instrumentalities of any one or more political subdivisions of the commonwealth.

443 “Petition”, the document initiating the creation of a development zone as described in
444 section 2 (b).

445 “Project”, an infrastructure development project.

446 “Public facilities owner”, means the municipality, the commonwealth or any other
447 political subdivision , agency or public authority of the commonwealth, , identified in the
448 improvement plan as the owner of the improvements described in an improvement plan or an
449 amended improvement plan.

450 Section 2. (a) Each municipality in the commonwealth, acting through its municipal
451 governing body, notwithstanding any general or special law, charter provision, by-law or
452 ordinance to the contrary, may adopt this chapter and is authorized to establish 1 or more
453 development zones pursuant to this chapter. In the event that 2 or more municipalities wish to
454 jointly establish or consolidate contiguous development zones, the municipal governing body of
455 each such municipality wherein said development zone shall be located, shall approve by a
456 majority vote the petition for the establishment of such a development zone.

457 (b) The establishment of a development zone shall be initiated by the filing of a petition
458 signed by all persons owning real estate within the proposed development zone in the office of
459 the clerk of the municipality and the office of the agency. The petition, at a minimum, shall
460 contain:

461 (1) a legal description of the boundaries of the development zone;

462 (2) the written consent to the establishment of the development zone or any amended
463 improvement plan, by the persons with the record ownership of 100 percent of the acreage to be
464 included in the development zone; provided that any real estate owned by the commonwealth, or
465 any agency, or any political subdivision thereof, included in the boundaries of the development
466 zone shall not be included in the count of persons owning tax parcels or acreage in the
467 development zone for the purposes of this clause;

468 (3) the name of the development zone;

469 (4) a map of the proposed development zone, showing its boundaries, and any current
470 public improvements as are already in existence which may be added to or modified by any
471 improvements;

472 (5) the estimated timetable for construction of the improvements and the maximum cost
473 of completing said improvements;

474 (6) the improvement plan for the development zone; and

475 (7) the procedure by which the municipality will be reimbursed for any costs incurred by
476 it in establishing the development zone, and for any administrative costs to be incurred in the

477 administration and collection of any infrastructure assessments imposed within the development
478 zone.

479 Section 3. (a) Upon receipt of a petition pursuant to section 2, the city council in the case
480 of cities, the town council in the case of towns with a town council form of government or the
481 board of selectmen in the case of a town with a town meeting form of government shall, within
482 60 days of said receipt, hold a public hearing on said petition. Written notification of such
483 hearing and a summary of the petition and the improvement plan, shall be provided by the clerk
484 of the municipality to the record owner of each tax parcel within the boundaries of the proposed
485 development zone no later than 14 days prior to such hearing, by mailing a notice to the address
486 listed in the municipality's property tax records. Notification of the hearing shall also be
487 published for 2 consecutive weeks in a newspaper of general circulation in the municipality, the
488 first such publication to be at least 14 days prior to the date of such hearing. Such public notice
489 shall state the proposed boundaries of the development zone, the improvements proposed to be
490 provided in the development zone, the proposed basis for determining any infrastructure
491 assessments with respect to such improvements, and the location or locations for viewing and
492 copying the petition including the improvement plan.

493 (b) A public hearing pursuant to subsection (a) shall be held to determine if the petition
494 satisfies the criteria of this chapter for a development zone, and to obtain public comment
495 regarding the improvement plan and the effect that the development zone will have on the
496 owners of real estate, tenants and other persons within said development zone, and on the
497 municipality or adjacent communities. Within 45 days after the conclusion of said public
498 hearing, the city manager with the approval of the city council in the case of a city under Plan D
499 or E forms of government, the mayor with the approval of the city council in the case of all other

500 cities, the town council in the case of towns with a town council form of government or
501 otherwise the board of selectmen in the case of a town with a town meeting form of government
502 shall issue recommendations on the petition; provided, however, that said recommendations shall
503 include, but shall not be limited to, the following findings:-

504 (1) whether the establishment of the development zone is consistent with any applicable
505 element or portion of any master plan of the municipality which shall be confirmed in writing by
506 the municipality's planning board ; and

507 (2) whether the proposed improvements in the development zone will be compatible with
508 the capacity and uses of existing local and regional infrastructure services and facilities.

509 (c) Within 21 days of the receipt of the recommendation required pursuant to subsection
510 (b), the municipal governing body shall vote to approve or not approve the petition to establish
511 the development zone and the improvement plan.

512 (d) Upon the approval of the petition by majority vote of the municipal governing body in
513 accordance with subsection (c), notice of such approval shall be promptly filed with the records
514 of the clerk of the municipality, the agency, and the secretary of the commonwealth. Upon such
515 filing, the development zone shall be deemed established and the improvement plan deemed
516 approved.

517 (e) The public facilities owner shall have all the rights and powers necessary or
518 convenient to carry out and effectuate this chapter that are consistent with the improvement plan
519 as approved by the municipal governing body, including, but without limiting the generality of
520 the foregoing, the following:

521 (1) to make and enter into all manner of contracts and agreements necessary or incidental
522 to the exercise of any power granted by this chapter including agreements with the municipality,
523 the commonwealth, the agency and any other city, town or political entity or utility for the
524 provision of services that are necessary to the acquisition, construction, operation or financing of
525 the improvements within the development zone;

526 (2) to purchase or acquire by lease, lease-purchase, sale and lease-back, gift or devise, or
527 to obtain or grant options for the acquisition of any property, real or personal, tangible or
528 intangible, or any interest therein, in the exercise of its powers and the performance of its duties;
529 to acquire real estate or any interest therein, within the boundaries of the development zone
530 itself, if authorized in the improvement plan, and to acquire real estate or any interest therein
531 outside the boundaries of the development zone, necessary for the acquisition, construction, and
532 operation of the improvements or services relating thereto that are located within the
533 development zone or are related to, or provided by the public facilities owner;

534 (3) to construct, improve, extend, equip, enlarge, repair, maintain, and operate and
535 administer the improvements for the benefit of the development zone within, or without the
536 development zone; to acquire existing improvements or construct new improvements, including
537 those located under or over any roads, public ways or parking areas, and to enter upon and dig up
538 any private land within the development zone for the purpose of constructing said improvements
539 and of repairing the same;

540 (4) to accept gifts or goods of funds, property or services from any source, public or
541 private, and comply, subject to the provisions of this chapter and the terms and conditions
542 hereof;

543 (5) to sell, lease, mortgage, exchange, transfer or otherwise dispose of, or grant options
544 for any such purposes with respect to any of the improvements, real or personal, tangible or
545 intangible, within the development zone, or serving the development zone or any interest therein;

546 (6) to pledge or assign any money, infrastructure assessments or other revenues relating
547 to any improvements within, or related to the development zone, and any proceeds derived there
548 from;

549 (7) to enter into contracts and agreements with the municipality, the agency, the
550 commonwealth or any political subdivisions thereof, the property owners of the development
551 zone and any public or private party with respect to all matters necessary, convenient or desirable
552 for carrying out the purposes of this chapter including, without limiting the generality of the
553 foregoing, the acquisition of existing improvements (including utilities or infrastructure outside
554 the development zone but benefiting the development zone), collection of revenue, data
555 processing, and other matters of management, administration and operation; to make other
556 contracts of every name and nature; and to execute and deliver all instruments necessary or
557 convenient for carrying out any of its purposes;

558 (8) to exercise the powers and privileges of, and to be subject to the limitations upon,
559 municipalities provided in sections 38 to 42K, inclusive, of chapter 40, chapter 80 and chapter
560 83, in so far as such provisions may be applicable and are consistent with the provisions of this
561 chapter; provided, however, that any requirement in said chapters for a vote by the governing
562 body of a town or city or for a vote by the voters of a town or city, shall be satisfied by a vote or
563 resolution duly adopted by the board of directors, board of selectmen, city council or town
564 council as the case may be;

565 (9) to invest any funds in such manner and to the extent permitted under the General
566 Laws for the investment of such funds by the treasurer of a municipality;

567 (10) to employ such assistants, agents, employees and persons, including consulting
568 experts as may be deemed necessary in the public facilities owner's judgment, and to fix their
569 compensation, according to the terms of the improvement plan;

570 (11) to procure insurance against any loss or liability that may be sustained or incurred in
571 carrying out the purposes of this chapter in such amount as the public facilities owner shall deem
572 necessary and appropriate with 1 or more insurers who shall be licensed to furnish such
573 insurance in the commonwealth;

574 (12) to apply for any loans, grants or other type of assistance from the United States
575 Government, the commonwealth or any political subdivision thereof that are described in the
576 improvement plan or an amended improvement plan;

577 (13) to adopt an annual budget and to raise, appropriate, and assess funds in amounts
578 necessary to carry out the purposes for which development zone is formed as described in this
579 chapter and the improvement plan; and

580 (14) to do all things necessary, convenient or desirable for carrying out the purposes of
581 this chapter or the powers expressly granted or necessarily implied in this chapter.

582 Section 4. (a) Consistent with the improvement plan, the assessing party, is authorized
583 and empowered to fix, revise, charge, collect and abate infrastructure assessments, for the cost,
584 maintenance, operation ,and administration of the improvements imposed on the real estate,
585 leaseholds or other interests therein, located in the development zone. All real estate within a

586 development zone owned by the commonwealth or any political subdivision, political
587 instrumentality, agency or public authority thereof shall be exempt from such charges unless
588 such charges are specifically accepted by the commonwealth or such political subdivision,
589 political instrumentality, agency or public authority. In providing for the payment of the cost of
590 the improvements or for the use of the improvements, the assessing party may avail itself of the
591 provisions of the General Laws relative to the assessment, apportionment, division, fixing,
592 reassessment, revision, abatement and collection of infrastructure assessments by cities and
593 towns, or the establishment of liens therefore and interest thereon, and the procedures set forth in
594 sections 5and 5A of chapter 254 of the General Laws for the foreclosure of liens arising under
595 section 6 of chapter 183A of the General Laws, as it shall deem necessary and appropriate for
596 purposes of the assessment and collection of infrastructure assessments. The assessing party shall
597 file copies of the improvement plan and any amendments thereof, and all schedules of
598 assessments with the appropriate registry of deeds and the municipality's assessors' records so
599 that notice thereof would be reported on a municipal lien certificate for any real estate parcel
600 located in a development zone. Notwithstanding any general or special law to the contrary, the
601 assessing party may pay the entire cost of any improvements, including the acquisition thereof,
602 during construction or after completion, or the debt service of notes or bonds used to fund such
603 costs, from infrastructure assessments, and may establish said infrastructure assessments prior to,
604 during, or within 1 year after completion of construction or acquisition of any improvements.
605 The assessing party may establish a schedule for the payment of infrastructure assessments not to
606 exceed 35 years. The assessing party may determine the circumstances under which the
607 infrastructure assessments may be increased, if at all, as a consequence of delinquency or default
608 by the owner of a parcel within the development zone. To provide for the collection and

609 enforcement of its infrastructure assessments, the assessing party is hereby granted all the powers
610 and privileges with respect thereto held by the municipality on the effective date of this chapter
611 or as otherwise provided in this chapter, to be exercised concurrently with the municipality.

612 The infrastructure assessments of general application authorized by this chapter may only
613 be increased for administrative expenses in excess of the infrastructure assessments described in
614 the improvement plan, and shall be in accordance with the procedures to be established by the
615 assessing party for assuring that interested persons are afforded notice and an opportunity to
616 present data, views and arguments. The assessing party shall hold at least 1 public hearing on its
617 schedule of infrastructure assessments or any revision thereof prior to adoption by the assessing
618 party, notice of which shall be delivered to the municipality and be published in a newspaper of
619 general circulation in the municipality at least 14 days in advance of the hearing. No later than
620 the date of such publication, the assessing party shall make available to the public and deliver to
621 the municipality the proposed schedule of infrastructure assessments.

622 The infrastructure assessments established by the assessing party shall not be subject to
623 supervision or regulation by any department, division, commission, board, bureau, or agency of
624 the commonwealth or any of its political subdivisions, including without limitation, the
625 municipality, if it is not the assessing party, nor shall the assessing party be subject to the
626 provisions of sections 20A and 21C of chapter 59.

627 Notwithstanding any general or special law to the contrary, the assessing party may
628 contract with one or more persons for any services required by the assessing party regarding the
629 assessment, apportionment, division, fixing, reassessment, revision, collection and enforcement
630 of infrastructure assessments hereunder, and the fees, costs and other expenses thereof shall be

631 included in the calculation of the infrastructure assessments levied by the assessing party
632 hereunder.

633 The infrastructure assessments established by the assessing party in accordance with this
634 chapter shall be fixed and adjusted in respect of the aggregate thereof so as to provide revenues
635 at least sufficient to: (i) to pay the administrative expenses of the assessing party; (ii) to pay the
636 principal of, premium, if any, and interest on bonds, notes or other evidences of indebtedness of
637 the agency under this chapter as the same becomes due and payable; (iii) to create and maintain
638 such reasonable reserves as may be reasonably required by any trust agreement or resolution
639 securing bonds; (iv) to provide funds for paying the cost of necessary maintenance, repairs,
640 replacements and renewals of the improvements; and (v) to pay or provide for any amounts that
641 the agency may be obligated to pay or provide for by law or contract, including any resolution or
642 contract with or for the benefit of the holders of its bonds and notes, provided that the assessing
643 party shall not be required to increase any infrastructure assessments by virtue of any individual
644 property owner delinquencies.

645 Notwithstanding any general or special law to the contrary, the agency shall not be
646 precluded from carrying out its obligations under this chapter if it has previously provided
647 technical, real estate, lending, financing, or other assistance to: (i) an infrastructure development
648 project including, but not limited to, a project in which the agency may have a economic interest;
649 (ii) a development zone; or (iii) a municipality associated with, or that may benefit from, an
650 infrastructure development project.

651 (b) As an alternative to levying infrastructure assessments under any other provisions of
652 this chapter or the General Laws, the assessing party may levy special assessments on real estate,

653 leaseholds, or other interests therein within the development zone to finance the cost of the
654 improvements and the maintenance, repair, replacement and renewal thereof, and the expense of
655 administration thereof. In determining the basis for and amount of the special assessment, the
656 cost of the improvements and the maintenance, repair, replacement and renewal thereof, and the
657 expense of administration thereof, including the cost of the repayment of the debt issued or to be
658 issued by the agency to finance the improvements, may be calculated and levied using any of the
659 following methods that result in fairly allocating the costs of the improvements to the real estate
660 in the development zone:

661 (1) equally per length of frontage, or by lot, parcel, or dwelling unit, or by the square
662 footage of a lot, parcel or dwelling unit;

663 (2) according to the value of the property as determined by the municipality's board of
664 assessors; or

665 (3) in any other reasonable manner that results in fairly allocating the cost, administration
666 and operation of the improvements, according to the benefit conferred or use received including,
667 but not limited to, by classification of commercial or residential use or distance from the
668 improvements.

669 The assessing party, consistent with the improvement plan, may also provide for the
670 following:

671 (1) a maximum amount to be assessed with respect to any parcel;

672 (2) a tax year or other date after which no further special assessments under this section
673 shall be levied or collected on a parcel;

674 (3) annual collection of the levy without subsequent approval of the assessing party;

675 (4) the circumstances under which the special assessment levied against any parcel may
676 be increased, if at all, as a consequence of delinquency or default by the owner of that parcel or
677 any other parcel within the development zone;

678 (5) the circumstances under which the special assessments may be reduced or abated; and

679 (6) the assessing party may establish procedures allowing for the prepayment of
680 infrastructure assessments under this chapter.

681 (c) Infrastructure assessments, levied under this chapter shall be collected and secured in
682 the same manner as property taxes, betterments, and assessments and fees owed to the
683 municipality unless otherwise provided by the assessing party and shall be subject to the same
684 penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for
685 such property taxes, betterments and liens owed to the municipality. Any liens imposed by the
686 municipality for the payment of property taxes, betterments and assessments shall have priority
687 in payment over any liens placed on real estate within the development zone.

688 (d) Notwithstanding any general or special act to the contrary, the agency, the
689 municipality, or any other public facilities owner are each authorized to contract with 1 or more
690 owners of real estate within a development zone to acquire or undertake improvements within
691 the development zone. Upon completion, such improvements shall be conveyed to the public
692 facilities owner, provided that the consideration for said conveyance shall be limited to the cost
693 of said improvements.

694 Section 5. (a) In addition to the powers granted pursuant to chapter 23G and chapter 40D
695 of the General Laws, the agency is hereby authorized to borrow money and issue and secure its
696 bonds for the purpose of financing improvements as provided in and subject to, the provisions of
697 this chapter; provided further that the provisions of said chapters 23G and 40D of the General
698 Laws shall apply to bonds issued under this section, except that the provisions of subsection (b)
699 of section 8 of said chapter 23G and section 12 of said chapter 40D shall not apply to bonds
700 issued pursuant to this chapter or the improvements financed thereby; and provided further, that
701 the improvements financed by the agency pursuant to this chapter shall constitute a project
702 within the meaning of section 1 of said chapter 23G and section 1 of said chapter 40D, but shall
703 not be considered facilities to be used in a commercial enterprise. With respect to the issuance of
704 bonds or notes for the purposes of this chapter in the event of a conflict between this chapter and
705 chapter 23G, the provisions of this chapter shall control.

706 Nothing in this chapter shall be construed to limit or otherwise diminish the power of the
707 agency to finance the costs of projects authorized pursuant to said chapter 23G and said chapter
708 40D within the development zone or the municipality upon compliance with the provisions of
709 said chapter 23G and said chapter 40D.

710 (b) The agency is hereby authorized and empowered to provide by resolution of its board
711 of directors, from time to time, for the issuance of bonds or notes of the agency for any of the
712 purposes set forth in this chapter. Bonds issued hereunder shall be special obligations payable
713 solely from particular funds and revenues generated from infrastructure assessments levied
714 pursuant to this chapter as provided in such resolution. No bonds or notes shall be issued by the
715 agency pursuant to this chapter until the agency's board of directors has determined that the
716 bonds or notes trust agreement and any related financing documents are reasonable and proper

717 and comply with this chapter. The agency may charge a reasonable fee in connection with the
718 review of such documentation by its staff and board of directors. Without limiting the generality
719 of the foregoing, such bonds may be issued to pay or refund notes issued pursuant to this chapter,
720 to pay the cost of acquiring, laying, constructing, and reconstructing the improvements. The
721 bonds of each issue shall be dated, shall bear interest at the rates, including rates variable from
722 time to time, and shall mature at the time or times not exceeding 35 years from their date or
723 dates, as determined by the agency, and may be redeemable before maturity, at the option of the
724 agency or the holder thereof, at the price or prices and under the terms and conditions fixed by
725 the agency before the issuance of the bonds. The agency shall determine the form of the bonds,
726 and the manner of execution of the bonds, and shall fix the denomination or denominations of
727 the bonds and the place or places of payment of principal and interest, which may be at any bank
728 or trust company within or without the commonwealth and such other locations as designated by
729 the agency. In the event an officer whose signature or a facsimile of whose signature shall appear
730 on any bonds shall cease to be an officer before the delivery of the bonds, the signature or
731 facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had
732 remained in office until the delivery. The bonds shall be issued in registered form. The agency
733 may sell the bonds in a manner and for a price, either at public or private sale, as it may
734 determine to be for the best interests of the development zone.

735 Before the preparation of definitive bonds, the agency may, under like restrictions, issue
736 interim receipts or temporary bonds exchangeable for definitive bonds when the bonds have been
737 executed and are available for delivery. The agency may also provide for the replacement of any
738 bonds that shall become mutilated or shall be destroyed or lost. The issuance of the bonds, the

739 maturities, and other details thereof, the rights of the holders thereof, and the agency in respect of
740 the same, shall be governed by this chapter insofar as the same may be applicable.

741 While any bonds or notes of the agency remain outstanding, its powers, duties or
742 existence shall not be diminished or impaired in any way that will affect adversely the interests
743 and rights of the holders of such bonds or notes. Bonds or notes issued under this chapter, unless
744 otherwise authorized by law, shall not be deemed to constitute a debt of the commonwealth or
745 the municipality, or a pledge of the faith and credit of the commonwealth or of the municipality,
746 but the bonds or notes shall be payable solely by the agency as special obligations payable from
747 particular funds collected from infrastructure assessments levied pursuant to this chapter and any
748 revenues derived from the operation of the improvements. Any bonds or notes issued by the
749 agency under this chapter, shall contain on the face thereof a statement to the effect that neither
750 the commonwealth, or the municipality, shall be obliged to pay the same or the interest thereon,
751 and that the faith and credit or taxing power of the commonwealth, the municipality, or the
752 agency is not pledged to the payment of the bonds or notes. All bonds or notes issued under this
753 chapter shall have and are hereby declared to have all the qualities and incidents of negotiable
754 instruments as defined in section 3-104 of chapter 106 of the General Laws.

755 Issuance by the agency of 1 or more series of bonds or notes for 1 or more purposes shall
756 not preclude it from issuing other bonds or notes in connection with the same project or any
757 other project; provided, however, that the resolution or trust indenture wherein any subsequent
758 bonds or notes may be issued shall recognize and protect any prior pledge made for any prior
759 issue of bonds or notes unless in the resolution or trust indenture authorizing such prior issue the
760 right is reserved to issue subsequent bonds on a parity with such prior issue.

761 (c) In the discretion of the agency, bonds issued pursuant to this chapter may be secured
762 by a trust agreement between the agency and the bond owners or a corporate trustee which may
763 be any trust company or bank having the powers of a trust company within or without the
764 commonwealth. A trust agreement may pledge or assign, in whole or in part, the revenues, funds
765 and other assets or property held or to be received by the assessing party, or the agency including
766 without limitation all monies and investments on deposit from time to time in any fund of the
767 assessing party or the agency or any account thereof and any contract or other rights to receive
768 the same, whether then existing or thereafter coming into existence and whether then held or
769 thereafter acquired by the assessing party or the agency, and the proceeds thereof. A trust
770 agreement may pledge or assign, in whole or in part, development zone revenues, funds and
771 other assets or property relating to the development zone held or to be received by the assessing
772 party or the agency. A trust agreement may contain, without limitation, provisions for protecting
773 and enforcing the rights, security and remedies of the bondholders, provisions defining defaults
774 and establishing remedies, which may include acceleration and may also contain restrictions on
775 the remedies by individual bondholders. A trust agreement may also contain covenants of the
776 agency concerning the custody, investment and application of monies, the issue of additional or
777 refunding bonds, the use of any surplus bond proceeds, the establishment of reserves and the
778 regulation of other matters customarily treated in trust agreements. It shall be lawful for any bank
779 or trust company to act as a depository of any fund of the assessing party or the agency or trustee
780 under a trust agreement, provided it furnishes indemnification and reasonable security as the
781 agency may require. Any assignment or pledge of revenues, funds and other assets and property
782 made by the assessing party or the agency shall be valid and binding and shall be deemed
783 continuously perfected for the purposes of chapter 106 and other laws when made. The revenues,

784 funds and other assets and property, rights therein and thereto and proceeds so pledged and then
785 held or thereafter acquired or received by the assessing party or the agency shall immediately be
786 subject to the lien of such pledge without any physical delivery or segregation or further act, and
787 the lien of any such pledge shall be valid and binding against all parties having claims of any
788 kind in tort, contract or otherwise against the trust, whether or not such parties have notice
789 thereof. The trust agreement by which a pledge is created need not be filed or recorded to perfect
790 the pledge except in the records of the agency and no filing need be made pursuant to said
791 chapter 106. Any pledge or assignment made by the agency is an exercise of its political and
792 governmental powers, and revenues, funds, assets, property and contract or other rights to
793 receive the same and the proceeds thereof which are subject to the lien of a pledge or assignment
794 created under this chapter shall not be applied to any purposes not permitted by the pledge or
795 assignment.

796 (d) The agency is hereby authorized and empowered to issue, from time to time, notes of
797 the agency in anticipation of federal, state or local grants for the cost of acquiring, constructing
798 or improving the development zone's improvements or in anticipation of bonds to be issued
799 pursuant to this chapter. Said notes shall be authorized, issued and sold in the same manner as,
800 and shall otherwise be subject to the other provisions of this chapter. Such notes shall mature at
801 such time or times as provided by the issuing resolution of the agency and may be renewed from
802 time to time; provided, however, that all such notes and renewals thereof shall mature on or prior
803 to 20 years from their date of issuance.

804 (e) In addition to other security provided herein, or otherwise by law, bonds, notes or
805 obligations issued by the agency under any provision of this chapter, may be secured, in whole or
806 in part, by a letter of credit, line of credit, bond insurance policy, liquidity facility or other credit

807 facility for the purpose of providing funds for payments in respect of bonds, notes or other
808 obligations required by the holder thereof to be redeemed or repurchased prior to maturity or for
809 providing additional security for such bonds, notes or other obligations. In connection therewith,
810 the agency may enter into reimbursement agreements, remarketing agreements, standby bond
811 purchase agreements and any other necessary or appropriate agreements. The assessing party
812 may pledge or assign any of its revenues as security for the reimbursement by the it to the
813 agencies or providers of such letters of credit, lines of credit, bond insurance policies, liquidity
814 facilities or other credit facilities of any payments made under the letters of credit, lines of credit,
815 bond insurance policies, liquidity facilities or other credit facilities.

816 (f) In connection with, or incidental to, the issuance of bonds, notes or other obligations,
817 the agency may enter into such contracts as the agency may determine to be necessary or
818 appropriate relative to the issuance thereof and the interest payable thereon or to place the bonds,
819 notes or other obligations of the agency, as represented by the bonds or notes, or other
820 obligations in whole or in part, on such interest rate or cash flow basis as the agency may
821 determine appropriate, including without limitation, interest rate swap agreements, insurance
822 agreements, forward payment conversion agreements, futures contracts, contracts providing for
823 payments based on levels of, or changes in, interest rates or market indices, contracts to manage
824 interest rate risk, including without limitation, interest rate floors or caps, options, puts, calls and
825 similar arrangements. Such contracts shall contain such payment, security, default, remedy and
826 other terms and conditions as the agency may deem appropriate and shall be entered into with
827 such party or parties as the agency may select, after giving due consideration, where applicable,
828 for the credit worthiness of the counter party or counter parties, including any rating by a

829 nationally recognized rating agency, the impact on any rating on outstanding bonds, notes or
830 other obligations or any other criteria the agency may deem appropriate.

831 (g) The agency shall have the power out of any funds available therefore to purchase its
832 bonds or notes. The agency may hold, pledge, cancel or resell such bonds or notes, subject to and
833 in accordance with agreements with bondholders. The agency may issue refunding bonds for the
834 purpose of paying any of its bonds at maturity or upon acceleration or redemption. Refunding
835 bonds may be issued at such time or times prior to the maturity or redemption of the refunded
836 bonds as the agency deems to be in the public interest. Refunding bonds may be issued in
837 sufficient amounts to pay or provide for the principal of the bonds being refunded, together with
838 any redemption premium thereon, any interest accrued or to accrue to the date of payment of
839 such bonds, the expense of issuing the refunding bonds, the expense of redeeming bonds being
840 refunded and such reserves for debt service or other capital from the proceeds of such refunding
841 bonds as may be required by a trust agreement or resolution securing the bonds and, if
842 considered advisable by the agency, for the additional purpose of the acquisition, construction or
843 reconstruction and extension or improvement of improvements. All other provisions relating to
844 the issuance of refunding bonds shall be as set forth in this chapter insofar as the same may be
845 applicable.

846 (h) All moneys received pursuant to the provisions of this chapter, whether as proceeds
847 from the issue of bonds or notes, or as revenue or otherwise, shall be deemed trust funds to be
848 held and applied solely as provided in this chapter.

849 (i) Bonds or notes issued under this chapter are hereby made securities in which all public
850 officers and public bodies of the commonwealth and its political subdivisions, all insurance

851 companies, trust companies in their commercial departments and within the limits set by the
852 General Laws, banking associations, investment companies, executors, trustees and other
853 fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to
854 invest in bonds or other obligations of a similar nature may properly and legally invest funds,
855 including capital in their control and belonging to them; and the bonds are hereby made
856 obligations that may properly and legally be made eligible for the investment of savings deposits
857 and income thereof in the manner provided by section 2 of chapter 167E. The bonds or notes are
858 hereby made securities that may properly and legally be deposited with and received by any state
859 or municipal officer or any agency or political subdivision of the commonwealth for any purpose
860 for which the deposit of bonds or other obligations of the commonwealth is now or may hereafter
861 be authorized by law.

862 Notwithstanding any general or special law to the contrary, or any provision in their
863 respective charters, agreements of associations, articles or organization, or trust indentures,
864 domestic corporations organized for the purpose of carrying on business within the
865 commonwealth, including without implied limitation any electric or gas company as defined in
866 section 1 of chapter 164, railroad corporations as defined in section 1 of chapter 160, financial
867 institutions, trustees and the municipality may acquire, purchase, hold, sell, assign, transfer, or
868 otherwise dispose of any bonds, notes, securities or other evidence of indebtedness of the agency
869 provided that they are rated similarly to other governmental bonds or notes, and to make
870 contributions to the agency, all without the approval of any regulatory authority of the
871 commonwealth.

872 (j) Any holder of bonds or notes issued under this chapter, and a trustee under a trust
873 agreement, except to the extent its rights may be restricted by the trust agreement, may, either at

874 law or in equity, by suit, action, mandamus or other proceeding, protect and enforce all rights
875 under the laws of the commonwealth or granted hereunder or under the trust agreement, and may
876 enforce and compel the performance of all duties required by this chapter or by the trust
877 agreement, to be performed by the agency or by any officer thereof.

878 (k) Notwithstanding any of the provisions of this chapter or any recitals in any bonds or
879 notes issued under this chapter, all such bonds or notes shall be deemed to be investment
880 securities under the provisions of chapter 106.

881 (l) Bonds or notes may be issued under this chapter without obtaining the consent of any
882 department, division, commission, board, bureau or agency of the commonwealth or the
883 municipality, and without any proceedings or the happening of any other conditions or things
884 than those proceedings, conditions or things that are specifically required thereof by this chapter,
885 and the validity of and security for any bonds or notes issued by the agency shall not be affected
886 by the existence or nonexistence of any such consent or other proceeding conditions, or things.

887 Section 6. Bonds or notes issued by the agency and their transfer and their interest or
888 income, including any profit on the sale thereof, and the improvements belonging to the public
889 facilities owner shall at all times be exempt from taxation within the commonwealth, provided
890 that nothing in this chapter shall act to limit or restrict the ability of the commonwealth or the
891 municipality to otherwise tax the individuals and companies, or their real or personal property or
892 any person living or business operating within the boundaries of the development zone.

893 Section 7. For purposes of this chapter, the agency may also issue bonds secured by
894 infrastructure assessments pursuant to and according to the terms of chapter 40Q of the General
895 Laws. With the approval of the municipal governing body and the Massachusetts Economic

896 Assistance Coordinating Council, the agency may issue its bonds in place of those of the
897 municipality pursuant to, and according to the terms of chapter 40Q, provided that the
898 municipality has fulfilled all requirements set forth in said chapter 40Q that would be required of
899 the municipality if it were itself issuing bonds pursuant to said chapter 40Q. In addition, the
900 municipality shall include in its "invested revenue district development program" as defined in
901 said chapter 40Q, a description of the rights and responsibilities of the assessing party, the
902 agency and the municipality with respect to said program. In such case, the municipality may
903 designate the agency as the issuer of bonds pursuant to said chapter 40Q for the purpose of
904 financing any of the "project costs" as defined in said chapter 40Q and that are located in, or
905 functionally serving the needs of the development zone. The municipality shall determine the
906 percentage of the "captured assessed valuation," as defined in said chapter 40Q, of property
907 within the boundaries of the development zone that the municipality is pledging pursuant to an
908 invested revenue district development program as defined in said chapter 40Q for the payment of
909 the agency's bonds. With the written agreement of the person or persons owning 1 or more
910 specific tax parcels in the development zone, the assessing party may adopt a plan whereby any
911 of the assessing powers described in this chapter are made applicable exclusively to said parcels
912 in order to secure and fund the debt service for the bonds. The "project costs" as defined in said
913 chapter 40Q, shall not be reduced by the amount of the revenues derived pursuant to this chapter
914 and said revenues derived from such a plan, may be made contingent upon or abated, in whole or
915 in part, by the assessing party upon the receipt of the anticipated revenues generated through the
916 pledged captured assessed valuation. At its option, the municipality may waive any adjustment
917 for the "inflation factor" described in said chapter 40Q, in order to increase the captured assessed
918 valuation available to finance improvements benefiting the development zone. The assessing

919 party, the agency and the municipality shall enter into an agreement delineating the rights and
920 responsibilities of each pursuant to such district improvement financing.

921 Section 8. The agency may make representations and agreements for the benefit of the
922 holders of the agency's bonds and notes or other obligations to provide secondary market
923 disclosure information. The agreement may include: (1) covenants to provide secondary market
924 disclosure information (2) arrangements for such information to be provided with the assistance
925 of a paying agent, trustee, dissemination or other agent; and (3) remedies for breach of the
926 agreements, which remedies may be limited to specific performance.

927 Section 9. The collector-treasurer of each municipality, at the option of the municipality
928 and the agency, may collect any infrastructure assessments including any recording fees, on
929 behalf of the agency pursuant to an agreement between the municipality and the agency and to
930 disburse the funds to any designated management entity or financial institution selected by
931 agency. The collector-treasurer shall disburse revenues to the management entity or financial
932 institution within 30 days of the collection of such fees, together with the interest earned on the
933 holding of such fees.

934 Section 10. (a) This chapter shall be considered to provide an exclusive, additional,
935 alternative and complete method of accomplishing the purposes of this chapter and exercising
936 the powers authorized hereby and shall be considered and construed to be supplemental and
937 additional to, and not in derogation of, powers conferred upon the agency, the assessing party or
938 the public facilities owner, by law; but, insofar as the proceedings of this chapter are inconsistent
939 with any general or specific law, administrative order or regulation, or any resolution or
940 ordinance of the municipality, this chapter shall be controlling. Without limiting the generality of

941 the foregoing, no provision of any resolution or ordinance of the municipality requiring
942 ratification by the voters of certain bond issues shall apply to the issuance of bonds or notes of
943 the agency pursuant to this chapter, nor shall be applicable to the manner of voting or the
944 limitations as to the amount and time of payment of debts incurred by the agency.

945 (b) Except as specifically provided in this chapter, all other statutes, ordinances,
946 resolutions, rules and regulations of the commonwealth and the municipality shall be fully
947 applicable to the property, property owners, residents and businesses located in the development
948 zone. This chapter shall not obligate the municipality or the agency to pay any costs for the
949 acquisition, construction, equipping or operation and administration of the improvements located
950 within the development zone.

951 SECTION 23. Section 5 of Chapter 293 of the acts of 2006 is hereby amended by
952 inserting after the words "transportation facilities", as appearing in the definition "Public
953 infrastructure improvements", the following words:--parking garages,.

954 SECTION 24. The second sentence of subsection (e) of section 7 of chapter 293 of the
955 acts of 2006, as inserted by section 7 of chapter 129 of the acts of 2008, is hereby amended by
956 striking out the figure "2" and inserting in place thereof the following figure:--4

957 SECTION 25 . Chapter 293 of the acts of 2006 as amended by chapter 129 of the acts of
958 2008 is hereby further amended by inserting after section 12A the following new section:--

959 Section 12B. Notwithstanding any other provision of this act, new revenue and new state
960 tax revenues may, respectively, and to the extent and in the manner approved by the secretary
961 with consideration of economic conditions and the characteristics of the project, include revenue
962 and state tax revenue attributable to construction-related activity and purchases in connection

963 with an economic development project, and all calculations of any matter under the act,
964 including, without limitation, calculation of infrastructure assessments and shortfalls, shall
965 reflect such inclusion in the manner approved by the secretary. The commissioner shall certify
966 the amount of new state tax revenues attributable to such construction-related activity and
967 purchases in the manner and at the times specified in the secretary's certification of the economic
968 development project.

969 SECTION 26 . The first sentence of subsection (d) of section 7 of chapter 293 of the acts
970 of 2006, as amended by section 7 of chapter 129 of the acts of 2008, is hereby further amended
971 by striking out the figure "$250,000,000" and inserting in place thereof the following figure:--
972 $400,000,000.

973 SECTION 27 The first paragraph of subsection (j) of section 6 of chapter 62 of the
974 General Laws, as appearing in the 2010 Official Edition, is hereby amended by striking out the
975 figure “2013” and inserting in place thereof the following figure:- 2015.

976 SECTION 28. Said paragraph (1) of said subsection (j) of said section 6 of chapter 62, as
977 so appearing, is hereby further amended by striking out the figure “2014” and inserting in place
978 thereof the following figure:- 2016.

979 SECTION 29. Paragraph (a) of section 38Q of chapter 63 of the General Laws, as
980 appearing in the 2010 Official Edition, is hereby amended by striking out the figure “2013” and
981 inserting in place thereof the following figure:- 2015.

982 SECTION 30. Said paragraph (a) of said section 38Q of said chapter 63, as so appearing,
983 is hereby further amended by striking out the figure “2014” and inserting in place thereof the
984 following figure:- 2016.

985 SECTION 31. . Section 173 of chapter 240 of the Acts of 2010, is hereby amended by
986 striking the definition of "tolling period", and inserting its place the following new definition:

987 "Tolling period", the period beginning August 15, 2008, and continuing through August
988 15, 2012.

989 SECTION 32. Subsection (b)(1) of said section 173 of said chapter 240 of the Acts of
990 2010, is hereby amended by striking "2" and inserting its place the following: "4".

991 SECTION 33. Section 2 of chapter 43D of the General Laws, as appearing in the 2010
992 Official Edition, is hereby amended by striking the definition of "priority development site", and
993 inserting in its place the following new definition:

994 "Priority development site", a privately or publicly owned property that is: (1) eligible
995 under applicable zoning provisions, including special permits or other discretionary permits, for
996 the development or redevelopment of a building at least 50,000 square feet of gross floor area in
997 new or existing buildings or structures; and (2) designated as an appropriate priority
998 development site by the board. Several parcels or projects may be included within a single
999 priority development site. Wherever possible, priority development sites should be located
1000 adjacent to areas of existing development or in underutilized buildings or facilities, or close to
1001 appropriate transit services.

1002 SECTION 34 Section 2 of chapter 40Q of the General Laws, as appearing in the 2010
1003 Official Edition, is hereby amended by striking subsection (a)(2).

1004 SECTION 35. Section 2(b) of Chapter 40Q of the General Laws, as appearing in the
1005 2010 Official Edition, is hereby amended in the second sentence by striking the words ", with the
1006 same certification requirements of subsection (a)".

1007 SECTION 36 Section 2 of chapter 21E of the General Laws, as appearing in the 2010
1008 Official Edition, is hereby amended by striking out the definition of "economically distressed
1009 area", and inserting in place thereof the following definition:-

1010 "Economically distressed area", an area or municipality that: has been designated as an
1011 economic target area, or that would otherwise meet the criteria of an economic target area as
1012 defined in subsection (a) (i) or (ii) of section 3D of chapter 23A, provided however, that if the
1013 area would otherwise meet the criteria established in section 3D, it does not need to be approved
1014 as a economic target area by the economic assistance coordinating council to be considered an
1015 economically distressed area; or, the site of a former manufactured gas plant or the site of a
1016 former Massachusetts Bay Transportation Authority; or, the executive office of transportation
1017 and public works right-of-way in which the municipality has acquired an interest for purposes of
1018 the installation, operation, maintenance and use of a rail-trail as defined in the definition of
1019 Owner or Operator.

1020 SECTION 37 Chapter 23A of the General Laws, as appearing in the 2010 Official
1021 Edition, is hereby amended by striking out the word "EOA" wherever it appears and inserting in
1022 place thereof the word "ETA".

1023 SECTION 38. Said chapter 23A, as so appearing, is hereby amended by striking out after
1024 the words "manufacturing retention" the words "and job growth", wherever they appear.

1025 SECTION 39. Section 3A of chapter 23A, as so appearing, is hereby amended by
1026 inserting, in the definition of “Certified project”, after the words “enhanced expansion” the
1027 words “job creation”.

1028 SECTION 40. Said section 3A is hereby further amended by inserting, after the definition
1029 of “Economic assistance coordinating council”, the following definition:-

1030 “Economic benefit”, awards of tax credits approved under paragraph (5) of Section 3F of
1031 this chapter and/or any tax increment financing approved under section 3E of this chapter and
1032 section 59 of chapter 40 or special tax assessment awarded under section 3E of this chapter.

1033 SECTION 41. Said section 3A is hereby further amended by striking out the definition of
1034 “Economic opportunity area or EOA”.

1035 SECTION 42. Said section 3A is hereby further amended by striking out the definition of
1036 “Expansion project EOA”.

1037 SECTION 43. Said section 3A is hereby further amended by striking out, in the definition
1038 of “Expansion project ETA” after the word “located”, the words:- determined with reference to
1039 the project EOA.

1040 SECTION 44. Said section 3A is hereby further amended by inserting, after the definition
1041 of “Gateway municipality”, the following definitions:-

1042 "Job creation project", (i) is located or will be located within the commonwealth; (ii)
1043 generates substantial sales from outside of the commonwealth; and (iii) generates a net increase
1044 of at least 50 permanent full-time employees within 2 years before or after project certification,
1045 but not before January 1 of the year preceding the year in which the project receives certification

1046 and which shall be maintained for a period of not less than 5 years; provided, however, that in
1047 the case of a facility that as of the project proposal date is already located in the commonwealth,
1048 job creation project shall refer only to a facility at which the controlling business has expanded
1049 or proposed to expand the number of permanent full-time employees at such facility and the
1050 expansion shall represent: (1) an increase in the number of permanent full-time employees
1051 employed by the controlling business within the commonwealth; and (2) not a replacement or
1052 relocation of permanent full-time employees employed by the controlling business at any other
1053 facility located within the commonwealth; provided, further, that in the case of a facility to be
1054 located within the commonwealth after the project proposal date, "job creation project" shall
1055 refer only to a facility that is: (a) the first facility of the controlling business to be located within
1056 the commonwealth; or (b) a new facility of such business and not a replacement or relocation of
1057 an existing facility of such controlling business located within the commonwealth; or an
1058 expansion of an existing facility of the controlling business that results in an increase in
1059 permanent full-time employees.

1060 "Job creation project proposal", a proposal submitted by a controlling business to the
1061 EACC pursuant to section 3F for designation of a project as an job creation certified project,
1062 provided that: (i) the proposal is submitted in a timely manner, in such form and with such
1063 information as is prescribed by the EACC, supported by independently verifiable information
1064 and signed under the penalties of perjury by a person authorized to bind the controlling business;
1065 (ii) the proposal includes specific targets by year for the subsequent 5 calendar year period
1066 relative to the projected increase in the number of permanent full-time employees of the
1067 controlling business to be employed by and at the project from among residents of the
1068 commonwealth; provided further, that in the case of a project that is a new facility within the

1069 meaning of clause (b) of the definition of job creation project, such proposal shall include, in
1070 addition, the number of permanent full-time employees employed by the controlling business at
1071 other facilities located in the commonwealth.

1072 SECTION 45. Said section 3A is hereby further amended by striking out the definition
1073 of “municipal application” and inserting in place thereof the following definition:

1074 "Municipal application", an application submitted by a municipality to the EACC
1075 pursuant to section three D or three E for designation of one or more areas as an ETA; provided,
1076 however, that: (i) the application is submitted in a timely manner, in such form and with such
1077 information as is prescribed by the EACC, and supported by independently verifiable
1078 information; (ii) the area proposed for designation in the application is located, in whole or in
1079 part, within each municipality participating in said application; (iii) each municipality within
1080 which said proposed area is located participates in the application for designation; (iv) that said
1081 application is properly authorized in advance of submission; (v) in the case of an application
1082 submitted by more than one municipality, all requirements applicable thereto, including without
1083 limitation the requirements associated with proper authorization thereof, shall, apply equally to
1084 each municipality participating in said application.

1085 SECTION 46. Said section 3A is hereby further amended by inserting, in the definitions
1086 of “project” and “”project proposal” after the words “enhanced expansion project”, the words
1087 “job creation project,”.

1088 SECTION 47. Said chapter 23A is hereby further amended by striking out section 3B, as
1089 appearing in the 2010 Official Edition, and inserting in place thereof the following section:-

1090 Section 3B. There shall be an economic assistance coordinating council, established
1091 within the Massachusetts office of business development. Said council shall consist of: the
1092 director of office of business development or his designee who shall serve as co-chairperson; the
1093 director of housing and community development or his designee who shall serve as co-
1094 chairperson; the director of career services, or his designee; the secretary of labor and workforce
1095 development, or his designee; a representative of MOBD designated by the director; the director
1096 economic assistance in the office of business development or his designee; the president of the
1097 Commonwealth Corporation or his designee; and seven members to be appointed by the
1098 governor, one of whom shall be from the western region of the commonwealth, one of whom
1099 shall be from the central region of the commonwealth, one of whom shall be from the eastern
1100 region of the commonwealth, one of whom shall be from the southeastern region of the
1101 commonwealth, one of whom shall be from Cape Cod or the islands, one of whom shall be a
1102 representative of a higher educational institution within the commonwealth and one of whom
1103 shall be from the Merrimack valley, all of whom shall have expertise in issues pertaining to
1104 training, business relocation and inner-city and rural development, and all of whom shall be
1105 knowledgeable in public policy and international and state economic and industrial trends. Each
1106 member appointed by the governor shall serve at the pleasure of the governor. Said council shall
1107 adopt bylaws to govern its affairs.

1108 SECTION 48. Section 3C of chapter 23A, as appearing in the 2010 Official Edition, is
1109 hereby amended by striking out subsection (1) and inserting in place thereof the following
1110 subsection:-

1111 (1) The EACC shall administer the economic development incentive program and, in so
1112 doing, shall be empowered to exercise the following powers and duties:

1113 (a) promulgate rules and regulations and prescribe procedures to effectuate the purposes
1114 of sections three A to three H, inclusive;

1115 (b) review applications from municipalities for the designation of areas as economic
1116 target areas and to make such designations;

1117 (c) certify tax increment finance agreements and special tax assessment areas pursuant to
1118 section 3E of this chapter;

1119 (d) certify projects for participation in the economic development incentive program and
1120 establish regulations for evaluating the proposals of said projects;

1121 (e) assist municipalities in obtaining state and federal resources and assistance for
1122 economic target areas and for certified projects within economic target areas;

1123 (f) provide appropriate coordination with other state programs, agencies, authorities, and
1124 public instrumentalities to enable activity within economic target areas to be more effectively
1125 promoted by the commonwealth;

1126 (g) monitor the implementation and operation of the economic development incentive
1127 program; and

1128 (h) conduct a continual evaluation of economic target areas and the projects certified for
1129 participation in the economic development incentive program.

1130 SECTION 49. Section 3D of chapter 23A, as appearing in the 2010 Official Edition, is
1131 hereby amended by inserting after subsection (b) the following paragraph:-

1132 Upon application from a city or town, the EACC may also from time to time designate
1133 one or more areas of a city or town as areas presenting exceptional opportunities for increased
1134 economic development. In making such designation, the EACC shall consider whether there is a
1135 strong likelihood that one more of the following will occur within the area in question within a
1136 specific and reasonably proximate period of time:

1137 (a) a significant influx or growth in business activity,

1138 (b) the creation of a significant number of new jobs and not merely a replacement or
1139 relocation of current jobs within the Commonwealth, and

1140 (c) a significant increase in the prospects of achieving economic stability.

1141 SECTION 50. Said chapter 23A is hereby further amended by striking out section 3E, as
1142 appearing in the 2010 Official Edition, and inserting in place thereof the following section:-

1143 Section 3E. The EACC may from time to time certify by a vote a municipal application
1144 for a tax increment financing agreement or special tax assessment area within an economic target
1145 area or an area designated by the EACC as an area of exceptional opportunity upon compliance
1146 with the following:

1147 (1) for the purposes of a tax increment financing agreement, receipt with the
1148 municipal application of a proposed tax increment financing agreement adopted in accordance
1149 with the provisions of section 59 of chapter 40;

1150 (2) for the purposes of the provision of a special tax assessment area, receipt with the
1151 municipal application of a binding written offer which shall set forth the following assessment
1152 schedule for each parcel of real property in the area :

1153 (i) in the municipality's first fiscal year, an assessment of zero percent of the actual
1154 assessed valuation of the parcel; provided, that such assessment shall be granted for the year
1155 designated in the binding written offer;

1156 (ii) in the second year, an assessment of up to twenty-five percent of the actual assessed
1157 valuation of the parcel;

1158 (iii) in the third year, an assessment of up to fifty percent of the actual assessed valuation
1159 of the parcel;

1160 (iv) in the fourth year, an assessment of up to seventy-five percent of the actual assessed
1161 valuation of the parcel;

1162 (v) in subsequent years, assessment of up to one hundred percent of the actual assessed
1163 valuation of the parcel.

1164 For the purposes of this section the term "municipality's fiscal year" shall refer to a
1165 period of three hundred and sixty-five days beginning, in the first instance, with the, calendar
1166 year in which the assessed property is purchased or acquired or the calendar year in which the
1167 assessed property is designated as within a special tax assessment area, whichever is last to
1168 occur; provided, further, that no such written offer from a municipality shall be considered to be
1169 authorized unless and until it is approved by the EACC.

1170 SECTION 51. Section 3F of chapter 23A, as so appearing in the 2010 Official Edition, is
1171 hereby amended by striking out, in subsection (1), the words "expansion, enhanced expansion,
1172 or manufacturing retention and job growth" wherever they appear and inserting in place thereof
1173 the following words:- expansion, enhanced expansion, job creation, or manufacturing retention.

1174 SECTION 52. Said section 3F of chapter 23A, as so appearing, is hereby further
1175 amended by striking out paragraph (1)(b)(ii) and inserting in place thereof the following
1176 paragraph:-

1177 (ii) the project as described in the proposal and all documentation submitted therewith:

1178 (A) the proposal is consistent with and can reasonably be expected to benefit significantly
1179 from the municipality's plans as described in paragraph (B) (iii) below; and

1180 (B) together with all other projects previously certified and located in the same ETA or
1181 municipality, will not overburden the municipality's supporting resources;

1182 SECTION 53. Said section 3F of chapter 23A, as so appearing, is hereby further
1183 amended by striking out paragraph (1)(c) and inserting in place thereof the following paragraph:-

1184 (c) receipt with such written approval by the municipality of a request for a designation
1185 of the project as a certified project for a specified number of years, which shall be not less than
1186 five years nor more than twenty years; and

1187 SECTION 54. Said section 3F of chapter 23A, as so appearing, is hereby further
1188 amended by striking out subsection (2) and inserting in place thereof the following subsection:-

1189 (2) A certified project shall retain its certification for the period specified by the EACC in
1190 its certification decision; provided, however, that such specified period shall be not less than 5
1191 years from the date of certification nor more than 20 years from such date unless such
1192 certification is revoked prior to the expiration of the specified period.

1193 The EACC shall review certified projects at least once every 2 years.

1194 The certification of a project may be revoked only by the EACC and only upon the
1195 petition of the municipality that approved the project proposal, if applicable, if the petition
1196 satisfies the authorization requirements for a municipal application, or the petition of the director
1197 of economic development and the independent investigation and determination of the EACC that
1198 (a) the conduct of the controlling business subsequent to the certification is at material variance
1199 with the controlling business's project proposal; or (b) the controlling business made a material
1200 misrepresentation in its project proposal or anytime thereafter. Where the actual number of
1201 permanent full-time employees employed by the controlling business is less than 70 per cent of
1202 the number of such permanent full-time employees projected in the project proposal for a
1203 certified expansion project, or where the actual number of permanent full-time employees
1204 employed by the controlling business is less than 90 per cent of the number of such permanent
1205 full-time employees projected in the project proposal for an enhanced expansion, job creation or
1206 manufacturing retention project, , then this shall be deemed a material variance for the purposes
1207 of a revocation determination.

1208 If a project's certification is revoked by the EACC, both the commonwealth and
1209 municipality, if applicable, shall have causes of action against the controlling business for the
1210 value of any economic benefits awarded pursuant to this chapter, section 59 of chapter 40,
1211 subsection (g) of section 6 of chapter 62, or section 38N of chapter 63. State tax credits shall also
1212 be subject to the recapture provision of subsection (g) of section 6 of chapter 62 and section 38N
1213 of chapter 63.

1214 For projects certified before January 1, 2012, if the EACC revokes a project's
1215 certification because of a 1) material variance, the value of the economic benefit that shall be
1216 recaptured or otherwise recouped by the commonwealth and/or municipality shall be the amount

1217 the controlling business would have been allowed to receive after the effective date of
1218 revocation, revocation shall take effect on the first day of the tax year in which a material
1219 variance occurred as determined by the EACC; 2) material misrepresentation, the value of the
1220 economic benefit that shall be recaptured or otherwise recouped by the commonwealth and/or
1221 the municipality shall be the total amount of economic benefit approved by the state and/or
1222 municipality for the controlling business.

1223 For projects certified after January 1, 2012, if the EACC revokes a project's certification,
1224 the value of the economic benefit that shall be recaptured or otherwise recouped by the state
1225 and/or municipality shall be the total amount of economic benefit approved by the state and/or
1226 municipality for the controlling business.

1227 Notwithstanding the above, the commissioner of revenue shall, as of the effective date of
1228 the revocation, recapture and/or reduce any tax credits awarded pursuant to the recapture
1229 provisions of subsection (g) of section 6 of chapter 62 and section 38N of chapter 63 and recoup
1230 any exemptions or other tax benefits allowed by the original certification under this section.
1231 Notwithstanding any general or special law to the contrary, upon such revocation, a municipality
1232 that has provided tax increment financing under this chapter and section 59 of chapter 40 or a
1233 special tax assessment pursuant to this chapter to a certified project may place a lien on the
1234 certified project for repayment of the full amount of real property taxes owed pursuant to such
1235 revocation. The commissioner of revenue shall issue regulations or other guidance to recapture
1236 state tax credits, and recoup any exemptions or other tax benefits allowed by the certification
1237 under this section.

1238 Annually, on or before the first Wednesday in December, the EACC shall file a report
1239 detailing its findings of the review of all certified projects that it evaluated in the prior fiscal year
1240 to the commissioner of revenue, to the chairs of the joint committee on revenue and the chairs of
1241 the joint committee on economic development and emerging technologies.

1242 SECTION 55. Said section 3F of chapter 23A, as so appearing, is hereby further
1243 amended by inserting, at the end of paragraph (4)(c), the word "and".

1244 SECTION 56. Said section 3F of chapter 23A, as so appearing, is hereby further
1245 amended by striking out paragraph (4)(d) and inserting in place thereof the following paragraph:-

1246 (d) a certified project application will be submitted to the EACC within a reasonable
1247 period of time for the project proposing to occupy said facility and parcels.

1248 SECTION 57. Said section 3F of chapter 23A, as so appearing, is hereby further
1249 amended by striking out paragraph (4)(e).

1250 SECTION 58. Said section 3F of chapter 23A, as so appearing, is hereby further
1251 amended by striking out paragraph (5)(d) and inserting in place thereof the following paragraph:-

1252 (d) for job creation projects:

1253 (1) the degree to which the project is expected to create and maintain employment
1254 opportunities;

1255 (2) the degree to which the project is expected to create jobs for residents in a gateway
1256 municipality;

1257 (2) the degree to which the project is expected to create a substantial amount of jobs
1258 within two years.

1259 SECTION 59. Said Section 3F of chapter 23A, as so appearing, is hereby further
1260 amended by striking out, in paragraph (6), the word “department” and inserting in place thereof
1261 the word “commissioner”.

1262 SECTION 60. Chapter 23A is hereby amended by striking out in section 56(e), as
1263 appearing in the 2010 Official Edition the words “and the Massachusetts Technology Transfer
1264 Center established in chapter 75” and inserting in place thereof the following language:

1265 the Massachusetts Technology Transfer Center established in chapter 75, and the
1266 Massachusetts business development corporation established in chapter 671 of the Acts of 1953,

1267 SECTION 61. Chapter 40 of the General Laws is hereby amended by striking out section
1268 59, as appearing in the 2010 Official Edition, and inserting in place thereof the following
1269 section:-

1270 Section 59. Notwithstanding any general or special law to the contrary, any city or town
1271 by vote of its town meeting, town council, or city council with the approval of the mayor where
1272 required by law, on its own behalf or in conjunction with one or more cities or towns, and
1273 pursuant to regulations issued by the economic assistance coordinating council established under
1274 section 3B of chapter 23A,, may adopt and prosecute a tax increment financing agreement
1275 hereinafter referred to as TIF agreement, and do any and all things necessary thereto; provided,
1276 however, that the TIF agreement:

1277 (i) includes a description of the parcels to be included in the agreement; provided,
1278 however, that each area so designated is wholly within an economic target area or an area
1279 presenting exceptional opportunities for increased economic development, as defined in section
1280 3D of chapter 23A and in regulations adopted by the economic assistance coordinating council;
1281 provided, further, that in the case of a TIF area that includes parcels located in one or more city
1282 or towns, the areas included in the TIF agreement shall be contiguous areas of such cities or
1283 towns;

1284 (ii) describes in detail all construction and construction-related activity, public and
1285 private, contemplated for such TIF agreement as of the date of adoption of the TIF agreement;
1286 provided, however, that in the case of public construction as aforesaid, the TIF agreement shall
1287 include a detailed projection of the costs thereof and a betterment schedule for the defrayal of
1288 such costs; provided, further, that the TIF agreement shall provide that no costs of such public
1289 constructions shall be recovered through betterments or special assessments imposed on any
1290 party which has not executed an agreement in accordance with the provisions of clause (v); and
1291 provided, further, that in the case of private construction as aforesaid, the TIF agreement shall
1292 include the types of industrial and commercial developments which are projected to occur within
1293 such TIF area, with documentary evidence of the level of commitment therefore, including but
1294 not limited to architectural plans and specifications as required by said regulations;

1295 (iii) authorizes tax increment exemptions from property taxes, under clause Fifty-first of
1296 section 5 of chapter 59, for a specified term not to exceed 20 years, for any parcel of real
1297 property which is located in the TIF zone and for which an agreement has been executed with the
1298 owner of the real property under clause (v); provided, however, that the TIF agreement shall
1299 specify the level of the exemptions expressed as exemption percentages, not to exceed 100 per

1300 cent to be used in calculating the exemptions for the parcel, and for personal property situated on
1301 that parcel, as provided under said clause Fifty-first of said section 5 of said chapter 59;
1302 provided, further, that the exemption for each parcel of real property shall be calculated using an
1303 adjustment factor for each fiscal year of the specified term equal to the product of the inflation
1304 factors for each fiscal year since the parcel first became eligible for an exemption under this
1305 clause; provided, further that the inflation factor for each fiscal year shall be a ratio;

1306 (a) the numerator of which shall be the total assessed value of all parcels of commercial
1307 and industrial real estate that are assessed at full and fair cash value for the current fiscal year
1308 minus the new growth adjustment for the current fiscal year attributable to the commercial and
1309 industrial real estate as determined by the commissioner of revenue under subsection (f) of
1310 section 21C of chapter 59; and

1311 (b) the denominator of which shall be the total assessed value for the preceding fiscal
1312 year of all the parcels included in the numerator; provided, however, that the ratio shall not be
1313 less than 1;

1314 (iv) establishes a maximum percentage of the costs of any public construction, referenced
1315 in clause (ii) and initiated subsequent to the adoption of the TIF agreement, that can be recovered
1316 through betterments or special assessments against any parcel of real property eligible for tax
1317 increment exemptions from property taxes pursuant to clause (iii) during the period of such
1318 parcel's eligibility for exemption from annual property taxes pursuant to clause fifty-first of
1319 section five of chapter fifty-nine, notwithstanding the provisions of chapter eighty or any other
1320 general or special law authorizing the imposition of betterments or special assessments;

1321 (v) includes executed agreements between such city or town and each owner of a parcel
1322 of real property which is located in such TIF area; provided, however, that each such agreement
1323 shall include: (1) all material representations of the parties which served as the basis for the
1324 descriptions contained in the TIF agreement in accordance with the provisions of clause (ii); (2)
1325 a detailed recitation of the tax increment exemptions and the maximum percentage of the cost of
1326 public improvements that can be recovered through betterments or special assessments regarding
1327 such parcel of real property pursuant to clauses (iii) and (iv); (3) a detailed recitation of all other
1328 benefits and responsibilities inuring to and assumed by the parties to such agreement; and (4) a
1329 provision that such agreement shall be binding upon subsequent owners of such parcel of real
1330 property;

1331 (vi) delegates to one board, agency or officer of the city or town the authority to execute
1332 the agreement in accordance with the provisions of clause (v);

1333 (vii) is certified as an approved TIF agreement by the economic assistance coordinating
1334 council pursuant to section 3D of chapter 23A and regulations adopted by said council; provided,
1335 however, that the economic assistance coordinating council shall certify in its vote that the
1336 agreement is consistent with the requirements of this section and section 3D and will further the
1337 public purpose of encouraging increased industrial and commercial activity in the
1338 commonwealth;

1339 (viii) includes the right for the city or town to revoke its designation of the TIF agreement
1340 pursuant to section 3F of chapter 23A; provided, such revocation shall not affect agreements
1341 relative to property tax exemptions and limitations on betterments and special assessments
1342 pursuant to said clause (v) which were executed prior thereto; and

1343 (viii) requires of an owner of a parcel pursuant to clause (v) to submit to the city or town
1344 clerk and the economic assistance coordinating council a report detailing the status of the
1345 construction laid out in the agreement; the current value of the property; and the number of jobs
1346 created to date as a result of the agreement; provided, however, that a report shall be filed every
1347 two years for the term of the tax increment exemption allowed under clause Fifty-first of section
1348 5 of chapter 59; and provided further, that a final report shall be filed in the final year of the
1349 exemption.

1350 The board, agency or officer of the city or town authorized pursuant to clause (vi) to
1351 execute agreements shall forward to the board of assessors a copy of each approved TIF
1352 agreement, together with a list of the parcels included therein.

1353 SECTION 62. Section 6 of chapter 62 of the General Laws, as appearing in the 2010
1354 Official Edition, is hereby amended by striking out the first paragraph of subsection (g)(1) and
1355 inserting in place thereof the following paragraphs:-

1356 (1) A credit shall be allowed against the tax liability imposed by this chapter, to the
1357 extent authorized by the economic assistance coordinating council established in section 3B of
1358 chapter 23A, up to an amount equal to 50 per cent of such liability in any taxable year; provided,
1359 however, that the 50 per cent limitation shall not apply where the credit is refundable under
1360 paragraph (5): (i) for certified expansion projects and certified enhanced expansion projects, as
1361 defined in sections 3A and 3F of said chapter 23A, an amount up to 10 per cent, (ii) for certified
1362 manufacturing retention projects, as defined in said sections 3A and 3F of said chapter 23A, an
1363 amount up to 40 per cent of the cost of property that would qualify for the credit allowed by
1364 section 31A of chapter 63 if the property were purchased by a manufacturing corporation or a

1365 business corporation engaged primarily in research and development and used exclusively in a
1366 certified project as defined in said sections 3A and 3F of said chapter 23A; and, (iii) for certified
1367 job creation projects, as defined in said sections 3A and 3F of said chapter 23A, an amount up to
1368 $5,000 per job created; provided, however, that the total award per project shall be no more than
1369 $1,000,000; provided, however, that the EACC may award a greater credit in an amount not to
1370 exceed $10,000 per job created under the project if the jobs created are located in a gateway
1371 municipality, as defined by section 3A of chapter 23A; and provided, however, that a credit
1372 under this clause (iii) shall be allowed for the year subsequent to that in which the jobs are
1373 created. A lessee may be eligible for a credit pursuant to this subsection for real property leased
1374 pursuant to an operating lease. Notwithstanding any contrary provisions in section 3F of chapter
1375 23A, if such property is disposed of or ceases to be in qualified use within the meaning of section
1376 31A or ceases to be used exclusively in a certified project before the end of the certified project's
1377 certification period, or if a project's certification is revoked, the recapture provisions of
1378 subsection (e) of section 31A shall apply. In the case of revocation of projects certified before
1379 January 1, 2012, the revocation shall take effect on the first day of the tax year in which a
1380 material variance or material misrepresentation occurred as determined by the EACC. If such
1381 property is disposed of after the certified project's certification period but before the end of such
1382 property's useful life, the recapture provisions of subsection (e) of section 31A shall apply. The
1383 expiration of a certified project's certification shall not require the application of the recapture
1384 provisions of subsection (e) of section 31A.

1385 Notwithstanding any contrary provisions in subsection (e) of section 31A, for projects
1386 certified after January 1, 2012, if the EACC revokes a project's certification, the total amount of

1387 credits taken under this section shall be recaptured and added back as additional tax in the
1388 taxable year in which the EACC makes the determination to revoke.

1389 SECTION 63. Said section 6 of chapter 62, as so appearing, is hereby further amended by
1390 striking out, in line 179, the second sentence of the second paragraph of subsection (g)(1).

1391 SECTION 64. Said section 6 of chapter 62, as so appearing, is hereby amended by
1392 striking out, in line 202, the fourth sentence in subsection (g)(1) and inserting in place thereof the
1393 following sentence:-

1394 To the extent applicable, paragraph (3) of section 3F of said chapter 23A shall apply to
1395 tax benefits awarded under this section.

1396 SECTION 65. Said section 6 of chapter 62, as so appearing, is hereby further amended
1397 by striking out, in subsection (g) paragraph (5) and inserting in place thereof the following
1398 paragraph:-

1399 (5) If a credit allowed under clauses (ii) and (iii) of paragraph (1) for certified
1400 manufacturing retention projects and certified job creation projects exceeds the tax otherwise due
1401 under this chapter, 100 per cent of the balance of such credit may, at the option of the taxpayer
1402 and to the extent authorized pursuant to the economic assistance coordinating council, be
1403 refundable to the taxpayer for the taxable year in which qualified property giving rise to that
1404 credit is placed in service by a manufacturing retention project or for the taxable year subsequent
1405 to the year in which the required jobs are added by the job creation project. If such credit balance
1406 is refunded to the taxpayer, the credit carryover provisions of paragraph (2) shall not apply.

1407 SECTION 66. Section 38N of chapter 63 of the General Laws, as appearing in the 2010
1408 Official Edition, is hereby amended by striking out the first paragraph of subsection (a) and
1409 inserting in place thereof the following paragraph:-

1410 (a) A corporation subject to tax under this chapter that participates in a certified project,
1411 as defined in sections 3A and 3F of chapter 23A, may take a credit against the excise imposed by
1412 this chapter to the extent authorized by the economic assistance coordinating council established
1413 by section 3B of said chapter 23A, in an amount not to exceed 50 per cent of such liability in a
1414 taxable year; provided, however, that the 50 per cent limitation shall not apply if the credit is
1415 refundable under subsection (b): (i) for certified expansion projects and certified enhanced
1416 expansion projects, as defined in said sections 3A and 3F of said chapter 23A, an amount up to
1417 10 per cent; (ii) for certified manufacturing retention projects, as defined in said sections 3A and
1418 3F of said chapter 23A, an amount up to 40 per cent of the cost of any property that would
1419 qualify for the credit allowed by section 31A if the property were purchased by a manufacturing
1420 corporation or a business corporation engaged primarily in research and development and is used
1421 exclusively in a certified project, as defined in said sections 3A and 3F of said chapter 23A; and,
1422 (iii) for certified job creation projects, as defined in said sections 3A and 3F of said chapter 23A,
1423 an amount up to $5,000 per job created; provided, however, that the total award per project shall
1424 be no more than $1,000,000; provided, however, that the EACC may award a greater credit in an
1425 amount not to exceed $10,000 per job created under the project if the jobs created are located in
1426 a gateway municipality, as defined by section 3A of chapter 23A; and provided, however, that a
1427 credit under this clause (iii) shall be allowed for the year subsequent to that in which the jobs are
1428 created A lessee may be eligible for a credit under this subsection for real property leased under
1429 an operating lease.

1430 SECTION 67. Said section 38N of chapter 63, as so appearing, is hereby further amended
1431 by striking out, in line 33, the sentence beginning with:- “Of these allowable credits.”

1432 SECTION 68. Said section 38N of chapter 63, as so appearing, is hereby further amended
1433 by striking out the third paragraph of subsection (a) and inserting in place thereof the following
1434 paragraphs:-

1435 The credit allowed under this section may be taken by an eligible corporation; provided,
1436 however, that the credit allowed by section 31A or section 31H shall not be taken by such
1437 corporation. For purposes of this paragraph, the corporation need not be a manufacturing
1438 corporation or a business corporation engaged primarily in research and development.
1439 Notwithstanding any contrary provisions in section 3F of chapter 23A, if such property is
1440 disposed of or ceases to be in qualified use within the meaning of section 31A or ceases to be
1441 used exclusively in a certified project before the end of the certified project's certification period,
1442 or if a certified project’s certification is revoked, the recapture provisions of subsection (e) of
1443 section 31A shall apply. In the case of revocation of projects certified before January 1, 2012, the
1444 revocation shall take effect on the first day of the tax year in which a material variance or
1445 material misrepresentation occurred as determined by the EACC. If such property is disposed of
1446 after the certified project's certification period but before the end of such property's useful life,
1447 the recapture provisions of subsection (e) of section 31A shall apply. The expiration of a certified
1448 project's certification shall not require the application of the recapture provisions of subsection
1449 (e) of section 31A.

1450 Notwithstanding any contrary provisions in subsection (e) of chapter 31A, for projects
1451 certified after January 1, 2012, if the EACC revokes a project’s certification, the total amount of

1452 credits taken under this section shall be recaptured and added back as additional tax in the
1453 taxable year in which the EACC makes the determination to revoke.

1454 SECTION 69. Said section 38N of chapter 63, as so appearing, is hereby further amended
1455 by striking out, in line 71, the fourth sentence of the last paragraph of subsection (a) and
1456 inserting in place thereof the following sentence:-

1457 To the extent applicable, paragraph (3) of section 3F of said chapter 23A shall apply to
1458 tax benefits awarded under this section.

1459 SECTION 70. Said section 38N of chapter 63, as so appearing, is hereby further
1460 amended by striking out the subsection (b) and inserting in place thereof the following
1461 subsection:-

1462 (b) If a credit allowed under clauses (ii) and (iii) of subsection (a) for certified
1463 manufacturing retention projects and certified job creation projects exceeds the tax otherwise due
1464 under this chapter, 100 per cent of the balance of such credit may, at the option of the taxpayer
1465 and to the extent authorized pursuant to the economic assistance coordinating council, be
1466 refundable to the taxpayer for the taxable year in which qualified property giving rise to that
1467 credit is placed in service by a manufacturing retention project or for the taxable year subsequent
1468 to the year in which the required jobs are added by a job creation project. If such credit balance is
1469 refunded to the taxpayer, the credit carryover provisions of subsection (d) shall not apply. The
1470 amount of credit eligible to be refunded shall be determined without regard to the limitations in
1471 subsections (a) and (c).

1472 SECTION 71. Section 38O of chapter 63, as appearing in the 2010 Official Edition, is
1473 hereby further amended by striking out all of the words that appear after the words “building

1474 located within an" and inserting in place thereof the following words: - economic target area as
1475 defined by section 3D of chapter 23A.

1476 SECTION 72 . Section 21 of chapter 40 of the General Laws, as appearing in the 2010
1477 Official Edition, is amended, in line 4, by inserting after the word "limits", the following:—

1478 , provided that, notwithstanding any general or special law to the contrary, a city or town
1479 may not make any ordinance or by-law interfering with interstate or intrastate trade or commerce
1480 or regulating any product or consumer good.

1481 SECTION 73 Section 171 of chapter 240 of the Acts of 2010 is hereby amended by
1482 striking out the words "$25,000,000 and not more than $50,000,000 in banks or financial
1483 institutions" and inserting in place thereof the following language:-

1484 "$50,000,000 and not more than $100,000,000 in banks, financial institutions, or other
1485 investment funds"

1486 SECTION 74. Section 14C of chapter 167 of the Massachusetts General Laws, is hereby
1487 amended by striking out the third and fourth paragraphs and inserting in place thereof, the
1488 following paragraphs:

1489 The small business loan review boards shall meet on a regular basis or, as demand for
1490 their services requires, to review small business loan denials that applicants believe were
1491 unreasonably denied. Upon commencement of a review of a small business loan denial submitted
1492 by an applicant, the small business loan review board shall be required to report the results of
1493 their findings to the applicant within 30 days of submission or request of the review; provided
1494 however, that the board may, at its discretion, extend the review period to within 60 days of a

1495 submission or request. Upon making a determination for reason of denial, the small business loan
1496 review boards shall be required to provide information on their findings to the applicant and
1497 commissioner of banks and shall provide information to the applicant on alternative sources of
1498 financing, including information on any small business financing programs or other relevant
1499 programs offered by the commonwealth.

1500 In addition the small business loan review boards shall conduct annual studies and issue
1501 annual reports on the availability of credit to small businesses within their regions, and report
1502 back to the commissioner of banks on their findings. The reports shall be published and made
1503 available, to the public through the website of the office of consumer affairs and business
1504 regulation or the small business website established under section 3 of Chapter 23A.

1505 Notwithstanding the provisions of this act, the commissioner may promulgate rules and
1506 regulations governing the establishment, operation and procedures of said small business loan
1507 review boards. In addition, the commissioner shall be required to market and promote the small
1508 business loan review boards as a resource for small businesses located in the commonwealth.

1509 SECTION 75. Section 3 of Chapter 23A of the Massachusetts General Laws, is hereby
1510 amended inserting after the second paragraph the following new paragraph:-

1511 (c) MOBD, with assistance from the office of small business and entrepreneurship, and in
1512 consultation with the secretary of housing and economic development, the Massachusetts office
1513 of consumer affairs and business regulation and the department of housing and community
1514 development, , shall develop, operate and maintain a searchable website accessible by the public
1515 at no cost, to provide information on public and private resources available to small businesses

1516 and to promote small businesses in the Commonwealth. Information made available through the
1517 searchable website shall include, but not be not limited to:

1518 (1) information on state, local, federal and private sector small business counseling and
1519 technical assistance programs;

1520 (2) information on state, local and federal financing programs;

1521 (3) information state, local and federal procurement and contracting programs and
1522 opportunities;

1523 (4) information on state incorporation laws and regulations, as well as the changes to
1524 state incorporation laws and regulations;

1525 (5) information on state tax credits;

1526 (6) small business impact statements, as required by section 60 of the Chapter 240 of the
1527 Acts of 2010;

1528 (7) other information and resources, as determined by the director of the office of
1529 business development.

1530 SECTION 76 Before undertaking any construction activity described in paragraph (a) of
1531 section 38N of chapter 190 of the acts of 1982 in connection with a capital facility project, the
1532 Massachusetts convention center authority shall file a feasibility study with the clerks of the
1533 senate and house of representatives and the senate and house committees on ways and means, in
1534 compliance with said section 38N for any capital facility projects described in the report
1535 undertaken by the authority on lands owned by the authority or acquired by it under section 35(f)

1536 of said chapter 190 with amounts provided under section 10(c)(iv) of chapter 152 of the acts of
1537 1997, as amended.

1538 SECTION 77. Said chapter 23A of the General Laws, as so appearing, is hereby amended
1539 by inserting after section 63 the following section:-

1540 Section 64. (a) There shall be within the executive office of housing and economic
1541 development a massachusetts creative economy network that shall be directed by a state creative
1542 economy director. The creative economy network, hereinafter referred to as the network, shall
1543 consist of private, public, and non-profit organizations engaged in cross industry collaboration
1544 between many interlocking industry sectors that provide creative services including, but not
1545 limited to, advertising, architecture, or intellectual property products such as arts, films,
1546 electronic media, video games, interactive digital media, multimedia, or design. The creative
1547 economy director, in consultation with the creative economy council, established under chapter
1548 354 of the acts of 2008, shall establish criteria for participation in the network.

1549 (b) The duties of the network, under the leadership of the creative economy director, shall
1550 include: quantifying the creative economy sector and measuring its impact on the state economy;
1551 creating a mentorship network within the creative economy sector; developing strategies to
1552 increase access to traditional market sectors and within state government; developing a
1553 certification for Massachusetts creative economy businesses; increasing opportunities to attract
1554 private investment to creative economy businesses through venture capital, microlending, and
1555 other means; and marketing and branding the creative economy sector.

1556 (c) The network may accept gifts or grants of money or property from any public, private
1557 or non-profit source, which shall be held in trust and used for the purpose of promoting the
1558 growth and development of the creative economy sector in Massachusetts.

1559 (d) The creative economy director shall file an annual report with the clerks of the house
1560 and senate; the chairs of the house and senate committee on ways and means; the chairs of the
1561 joint committee on economic development and emerging technologies; the chairs of the joint
1562 committee on tourism, arts, and cultural development; and the chairs of the joint committee on
1563 community development and small business, on or before January 1. The report shall include an
1564 overview of the activities of the network, and an update on the number of creative economy
1565 businesses in Massachusetts and their impact on the state economy, and an accounting of gifts or
1566 grants held in trust by the network and the uses of any funds expended by the trust.

1567 SECTION 78. Section 7 of Chapter 23H of the General Laws is hereby amended by
1568 inserting the following new paragraph:-

1569 The board, in consultation with the secretary of labor and workforce development, the
1570 secretary of the executive office of education, and the secretary of housing and economic
1571 development and the president of commonwealth corporation, shall undertake an annual review
1572 of local and regional labor market information to develop regional plans to coordinate training
1573 and education activities to target employer needs and to meet the commonwealth's demand for
1574 workers. The board shall convene regional meetings that shall include representatives from each
1575 workforce investment area, established by the Workforce Investment Act of 1998, 29 U.S.C. §
1576 2801, et seq and, at a minimum, the presidents of any of the region's community colleges; the
1577 principals of any vocational-technical high schools; the executive director of the appropriate

1578 workforce investment boards; the fiscal agents for workforce investment act funding; and labor,
1579 education and industry leaders in each of the regions to review labor market information and
1580 develop the regional plans. Commonwealth corporation shall aggregate these findings annually
1581 and make a report, which shall be filed with the clerks of the house of representatives and senate,
1582 no later than June 30.

1583 SECTION 79. Section 2WWW of Chapter 29 of the General Laws, as appearing in the
1584 2010 Official Edition, is hereby amended by inserting after fifth paragraph the following
1585 paragraph:-

1586 A portion of the grant fund shall be used to address the gap between the skills held by
1587 workers and the skills needed by employers for jobs that require more than a high school
1588 diploma but less than a 4-year degree. Grants awarded under this program shall focus on building
1589 relationships and partnerships among geographic clusters of high schools, vocational-technical
1590 schools, community colleges, state universities, institutions of higher education, local employers,
1591 industry partners, local workforce investment boards, and workforce development entities, in
1592 order to create multiple and seamless pathways to employment through enhanced coordination of
1593 existing institutions and resources. Each cluster shall designate 1 entity or organization as the
1594 lead partner for each cluster and approved procurements shall be jointly applied for by, at a
1595 minimum, a public educational institution including a community college, at least one regional
1596 workforce investment board, and at least one regional employer in a high growth sector. . Grants
1597 made under this program shall include consideration of, but not be limited to: defining and
1598 establishing the process for students to transition from adult basic education programs to college-
1599 based programs; programs accessible to working, unemployed or underemployed adults; support
1600 of education and workforce development initiatives that collaborate with the efforts or initiatives

1601 of public educational institutions, including development of stackable certificates and
1602 credentials, non-semester-based modular programs and accelerated associate degree programs,
1603 provided however that the grants issued from this fund shall serve to supplement, and not
1604 supplant, ongoing initiatives at community colleges; providing sector-based training including
1605 developmental education and certification programs; providing student support services; using
1606 competency-based placement assessments; leveraging regional resources, including shared
1607 equipment and funding; partnering with 2 or more training organizations in a region; and
1608 partnering with 2 or more employers in a region. This portion of the grant fund may also be used
1609 to develop regional centers of excellence, which shall be aligned to the commonwealth's
1610 economic development strategies to meet the needs of employers in high growth sectors,
1611 including but not limited to, health care, life sciences, information technology and advanced
1612 manufacturing. Each center of excellence shall be located at a community college, state
1613 university, vocational or technical high school or collaboration between these entities.

1614 A project grant program shall be designed by Commonwealth Corporation, in
1615 consultation with a middle skills subcommittee of the fund committee, which shall include, at a
1616 minimum, a representative from the business community to be appointed by the secretary of
1617 labor and workforce development; the director of the Center for Labor Market Studies at
1618 Northeastern University or a designee; a representative of adult basic education or non-
1619 traditional college students in the commonwealth to be appointed by the secretary of education;
1620 the Massachusetts Workforce Board Association; and the Massachusetts AFL-CIO, as well as
1621 any representatives of the other mandatory advisory committee constituencies under paragraph
1622 (b).

1623 SECTION 80. Section 2WWW of said chapter, as so appearing is hereby amended by
1624 inserting after the eighth paragraph the following new paragraph:-

1625 Each grant recipient shall submit an annual report for the duration of the program or
1626 partnership funded through a grant to the committee for its review. Before grants are awarded,
1627 commonwealth corporation shall reach agreement with each eligible entity that receives a grant
1628 on performance measures and indicators that will be used to evaluate the performance of the
1629 eligible entity in carrying out the activities described in their application.

1630 SECTION 81. The final paragraph of section 2WWW of said chapter, as so appearing, is
1631 hereby amended by striking out said paragraph and inserting in place thereof:-

1632 (k) The director of workforce development and the advisory committee established under
1633 paragraph (b) shall examine and make an ongoing assessment of the effectiveness of the grant
1634 fund, considering any similar educational or workforce development grant programs funded by
1635 the commonwealth. The director and committee shall encourage coordination of existing
1636 workforce development initiatives and strategies of employers and employer associations, local
1637 workforce investment boards, labor organizations, community-based organizations, including
1638 adult basic education providers; institutions of higher education, vocational education
1639 institutions, one-stop career centers, local workforce development entities, and nonprofit
1640 education, training or other service providers, and, when applicable, shall inform grant applicants
1641 of the availability and eligibility for other workforce training funds. The establishment of the
1642 Workforce Competitiveness Trust Fund shall not be determined to replace, displace or serve as a
1643 substitute for any other workforce training fund, including community college workforce
1644 development programs or the Workforce Training Fund established in section 2RR, and award of

1645 any grant funds from the Workforce Competitiveness Trust Fund shall not make an applicant
1646 ineligible for any other funds.

1647 SECTION 82. Section 2WWW of said chapter 29, as so appearing, is hereby amended by
1648 striking out the fourth paragraph and inserting in place thereof the following new paragraph:-

1649 (d) There shall be credited to the fund any revenue from appropriations or other monies
1650 authorized by the general court and specifically designated to be credited to the fund, including
1651 funds transferred from the Gaming Economic Development fund established under section
1652 2DDDD of chapter 29, and any gifts, grants, private contributions, investment income earned on
1653 the fund's assets and all other sources. Money remaining in the fund at the end of a fiscal year
1654 shall not revert to the General Fund.

1655 SECTION 83. Notwithstanding any general or special law to the contrary, after
1656 complying with clause (a) of section 5C of chapter 29 of the General Laws, the comptroller shall
1657 dispose of the consolidated net surplus in the budgetary funds for fiscal year 2012 by transferring
1658 said funds as follows: (a)$10,000,000 shall be transferred to the Massachusetts Life Sciences
1659 Investment Fund established by section 6 of chapter 23I of the General Laws; (b) $10,000,000
1660 shall be transferred to the Workforce Competitiveness Trust Fund, established in section 2
1661 WWW of chapter 29; and (c) any amount remaining after the transfers pursuant to clauses (a)
1662 and (b) shall be transferred to the Commonwealth Stabilization Fund established pursuant to
1663 section 2H of chapter 29 of the General Laws

1664 SECTION 84. The Commonwealth Corporation shall study and report on workforce
1665 development, education, and skills training in the Commonwealth with the objective of
1666 establishing baseline data for middle-skill training completion and credential attainment rates for

1667 all students at public and private colleges and universities, vocational, technical, apprenticeship
1668 and community-based training programs, including adults and those enrolled in workforce
1669 training leading to industry-recognized certification. The Commonwealth Corporation shall
1670 coordinate its reporting with existing efforts of the department of elementary and secondary
1671 education, the department of higher education, including any applicable work of the vision
1672 project, the department of labor and workforce development, the state workforce investment
1673 board and the Massachusetts community colleges executive office. The report shall also include,
1674 but not be limited to, an examination of the feasibility and impact of all relevant workforce
1675 development strategies and programs, including but not limited to, ways to: leverage and shape
1676 education and training to maximize responsiveness to industry needs; streamlining or
1677 restructuring educational and training opportunities to enable faster and increased rates of skill,
1678 credential, and educational attainment.

1679 The Commonwealth Corporation shall file said report of its findings with the house and
1680 senate committees on ways and means, the joint committee on community development and
1681 small business, the joint committee on education, the joint committee on economic development
1682 and emerging technologies, and the joint committee on labor and workforce development no
1683 later than December 31, 2012.

1684 SECTION 85. Chapter 23A of the General Laws, is hereby amended by inserting after
1685 section 10A, as appearing in the 2010 Official Edition, the following new section:-

1686 SECTION 10B. The secretary shall establish a Massachusetts Advanced Manufacturing
1687 Collaborative, hereinafter referred to as the collaborative, within the executive office of housing
1688 of economic development, which shall be responsible for developing and implementing the

1689 state's manufacturing agenda to foster and strengthen the conditions necessary for growth and
1690 innovation of manufacturing within the commonwealth. The collaborative, at a minimum, should
1691 include: the secretary of housing and economic development, or his designee; the secretary of
1692 labor and workforce development, or his designee; a member of the house of representatives, to
1693 be appointed by the speaker of the house of representatives; a member of the senate, to be
1694 appointed by the senate president; the director of the office of business development; the
1695 executive director of the Massachusetts Clean Energy Center; the executive director of the
1696 Massachusetts Life Science Center; the executive director of the John Adams Innovation
1697 Institute; the director of the Massachusetts Technology Transfer Center; a representative from
1698 the Associated Industries of Massachusetts; a representative from a local Chamber of Commerce;
1699 and a representative from the Massachusetts Workforce Board Association. The collaborative
1700 shall partner with stakeholders in the public and private sector in the development and operation
1701 of the state manufacturing plan, identify emerging priorities within the state's manufacturing
1702 sector in order to make recommendations for high impact projects and initiatives, and facilitate
1703 the implementation of goals established under the plan, which shall include, but not be limited
1704 to: 1) education and workforce development, including workforce training programs and
1705 partnerships, 2) technical assistance and innovation in support of manufacturing growth,
1706 including access to capital, workforce development, compliance and certification programs, and
1707 export assistance 4) enhancing the competitiveness of manufacturing companies, including
1708 examining ways to ease the cost of doing business, and 5) promoting the manufacturing industry,
1709 including attracting a talented workforce and expanding opportunities for in-state marketing of
1710 the state's supply chain capabilities.

1711 SECTION 86. The secretary, in consultation with the manufacturing collaborative
1712 established under section 10B of chapter 23A, shall establish a Massachusetts Manufacturing
1713 Futures program. The Program shall be eligible to receive funds as appropriated by the
1714 legislature, including from the Manufacturing Fund, established pursuant to section 98 of chapter
1715 194 of the acts of 2011, federal grants and programs, and transfers, grants and donations from
1716 state agencies, foundations and private parties, to be held in a separate account or accounts
1717 segregated from other funds. The program shall promote the development of advanced
1718 manufacturing through supporting technical assistance for small and mid-sized manufacturers;
1719 fostering collaboration and linkages among larger manufacturing companies and smaller supplier
1720 manufacturers; advance workforce development initiatives through training, certification, and
1721 educational programs; encourage development of innovative products, materials, and production
1722 technologies by manufacturers through the transfer of technological innovations and partnerships
1723 with research universities, colleges, and laboratories; and promote regional approaches through
1724 sector strategies that allow for various programs, resources and strategies to be aligned and
1725 leveraged. The secretary shall, through grants or contracts, administer the program for the
1726 purpose of facilitating growth and competitiveness in the field of manufacturing. Grants under
1727 this program shall include consideration of, but not be limited to:-

1728 (A) improving access to technical assistance for small and mid-sized manufacturers,
1729 including launching pilot demonstrations of best-practices in delivering innovation-based
1730 technical assistance;

1731 (B) encouraging the adoption of new technologies and advanced manufacturing
1732 capabilities into existing companies to improve manufacturing processes and operations;

1733 (C) educating individuals about opportunities for career advancement within high tech
1734 and advanced manufacturing through middle school and high school education to support the
1735 future manufacturing worker pipeline;

1736 (D) education and skills training through individualized career pathways programs
1737 that develop skills and certifications for career growth and opportunities for available jobs or job
1738 openings that are anticipated in manufacturing, provided that these programs may include, but
1739 not be limited to, internships and on the job training which result in an employer- or industry-
1740 recognized credentials and ultimate job placement;

1741 (E) fostering academic and industry collaboration, including encouraging technology
1742 transfer and commercialization efforts between not-for-profit research institutions, research
1743 universities, colleges, and laboratories and advanced and high-tech manufacturers; and

1744 (F) supporting and partnering with the existing systems within the commonwealth,
1745 including the Massachusetts Manufacturing Extension partnership, Massachusetts workforce
1746 investment and regional employment boards, vocational schools, community colleges, and
1747 higher education institutions.

1748 The secretary shall solicit applications through a request for proposals and review such
1749 applications according to the criteria so established, provided, however that the applications, at a
1750 minimum, shall include: (a) a description of the parties involved in the project, including the
1751 professional expertise and qualifications of the principals; (b) a description of the scope of work
1752 that will be undertaken by each party involved in the project; (c) the proposed budget, including
1753 verification of funding from other sources; (d) a statement of the project objective, including
1754 specific information on how the project will enhance the competitiveness of the manufacturer or

1755 manufacturing sector and create or preserve jobs; (e) a statement that sets forth the plan of
1756 procedure, the facilities and resources available or needed for the project, and the proposed
1757 commencement and termination dates of the project; (f) a description of the expected
1758 significance of the project, including the estimated number of manufacturers or workers served
1759 and the estimated number of jobs that could be created, retained, or filled as a result of the
1760 project; (g) timely deadlines for the submission of applications and recommendations of grant
1761 awards or contracts including provisions for an expedited process of consideration and
1762 recommendation in instances when the secretary of housing and economic development certifies
1763 the need for timely evaluation and disposition of the application; and, (h) any other information
1764 that the secretary shall deem necessary.

1765 The secretary shall reach agreement with each eligible entity that receives a grant or
1766 enters into a contract under this section, on performance measures and indicators that will be
1767 used to evaluate the performance of the eligible entity in carrying out the activities described in
1768 their application, or any other indicators determined to be necessary to evaluate the performance
1769 of the eligible entity. Each eligible entity shall submit an annual report for the duration of the
1770 program or partnership funded through the collaborative for its review.

1771 The secretary may promulgate such rules and regulations as are necessary to implement
1772 the purposes of this grant program, including procedures describing the application process and
1773 criteria that will be used to evaluate application for grants under this section.

1774 The secretary, in consultation with the collaborative under said section 10B of said
1775 chapter 23A shall submit an annual report to the clerks of the house of representatives and the
1776 senate who shall forward the same to the senate and house committees on ways and means, the

1777 joint committee on economic development and emerging technologies, and the joint committee
1778 on labor and workforce development on or before December 31. The report shall include a
1779 current assessment of the progress of each program funded through the manufacturing pathways
1780 program and the progress of the collaboratives' activity, including any recommendations for
1781 legislation.

1782 SECTION 87. Chapter 62 of the General Laws, as appearing in the 2004 Official Edition,
1783 is hereby amended by inserting after Section 6L the following new section:—

1784 Section 6M. Community Investment Tax Credit.

1785 (a) Definitions: For purposes of this section, the following terms shall, unless the context
1786 clearly requires otherwise, have the following meanings:—

1787

1788 "Commissioner", the commissioner of revenue.

1789 "Community development corporation", a corporation certified as a community
1790 development corporation by the department consistent with chapter 40H of the General Laws.

1791 "Community investment plan", an organizational business plan developed by a certified
1792 community development corporation that details its goals, outcomes, strategies, programs and
1793 activities for a three to five year period and its financial plans for supporting its strategy. The
1794 plan must be designed to engage local residents and businesses to work together to undertake
1795 community development programs, projects and activities which develop and improve urban,
1796 rural and/or suburban communities in sustainable ways that create and expand economic
1797 opportunities for low and moderate income households. The specific format and content of a

1798 community investment plan may be adapted to the particular organization and community, but
1799 must include the following elements:

1800 i. A description of the community to be served by the organization, including the
1801 neighborhoods, towns, and/or cities to be served as well as any particular constituencies that the
1802 organization is dedicated to serving;

1803 ii. A description of how community residents and stakeholders were engaged in the
1804 development of the plan and their role in monitoring and implementing the organization's
1805 activities during the time period of the plan;

1806 iii. The goals sought to be achieved during the time period of the plan, including how low
1807 and moderate income households or low and moderate income communities will benefit and how
1808 the entire community will benefit;

1809 iv. The activities to be pursued to achieve those goals;

1810 v. The manner in which success will be measured and evaluated;

1811 vi. A description of the collaborative efforts that will support implementation of the plan,
1812 including collaborative efforts with nonprofit, for-profit and/or public entities;

1813 vii. A description of how the different activities within the plan fit together and how the
1814 entire plan fits into a larger strategy or vision for the community;

1815 viii. The financial strategy to be deployed to support these activities; and

1816 ix. Other information regarding the history and track record of the organization as
1817 determined by the department.

1818 “Community investment tax credit”, the tax credit described in subsection (c) below.

1819 “Community investment tax credit allocation”, an award provided by the department
1820 through a competitive process that enables the recipient of the allocation to solicit and receive
1821 qualified investments from taxpayers and to provide those taxpayers with a community
1822 investment tax credit.

1823 “Community partner”, a community development corporation or a community support
1824 organization selected by the department through a competitive process to receive a community
1825 investment tax credit allocation.

1826 “Community partnership fund”, a fund administered by a nonprofit organization selected
1827 by the department to receive qualified investments from taxpayers for the purpose of allocating
1828 such investments to community partners.

1829 “Community support organization”, any nonprofit organization which is not a community
1830 development corporation but has a focus on and track record of providing capacity building
1831 services to community development corporations.

1832 “Department”, the department of housing and community development.

1833 “Gateway municipality”, a gateway municipality as defined in section 3A of chapter 23A
1834 of the General Laws.

1835 “Low and moderate income community”, an economic target area as defined in section
1836 3A of chapter 23A of the General Laws, an enhanced economic enterprise community or
1837 empowerment zone as designated by the United States Department of Housing and Urban

1838 Development, or one or more contiguous census tracts as designated by a city or town, in which
1839 either:—

1840 (1) a majority of the households are low and moderate income households as defined
1841 herein; or

1842 (2) the unemployment rate is at least 25 percent higher than the annual statewide average
1843 unemployment rate at a time when the statewide unemployment rate is less than or equal to five
1844 percent or the unemployment rate is at least 10 percent higher than the annual statewide average
1845 unemployment rate at a time when the statewide unemployment rate is greater than 5 percent.

1846 "Low and moderate income households", households which have incomes that do not
1847 exceed 80 percent of the median income for the area, with adjustments made for smaller and
1848 larger families, as such median shall be determined from time to time by the Secretary of
1849 Housing and Urban Development pursuant to 42 U.S.C. 1437(a)(B)(2) or any successor
1850 legislation and the regulations promulgated thereunder.

1851 "Qualified investment", a cash contribution made to a specific community partner to
1852 support the implementation of its community investment plan or to a community partnership
1853 fund, as defined by this section.

1854 "Taxpayer", any person, firm, or other entity subject to the personal income tax under the
1855 provisions of chapter 62 of the General Laws, or any corporation subject to an excise under the
1856 provisions of chapter 63 of the General Laws.

1857 (b) The department shall promulgate regulations concerning the process by which
1858 community development corporations apply to become a community partner and receive
1859 qualified investments, provided that:

1860 (1) The department shall design a competitive process to review applications by
1861 community development corporations and community support organizations. Community
1862 support organizations may qualify, provided that no more than two such organizations may, at
1863 any given time, be awarded community investment tax credits.

1864 (2) The selection process shall favor community development corporations with the
1865 highest quality community investment plans and strong track records and shall strive to ensure
1866 that all regions of the Commonwealth are able to fairly compete for allocations, including
1867 gateway municipalities, rural areas and suburban areas. At least 30 percent of the community
1868 partners shall be located in or serving gateway municipalities and at least 20 percent of the
1869 community partners shall be located in or serving rural areas, as defined by the department,
1870 unless the department finds that there are not a sufficient number of qualified applications from
1871 those areas.

1872 (3) The department shall implement at least one such allocation process each year. Each
1873 tax credit allocation shall be valid for a period of up to three years, contingent upon the
1874 community partner satisfactorily meeting the reporting requirements of the department.
1875 Community partners who have not fully utilized their community investment tax credit
1876 allocations within three years may apply to the department for a one year extension. Community
1877 investment tax credit allocations may be revoked after two years from the date of the award by
1878 the department if (i) the community partner has been unable to secure donation commitments for

1879 at least 50 percent of total allocation by that time, (ii) if the community partner is found to be in
1880 noncompliance with this statute or the department's regulations promulgated hereunder, (iii) if
1881 the community partner is determined by the department to be making inadequate progress on its
1882 community investment plan, or (iv) for other good cause as determined by the department.

1883 (4) No community partner shall receive a community investment tax credit allocation of
1884 less than $50,000 or more than $150,000 in any one fiscal year. No community partner may
1885 receive a subsequent allocation unless it has utilized at least 95% of the three-year total of any
1886 prior allocation.

1887 (5) A community partner may receive qualified investments directly from one or more
1888 taxpayers or it may transfer some or all of its community investment tax credit allocation to a
1889 community partnership fund and receive qualified investments from that fund.

1890 (6) Before receiving a qualified investment from a taxpayer or from a community
1891 partnership fund, the community partner shall first receive certification from the department that
1892 it has been awarded a community investment tax credit allocation.

1893 (7) The department may authorize up to two nonprofit organizations to operate
1894 community investment partnership funds. In selecting one or two nonprofit organizations to
1895 serve in this function the department shall seek organizations which demonstrate that they have
1896 the capacity to solicit, administer and re-grant qualified investments and can advance the
1897 purposes of this statute.

1898 (8) The department, in consultation with the commissioner shall prescribe regulations
1899 necessary to carry out this subsection (b). Such regulations shall include requirements for annual

1900 reports from community partners and community partnership funds regarding outcomes achieved
1901 during the prior year.

1902 (c) There is hereby established a Massachusetts community investment tax credit.

1903 (d) The commissioner, in consultation with the department, shall authorize annually
1904 beginning January 1, 2013 under this section an amount not to exceed $2,000,000 in 2013,
1905 $4,000,000 in 2014, and $6,000,000 in 2015 and each year thereafter for the community
1906 investment tax credit.

1907 (e) The total of all tax credits available to a taxpayer pursuant to this section shall not
1908 exceed $1,000,000 in any one tax year and no tax credit shall be allowed to any taxpayer for
1909 participating in a qualified community investment activity of less than $1,000.

1910 (f) A taxpayer that makes a qualified investment shall be allowed a credit, to be computed
1911 as hereinafter provided, against taxes owed to the Commonwealth under chapter 62 or chapter 63
1912 of the General Laws or other applicable law. The credit shall be equal to 50 percent of the total
1913 qualified investments made by the taxpayer, subject to the cap described in subsection (c)(2)
1914 above. The department shall issue a certification to the taxpayer after the taxpayer makes a
1915 qualified investment. Such certification shall be acceptable as proof that the expenditures related
1916 to such investment qualify as qualified investment for purposes of the credit allowed under this
1917 section.

1918 g) The credit allowable under this section shall be allowed for the taxable year in which a
1919 qualified investment is made. A taxpayer allowed a credit under this section for a taxable year
1920 may carry over and apply against such taxpayer's tax liability in any of the succeeding five

1921 taxable years, the portion, as reduced from year to year, of those credits which exceed the tax for
1922 the taxable year.

1923 (h) Community investment tax credits allowed to a partnership or a limited liability
1924 company taxed as a partnership shall be passed through to the persons designated as partners,
1925 members or owners, respectively, pro rata or pursuant to an executed agreement among the
1926 persons designated as partners, members or owners documenting an alternative distribution
1927 method without regard to their sharing of other tax or economic attributes of the entity.

1928 (i) Taxpayers eligible for the community investment tax credit may, with prior notice to
1929 and in accordance with regulations adopted by the commissioner, transfer the credits, in whole or
1930 in part, to any taxpayer, and the transferee shall be entitled to apply the credits against the tax
1931 with the same effect as if the transferee had made the qualified investment itself. The transferee
1932 shall use the credit in the year it is transferred. If the credit allowable for any taxable year
1933 exceeds the transferee's tax liability for that tax year, the transferee may carry forward and apply
1934 in any subsequent taxable year, the portion, as reduced from year to year, of those credits which
1935 exceed the tax for the taxable year; but, the carryover period shall not exceed five taxable years
1936 after the close of the taxable year during which the qualified investment was made as provided
1937 for in this section.

1938 (j) The commissioner, in consultation with the department, shall prescribe regulations
1939 necessary to carry out the tax credit established in subsection (c).

1940 SECTION 88. Subsection (b)(1)(i) of Section 6J of Chapter 62 of the General Laws, as
1941 appearing in the 2010 Official Edition, is hereby amended in line 39 by striking "$50,000,000"
1942 and inserting in place thereof "$60,000,000".

1943 SECTION 89. Subsection (b)(1)(i) of Section 38R of Chapter 63 of the General Laws,

1944 as appearing in the 2010 Official Edition, is hereby amended in line 37 by striking

1945 “$50,000,000” and inserting in place thereof “$60,000,000”.