

**SENATE . . . . . No. 02350**

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The Commonwealth of Massachusetts

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SENATE, July 17, 2012

The committee on Ways and Means, to whom was referred the House Bill relative to infrastructure investment, enhanced competitiveness and economic growth in the Commonwealth (House, No. 4119) (the committee on Bonding, Capital Expenditures and State Assets having recommended that the bill be amended by substituting a new text numbered 2346) reports recommending that the Bonding, Capital Expenditures and State Assets recommended new text (Senate, No. 2346) be amended by striking out the text and inserting in place thereof the text of Senate document numbered 2350; and by inserting before the enacting clause, the following emergency preamble: *Whereas*, The deferred operation of this act would tend to defeat its purpose, which is to provide forthwith a business-friendly environment that will stimulate job growth and improve the ease with which businesses can operate in the markets they serve, and to coordinate economic development activities funded by the commonwealth, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

For the committee,

STEPHEN M. BREWER.

**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Twelve**  
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1           SECTION 1. To provide for a program to support technology and economic development  
2 that helps to enhance the economy and job growth and to promote the well-being of those living  
3 in the commonwealth, the sum set forth in section 2, for the several purposes and subject to the  
4 conditions specified in this act, is hereby made available, subject to the laws regulating the  
5 disbursement of public funds, which sum shall be in addition to any amounts previously  
6 appropriated for these purposes.

7           SECTION 2.

8           7066-0099 For the Scientific and Technology Research and Development Matching  
9 Grant Fund established in 4G of chapter 40J of the General Laws..... \$25,000,000

10          SECTION 3. To provide for supplementing certain items in the general appropriation act  
11 and other appropriation acts for fiscal year 2012, the sums set forth in section 4 are hereby  
12 appropriated from the General Fund for the several purposes and subject to the conditions  
13 specified in said section 4 and subject to laws regulating the disbursement of public funds;  
14 provided, however, that notwithstanding any general or special law to the contrary appropriations  
15 made herein shall not revert.

16 SECTION 4.

17 7003-1641 For a grant for the Small Business Association of New England for the  
18 layoff aversion through management assistance program for consultant and technical assistance  
19 to manufacturing companies to prevent business closure and employee displacement; provided,  
20 that the expenditure of the layoff aversion through management program in this item shall  
21 leverage at least \$1 in matching funds for every \$1 granted pursuant to this item; provided  
22 further, that the president of the Small Business Association of New England shall file a  
23 quarterly report with the house and senate committees on ways and means, the joint committee  
24 on economic development and emerging technologies and the joint committee on labor and  
25 workforce development on the number of employees and manufacturing-based companies that  
26 have received financial assistance through this item, a detailed description of the services  
27 provided to manufacturing companies through the layoff aversion through management program  
28 and a detailed account of the expenditures of the layoff aversion through management program,  
29 including administrative costs ..... \$250,000

30 7004-2027 For the community investment grant program established in section 10 of  
31 chapter 40H of the General Laws .....\$1,000,000

32 7007-1200 For the Massachusetts Technology Park Corporation, doing business as the  
33 Massachusetts Technology Collaborative, established in section 3 of chapter 40J of the General  
34 Laws, to establish a talent pipeline program that provides paid internships to technology startups  
35 and innovation companies; provided, that the Massachusetts Technology Collaborative shall seek  
36 private funds necessary to match contributions equal to \$1 for every \$1 contributed by the  
37 Massachusetts Technology Collaborative through a matching internship program; provided

38 further, that \$1,000,000 shall be expended to establish an entrepreneur and startup venture capital  
39 mentoring program, in consultation with the Massachusetts Technology Development  
40 Corporation established under section 2 of chapter 40G of the General Laws that would provide  
41 assistance, mentoring and advice to startups and innovation companies by connecting early-stage  
42 entrepreneurs, technology startups and small businesses with venture capital financing; provided  
43 further, that in the design and implementation of these programs, the Massachusetts Technology  
44 Collaborative shall consult with and review the talent pipeline and mentoring programs that are  
45 administered by the Venture Development Center at the University of Massachusetts at Boston  
46 established in chapter 123 of the acts of 2006 in order to model and bring to scale successful  
47 talent pipeline programs and practices; provided further, that the Massachusetts Technology  
48 Collaborative shall file annual reports for the duration of the programs with the chairs of the  
49 house and senate committee on ways and means and the house and senate chairs of the joint  
50 committee on economic development and emerging technologies on or before January 1;  
51 provided further, the report shall include an overview of the activities of the programs, the  
52 number of participants in the programs and an analysis of the impact of the programs on the  
53 innovation economy and workforce.....\$2,000,000

54 SECTION 5. Sections 47 and 48 of chapter 6C of the General Laws are hereby repealed.

55 SECTION 6. Paragraph (4) of section 43 of chapter 21 of General Laws, as appearing in  
56 the 2010 Official Edition, is hereby amended by inserting after the fourth sentence the following  
57 sentence:- The director may also suspend this paragraph for public notice and hearing by  
58 promulgating regulations establishing a process for renewal of a previously issued permit where  
59 renewal of such permit does not require significant changes.

60 SECTION 7. Section 3 of chapter 23A of the General Laws, as so appearing, is hereby  
61 amended by adding the following subsection:-

62 (c) MOBD, with assistance from the office of small business and entrepreneurship and in  
63 consultation with the secretary of housing and economic development, the office of consumer  
64 affairs and business regulation and the department of housing and community development, shall  
65 develop, operate and maintain a searchable website accessible by the public at no cost, to provide  
66 information on public and private resources available to small businesses and to promote small  
67 businesses. Information made available through the searchable website shall include, but not be  
68 limited to:

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

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

72 (3) information on state, local and federal procurement and contracting programs  
73 and opportunities;

74 (4) information on state incorporation laws and regulations and the changes to  
75 state incorporation laws and regulations;

76 (5) information on state tax credits;

77 (6) small business impact statements, as required under sections 2 and 3 of  
78 chapter 30A; and

79 (7) other information and resources, as determined by the director of business  
80 development.

81 SECTION 8. Said chapter 23A is hereby further amended by inserting after section 10A  
82 the following section:-

83 Section 10B. The secretary of housing and economic development shall establish a  
84 Massachusetts advanced manufacturing collaborative within the executive office of housing and  
85 economic development, which shall be responsible for developing and implementing the  
86 commonwealth's manufacturing agenda to foster and strengthen the conditions necessary for  
87 growth and innovation of manufacturing. The collaborative shall include, but not be limited to:  
88 the secretary of housing and economic development, or a designee who shall serve as chair; the  
89 secretary of labor and workforce development, or a designee; 1 member of the house of  
90 representatives; 1 member of the senate; the director of business development; the executive  
91 director of the Massachusetts clean energy technology center; the executive director of the  
92 Massachusetts Life Sciences Center; the director of the John Adams Innovation Institute; the  
93 director of the Massachusetts Technology Transfer Center; a representative from the Associated  
94 Industries of Massachusetts; a representative from a local chamber of commerce appointed by  
95 the governor; a representative from the Massachusetts Workforce Board Association; and a  
96 representative from the Massachusetts Development Finance Agency.

97 The collaborative shall partner with stakeholders in the public and private sectors in the  
98 development and operation of the commonwealth's manufacturing plan, identify emerging  
99 priorities within the commonwealth's manufacturing sector in order to make recommendations  
100 for high impact projects and initiatives and facilitate the implementation of goals established  
101 under the plan, which shall include, but not be limited to: (1) education and workforce  
102 development, including workforce training programs and partnerships; (2) technical assistance  
103 and innovation in support of manufacturing growth, including access to capital, workforce

104 development, compliance and certification programs and export assistance; (3) enhancing the  
105 competitiveness of manufacturing companies, including examining ways to ease the cost of  
106 doing business and examining the current regulatory impacts upon small to medium-sized  
107 manufacturers; and (4) promoting the manufacturing industry, including attracting a talented  
108 workforce and expanding opportunities for in-state marketing of the commonwealth's supply  
109 chain capabilities.

110 SECTION 9. Said chapter 23A is hereby further amended by adding the following  
111 section:-

112 Section 63. (a) There shall be established within the executive office of housing and  
113 economic development a MassWorks infrastructure program to issue grants to municipalities and  
114 other public instrumentalities for design, construction, building, land acquisition, rehabilitation,  
115 repair and other improvements to publicly-owned infrastructure including, but not limited to,  
116 sewers, utility extensions, streets, roads, curb cuts, parking, water treatment systems,  
117 telecommunications systems, transit improvements and pedestrian and bicycle ways. The  
118 program shall provide for commercial and residential transportation and infrastructure  
119 development, improvements and various capital investment projects under the growth districts  
120 initiative administered by the executive office of housing and economic development. The grants  
121 shall be used to assist municipalities to advance projects that support job creation and expansion,  
122 housing development and rehabilitation, community development and small town transportation  
123 projects authorized under section 47 of chapter 6C; provided, however, that projects supporting  
124 smart growth as defined by the state's sustainable development principles shall be preferred. The  
125 program may be used to match other public and private funding sources to build or rehabilitate

126 transit-oriented housing located within .25 miles of a commuter rail station, subway station, ferry  
127 terminal or bus station, at least 25 per cent of which shall be affordable.

128 (b) Eligible public infrastructure shall be located on public land or on public leasehold,  
129 right-of- way or easement. A project that uses grants to municipalities for public infrastructure as  
130 provided by this section shall be procured by a municipality under chapter 7, section 39M of  
131 chapter 30, chapter 30B and chapter 149.

132 (c) There shall be at least 1 open solicitation period each year to accept and consider new  
133 applications. Not less than 12 weeks before the annual open solicitation period, the executive  
134 office of housing and economic development shall release the criteria upon which the  
135 applications shall be judged including, but not limited to, a minimum project readiness standard,  
136 overall spending targets by project type, preferences for projects that align with the state's  
137 sustainable development principles and other preferences applying to that funding round. Grants  
138 may be made outside of the open solicitation period at the discretion of the secretary of housing  
139 and economic development subject to subsections (d) and (e). All grant awards shall be made  
140 after consultation with the appropriate regional planning agency.

141 (d) An eligible city or town, acting by and through its municipal officers or by and  
142 through any agency designated by such municipal officers to act on their behalf may apply to the  
143 program for a grant in a specific amount to fund a specified project. Two or more municipalities  
144 may apply jointly, with 1 municipality acting as fiscal agent, or through a regional planning  
145 agency acting as fiscal agent. The grants may be made in addition to other forms of local, state  
146 and federal assistance.



147 (e) Within the program, at least 10 per cent of the grant funds shall be dedicated annually  
148 to assist towns with populations of 7,000 or less in undertaking projects to design, construct,  
149 reconstruct, widen, resurface, rehabilitate and otherwise improve roads and bridges or for the  
150 construction of chemical storage facilities, that support economic or community development.  
151 Such towns shall be eligible for a grant not to exceed \$1,000,000 and towns shall be eligible to  
152 receive 1 grant every 3 fiscal years. Two or more towns eligible under this subsection may file a  
153 joint application for a single project serving those towns; provided, however, the total amount  
154 distributed to any 1 town shall not exceed the maximum amount allowed under this section.  
155 Receipt of a grant which is part of a joint application shall not preclude a town from receiving  
156 additional funds under a separate application.

157 (f) The secretary of housing and economic development may establish rules and  
158 regulations to govern the application and distribution of grants under the program. The rules and  
159 regulations may include provisions for joint applications by 2 or more eligible municipalities for  
160 a single project serving those municipalities.

161 (g) The secretary of housing and economic development shall report annually to the  
162 clerks of the house of representatives and the senate, who shall forward the report to the senate  
163 and house chairs of the joint committee on transportation, the senate and house chairs of the joint  
164 committee on economic development and emerging technologies, the chairs of the senate and  
165 house committees on ways and means and the senate and house chairs of the joint committee on  
166 state administration and regulatory oversight on the activities and status of the program. The  
167 report shall include a list and description of all projects that received grant funds under the  
168 program, the amount of the grant awarded to the project, other sources of public funds that  
169 supported the project, a detailed analysis of the economic impact of each project including,

170 where applicable, the number of construction and full-time equivalent jobs to be created, number  
171 of housing units to be created, the private investment in the project and the expected tax revenue  
172 generated from the project.

173 SECTION 10. Chapter 23G of the General Laws is hereby amended by adding the  
174 following 2 sections:-

175 Section 45. There shall be established within the agency a commonwealth advanced  
176 manufacturing futures program. The program shall support commonwealth companies engaged  
177 in manufacturing and shall be administered in a manner that takes into account the needs of  
178 manufacturers in all regions of the commonwealth and supports growth in the manufacturing  
179 sector statewide. The agency, in consultation with the secretary of housing and economic  
180 development and the Massachusetts advanced manufacturing collaborative established in section  
181 10B of chapter 23A, shall design and implement the program. The program shall be eligible to  
182 receive funds as appropriated by the general court, including from the Manufacturing Fund  
183 established in section 98 of chapter 194 of the acts of 2011, the board, federal grants and  
184 programs and transfers, grants and donations from state agencies, foundations and private parties  
185 to be held in a separate account or segregated from other funds.

186 The program shall: (i) promote the development of advanced manufacturing through  
187 supporting technical assistance for small and mid-sized manufacturers; (ii) foster collaboration  
188 and linkages among larger manufacturing companies and smaller supplier manufacturers; (iii)  
189 advance workforce development initiatives through training, certification and educational  
190 programs; and (iv) encourage development of innovative products, materials and production

191 technologies by manufacturers through the transfer of technological innovations and partnerships  
192 with research universities, colleges and laboratories.

193 The agency shall, through grants, contracts or loans, administer the program for the  
194 purpose of facilitating growth and competitiveness in the field of manufacturing. Loans under the  
195 program may be made to manufacturing companies. Grants under this program shall include  
196 consideration of, but shall not be limited to:-

197 (i) improving access to technical assistance for small and mid-sized manufacturers,  
198 including launching pilot demonstrations of best practices in delivering innovation-based  
199 technical assistance;

200 (ii) encouraging the adoption of new technologies and advanced manufacturing  
201 capabilities into existing companies to improve manufacturing processes and operations;

202 (iii) educating individuals about opportunities for career advancement within high tech  
203 and advanced manufacturing through middle school and high school education to support the  
204 future manufacturing worker pipeline;

205 (iv) education and skills training through individualized career pathways programs that  
206 develop skills and certifications for career growth and opportunities for available jobs or job  
207 openings that are anticipated in manufacturing, including internships and on the job training  
208 which result in an employer or industry recognized credentials and ultimate job placement;

209 (v) fostering academic and industry collaboration, including encouraging technology  
210 transfer and commercialization efforts between not-for-profit research institutions, research  
211 universities, colleges and laboratories and advanced and high-tech manufacturers; and

212 (vi) supporting and partnering with existing systems within the commonwealth, including  
213 the Massachusetts Manufacturing Extension Partnership, the Massachusetts Technology  
214 Collaborative, state workforce investment board and regional employment boards, vocational  
215 schools, community colleges and other higher education institutions.

216 The agency shall solicit applications through a request for proposals and shall review the  
217 applications according to that criteria; provided, however, that the applications, at a minimum,  
218 shall include: (a) a description of the parties involved in the project, including the professional  
219 expertise and qualifications of the principals; (b) a description of the scope of work that shall be  
220 undertaken by each party involved in the project; (c) the proposed budget, including verification  
221 of funding from other sources; (d) a statement of the project objective, including specific  
222 information on how the project shall enhance the competitiveness of the manufacturer or  
223 manufacturing sector and create or preserve jobs; (e) a statement that sets forth the plan of  
224 procedure, the facilities and resources available or needed for the project and the proposed  
225 commencement and termination dates of the project; (f) a description of the expected  
226 significance of the project, including the estimated number of manufacturers or workers served  
227 and the estimated number of jobs that could be created, retained or filled as a result of the  
228 project; (g) timely deadlines for the submission of applications and recommendations of grant  
229 awards or contracts, including provisions for an expedited process of consideration and  
230 recommendation in instances when the secretary of housing and economic development certifies  
231 the need for timely evaluation and disposition of the application; and (h) any other information  
232 that the agency shall deem necessary.

233 The agency shall reach agreement with each eligible entity that receives a grant or enters  
234 into a contract under this section on performance measures and indicators that shall be used to

235 evaluate the performance of the eligible entity in carrying out the activities described in its  
236 application or any other indicators determined to be necessary to evaluate the performance of the  
237 eligible entity. Each eligible entity shall submit an annual report for the duration of the program  
238 or partnership funded through the collaborative for its review.

239           The agency shall be reimbursed from the fund for all reasonable and necessary direct  
240 costs and expenses incurred in any fiscal year associated with its administration, management  
241 and operation of the fund, including reasonable staff time and out-of-pocket expenses and the  
242 reasonable and approved administrative costs.

243           The agency may promulgate such rules and regulations as are necessary to implement the  
244 purposes of the program, including procedures describing the application process and criteria to  
245 be used in evaluating applications for grants under this section.

246           The agency, in consultation with the collaborative under section 10B of chapter 23A,  
247 shall submit an annual report to the clerks of the house of representatives and the senate who  
248 shall forward the report to the senate and house committees on ways and means, the joint  
249 committee on economic development and emerging technologies and the joint committee on  
250 labor and workforce development on or before December 31. The report shall include a current  
251 assessment of the progress of each program funded through the manufacturing grant program  
252 and the progress of the advanced manufacturing collaborative activity

253           Section 46. (a) As used in this section, the following words shall, unless the context  
254 clearly requires otherwise, have the following meanings:

255           “Department”, the department of public utilities established in chapter 25.

256 “Eligible borrower”, a public body, municipality, institution or person; provided,  
257 however, that an owner of privately-held real property may participate through the municipal  
258 PACE program.

259 “Eligible project”, the acquisition, design, construction, repair, renovation, rehabilitation  
260 or other capital improvement or deferred maintenance of an energy conservation project  
261 undertaken by an eligible borrower and, in the case of owners of privately-held real property,  
262 “eligible project” shall include, but not be limited to, an energy conservation project eligible  
263 under section 53<sup>3</sup>/<sub>4</sub> of chapter 44.

264 “Energy project bonds”, bonds, notes, certificates of participation or beneficial interest,  
265 or other evidences of indebtedness or ownership, issued under an executed indenture, financing  
266 document or other agreement of the financing entity, the proceeds of which shall be used to  
267 finance loans for eligible projects, and that are payable from loan repayments and are further  
268 secured by system benefit charges.

269 “Energy savings analysis”, an analysis performed by an energy efficiency specialist to  
270 quantify the costs of the energy efficiency improvements, and total energy and water cost  
271 savings realized by the owner, or the owner’s successor, during the useful life of, and estimated  
272 carbon impacts of, the energy efficiency improvements, including an annual cashflow analysis.

273 “Financing entity”, (i) the agency; or (ii) any special purpose entity.

274 “Financing order”, an order of the department issued under section 19 of chapter 25  
275 which shall provide for a first priority lien on all or a portion of the system benefit charges to  
276 further secure energy project bonds.

277           “Loan”, a direct loan of monies or any other financing arrangement from the agency to an  
278 eligible borrower to finance all or a portion of an eligible project.

279           “Municipal PACE program”, a program implemented and administered by a city or town  
280 under section 53E<sup>3</sup>/<sub>4</sub> of chapter 44.

281           “Special purpose entity”, a partnership, limited partnership, association, corporation,  
282 limited liability corporation or other entity established and authorized by the agency to issue  
283 energy project bonds, subject to approval by the agency as provided by the agency in its  
284 resolution authorizing the special purpose entity to issue energy project bonds.

285           “System benefit charges”, the mandatory charge imposed under section 19 of chapter 25.

286           (b) The agency shall make loans to or enter into other financing arrangements directly  
287 with eligible borrowers for eligible projects or, in the case of eligible projects under the  
288 municipal PACE program, shall fund loans made by municipalities to property owners under  
289 such program. Such loans shall be funded from energy project bonds issued by the agency or a  
290 special purpose entity in accordance with this section or from amounts held in the fund. The  
291 agency shall pledge loan repayments received directly from eligible borrowers or from cities and  
292 towns on behalf of real property owners under the municipal PACE program to the repayment of  
293 the related energy project bonds issued by the agency or by a special purpose entity, as  
294 applicable. As further security for any such bonds or debt obligations, the department shall issue  
295 financing orders in accordance with section 19 of chapter 25, granting a statutory first priority  
296 lien in all or a portion of the system benefit charges as set forth in the financing order.

297           (c) There shall be a Massachusetts Energy Conservation Project Fund, under the control  
298 of the agency, and all energy project bond proceeds of the agency or a special purpose entity,

299 together with any other monies lawfully made available to the fund in order to make loans, shall  
300 be credited to the loan account within the fund. The loan account within the fund shall make  
301 loans to finance eligible projects. The agency may make loans to eligible borrowers for eligible  
302 projects from amounts on deposit or credited to the loan account within the fund. The agency  
303 shall hold the fund in a separate account, segregated from all other agency funds. Except as  
304 provided in this section, the agency may invest and reinvest the loan account within the fund and  
305 the income thereon: (i) in making loans to eligible borrowers for eligible projects; and (ii) in  
306 investing funds not required for immediate disbursement in the purchase of such securities as  
307 may be lawful investments for fiduciaries in the commonwealth.

308 (d) Each loan shall be made under a loan agreement between the agency and the eligible  
309 borrower. In the case of the municipal PACE program, the agency may accept loan agreements  
310 entered into by the municipality and the property owner. All loan agreements, including those  
311 entered into under the municipal PACE program, shall specify the security for the loan and the  
312 repayment and other terms of the loan.

313 (e) Under the financing order, the agency shall have a first priority lien on all or a portion  
314 of the system benefit charges to provide additional security for any energy project bonds it issues  
315 or that are issued by the special purpose entity. Amounts transferred to the agency under any  
316 such financing order that are not needed to pay debt service on energy project bonds shall be  
317 held in the reserve account within the fund or in a reserve fund created under the financing  
318 documents and, in either case, as a reserve securing the energy project bonds in accordance with  
319 the financing documents governing the energy project bonds. Any amounts in excess of the  
320 required reserve shall be transferred by the agency to the department in accordance with the  
321 financing documents governing the energy project bonds. The agency shall hold the reserve



322 account within the fund in a separate account, segregated from all other agency funds. The  
323 amount of system benefit charges pledged to secure an energy project bond in accordance with a  
324 financing order shall not be limited or adversely affected; provided, however, that a financing  
325 order and all rights thereunder shall not be altered or limited until the energy project bonds,  
326 together with the interest thereon, are fully met and discharged.

327 (f) The exercise of the powers granted in this section shall be in all respects for the  
328 benefit of the people of the commonwealth by increasing the energy efficiency of buildings in  
329 the commonwealth. As the exercise of such powers shall constitute the performance of essential  
330 government functions, the financing entity shall not be required to pay any taxes or assessments  
331 upon the property acquired or used by the financing entity under this section or upon the income  
332 therefrom. The energy project bonds issued under this section, their transfer and the income  
333 therefrom, including any profit made on the sale thereof, shall at all times be free from taxation  
334 within the commonwealth.

335 (g) Upon the written approval of the secretary of administration and finance and the  
336 secretary of energy and environmental affairs, the agency or the special purpose entity may issue  
337 energy project bonds on behalf of the fund. Proceeds of energy project bonds shall be used for  
338 the purposes authorized in this section. Energy project bonds issued by any such agency shall be  
339 issued as revenue bonds and shall be recourse only to the related loan repayments by eligible  
340 borrowers and other monies available in the reserve account within the fund or held under the  
341 related financing documents. The agency's energy project bonds shall not be general obligations  
342 of the agency or the commonwealth. The agency's energy project bonds shall be issued in  
343 accordance with section 8; provided, however, that the agency shall not be required to make the  
344 findings set forth in subsections (a) and (b) of said section 8. Agency bonds issued in

345 furtherance of this section shall not be subject to, or otherwise included in, the principal amount  
346 of debt obligations issued under section 29.

347 (h) The agency shall be reimbursed from the loan account within the fund for all  
348 reasonable and necessary direct costs and expenses incurred in any fiscal year associated with its  
349 bond issuance, administration, management and operation of the funds, including reasonable  
350 staff time and out-of-pocket expenses and the reasonable and approved administrative costs  
351 incurred by any qualified organizations which the agency may contract for services. The agency  
352 may establish a minimum reserve to be maintained by the fund to ensure the satisfaction of the  
353 administrative costs of the agency and its agents.

354 (i) In accordance with applicable law, the agency may enter into contracts through a  
355 competitive process with qualified organizations to manage all or a portion of the administrative  
356 aspects of managing the loan program on behalf of the agency and on behalf of municipalities  
357 participating in the municipal PACE program. Contracts executed under this section shall  
358 address, but shall not be limited to: (i) proposed rules and guidelines for the funds; (ii) providing  
359 technical assistance to potential eligible borrowers and to cities and towns in implementing and  
360 managing their municipal PACE programs; (iii) reviewing and evaluating loan applications; (iv)  
361 providing findings and recommendations to the agency as to which loans should be approved and  
362 awarded; and (v) servicing such loans once they are awarded and funded.

363 (j) If the agency makes a loan directly to a city or town for an eligible project owned or  
364 leased by the city or town in accordance with this section and the city or town fails to pay to the  
365 agency when due and after demand any principal, interest or other charges payable under its loan  
366 agreement, in addition to other remedies of the agency under the applicable loan agreement, the

367 agency may certify to the state treasurer the amount owing to the agency by the city or town. The  
368 state treasurer shall promptly pay over to the agency for application in accordance with the  
369 agency's trust agreement, without further appropriation, any local aid distributions otherwise  
370 certified to the state treasurer as payable to the city or town. Payment by the state treasurer under  
371 this section shall continue to be made until any deficiency in the city or town's payments to the  
372 agency shall have been offset by the payments from the state treasurer. Any amount paid to the  
373 agency by the state treasurer under this section which is later determined, upon audit, to be in  
374 excess of the actual amount due to the agency shall, upon demand of the city or town, be repaid  
375 from the fund to the state treasurer. The agency may also recover from a city or town in an action  
376 in superior court any amount due to the agency together with any other actual damages the  
377 agency shall have sustained from the failure or refusal of the city or town to make payments  
378 owing to the agency.

379 (k) For energy efficiency improvements that exceed \$500,000, the contractor installing  
380 the improvements or the property owner shall provide an energy savings analysis and shall  
381 obtain a guarantee on the analysis by obtaining a security in the full amount of the cost savings.  
382 The security shall be in any of the following forms, which shall be further specified in  
383 regulation: (i) an energy savings insurance bond issued by an A.M. Best "A" or better rated  
384 carrier; (ii) an investment grade guarantee; (iii) an energy efficiency bond; (iv) a letter of credit;  
385 or (v) cash collateral.

386 (l) The authority shall develop program guidelines governing the terms and conditions  
387 under which state financing may be made available to the commercial sustainable energy  
388 program, including, in consultation with representatives from the banking industry,

389 municipalities and property owners, developing the parameters for consent by existing mortgage  
390 holders.

391 SECTION 11. The General Laws are hereby amended by inserting after chapter 23K the  
392 following chapter:-

393 CHAPTER 23L

394 LOCAL INFRASTRUCTURE DEVELOPMENT PROGRAM

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

397 “Agency”, the Massachusetts Development Finance Agency established in section 2 of  
398 chapter 23G.

399 “Amended improvement plan”, a plan describing any change to the improvement plan  
400 with respect to the boundaries of a development zone or any material change to the method of  
401 assessing costs, description of improvements, the maximum cost of the improvements or method  
402 of financing the improvements that is approved through the same procedures as the original  
403 improvement plan adopted under this chapter.

404 “Assessing party”, the municipalities identified in the improvement plan to assess any  
405 infrastructure assessments in the development zone.

406 “Cost”, shall include the cost of: (i) construction, reconstruction, renovation, demolition,  
407 maintenance and acquisition of all lands, structures, real or personal property, rights, rights-of-  
408 way, utilities, franchises, easements and interests acquired or to be acquired by the public  
409 facilities owner; (ii) all labor and materials, machinery and equipment, including machinery and

410 equipment needed to expand or enhance services from the municipality, the commonwealth or  
411 any other political subdivision thereof to the development zone; (iii) financing charges and  
412 interest prior to and during construction, and for 1 year after completion of the improvements,  
413 interest and reserves for principal and interest, including costs of municipal bond insurance and  
414 any other type of credit enhancement or financial guaranty and costs of issuance; (iv) extensions,  
415 enlargements, additions, and enhancements to improvements; (v) architectural, engineering,  
416 financial and legal services; (vi) plans, specifications, studies, surveys and estimates of costs and  
417 revenues; (vii) administrative expenses necessary or incident to the construction, acquisition and  
418 financing of the improvements; and (viii) other expenses necessary or incident to the  
419 construction, acquisition, maintenance and financing of the improvements.

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

423 “Improvement plan”, a plan set forth in the petition for the establishment of a  
424 development zone setting forth the proposed improvements, services and programs, revitalization  
425 strategy, replacement and maintenance plan, the cost estimates for the improvements and the  
426 replacement and maintenance program, the identity of the public facilities owners and the  
427 administrator of the plan, the boundaries of the development zone, the analysis of any costs of  
428 financing the improvements, the identification of the assessing party, the method and structure of  
429 the infrastructure assessments, the allocation of assessments among parcels, the selection of any  
430 or all of the assessing powers listed in section 4 that shall be utilized by the assessing party  
431 within the development zone, a statement that no funds of the municipality shall be used to pay  
432 infrastructure assessments, a description of the infrastructure development project within the

433 development zone, the proposed use of any bonds or notes to finance the project by the agency,  
434 including the possible use of any refunding bonds or notes, the participation of the agency, if  
435 any, in a district improvement financing program as described in section 7, and if so, a  
436 description of any assessing powers to be utilized and the amount of assessments to be levied and  
437 assessed on the real estate in the development zone.

438 “Improvements”, the acquiring, laying, constructing, improving and operating of capital  
439 improvements to be owned by a public facilities’ owner including, but not limited to, storm  
440 drainage systems, dams, sewage treatment plants, sewers, water and well systems, roads, bridges,  
441 sound barriers, culverts, tunnels, streets, sidewalks, lighting, traffic lights, signage and traffic  
442 control systems, parking, including garages, public safety and public works buildings, marine  
443 facilities, such as piers, wharfs, bulkheads and sea walls, transportation stations and related  
444 facilities, fiber and telecommunication systems, facilities to produce and distribute electricity,  
445 including alternate energy sources such as co-generation and solar installations, and other  
446 infrastructure-related improvements; provided, however, that “improvements” shall not include  
447 improvements located in, or serving, gated communities, not including age restricted  
448 developments operated by nonprofit organizations, that prohibit access to the general public and  
449 any type of improvement that is specifically prohibited in the United States Internal Revenue  
450 Code from using tax-exempt financing.

451 “Infrastructure assessments”, assessments, betterments, special assessments, charges or  
452 fees as described in this chapter and the improvement plan and assessed by the assessing party  
453 upon the real estate within the development zone to defray the cost of improvements financed  
454 under this chapter.

455 “Infrastructure development project”, the acquisition, construction, expansion,  
456 improvement or equipping of improvements serving any new or existing commercial, retail or  
457 industrial project.

458 “Municipal governing body”, in a city, the city council with the approval of the mayor, in  
459 a city having a Plan D or Plan E form of charter, the city council with the approval of the city  
460 manager, in a town with a town council form of government, the town council, and the board of  
461 selectmen in a town with a town meeting form of government.

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

464 “Person”, an individual or corporation, including a body politic and corporate, public  
465 department, office, agency, authority or political subdivision of the commonwealth, other  
466 corporation, trust, limited liability company, society, association or partnership or a subordinate  
467 instrumentality of a political subdivision of the commonwealth.

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

470 “Project”, an infrastructure development project.

471 “Public facilities owner”, a municipality, the commonwealth or any other political  
472 subdivision, agency or public authority of the commonwealth identified in the improvement plan  
473 as an owner of the improvements described in an improvement plan or an amended improvement  
474 plan.

475           Section 2. (a) Notwithstanding any general or special law or charter provision, by-law or  
476 ordinance to the contrary, a municipality, acting through its municipal governing body, may  
477 establish development zones under this chapter. In the event that 2 or more municipalities elect  
478 to jointly establish or consolidate contiguous development zones, the municipal governing body  
479 of each municipality wherein the development zone shall be located shall approve by a majority  
480 vote the petition for the establishment of such a development zone.

481           (b) The establishment of a development zone shall be initiated by the filing of a petition  
482 signed by all persons owning real estate within the proposed development zone in the office of  
483 the clerk of the municipality and the office of the agency. The petition shall contain at least:

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

485                     (2) the written consent to the establishment of the development zone and to the  
486 adoption of the improvement plan or an amended improvement plan, by the persons with the  
487 record ownership of 100 per cent of the acreage to be included in the development zone;  
488 provided, however, that any real estate owned by the commonwealth or an agency or political  
489 subdivision thereof, included in the boundaries of the development zone, shall not be included in  
490 the count of persons owning tax parcels or acreage in the proposed development zone for the  
491 purposes of this clause;

492                     (3) the name of the proposed development zone;

493                     (4) a map of the proposed development zone, showing its boundaries and any  
494 current public improvements which may be added to or modified by any improvements;

495                     (5) the estimated timetable for construction of the improvements;



- 496 (6) estimates of any other private or public funding sources;
- 497 (7) the improvement plan for the proposed development zone; and
- 498 (8) the procedure by which the municipality shall be reimbursed for any costs
- 499 incurred by it in establishing the development zone and for any administrative costs to be
- 500 incurred in the administration and collection of infrastructure assessments imposed within the
- 501 proposed development zone.

502 Section 3. (a) Upon receipt of a petition under section 2, the municipal governing body

503 shall, within 120 days of such receipt, hold a public hearing on the petition. Written notification

504 of the hearing and a summary of the petition and the improvement plan shall be provided by the

505 clerk of the municipality to all owners and tenants of properties in the proposed development

506 zone and within 1/2 mile of the boundaries of the zone, within or beyond the municipality in

507 which the zone shall be located not later than 14 days before the hearing, by mailing a notice to

508 the address listed in the municipality's property tax records or other appropriate listings of

509 owners and residents. Notification of the hearing shall be published once a week for 2

510 consecutive weeks in a newspaper of general circulation in the municipality, the first such

511 publication to be at least 14 days before the hearing. The public notice shall state the proposed

512 boundaries of the development zone, the improvements proposed to be provided in the

513 development zone, the proposed basis for determining any infrastructure assessments with

514 respect to those improvements and any locations for viewing and copying the petition, including

515 the improvement plan.

516 (b) A public hearing under subsection (a) shall be held to determine if the petition

517 satisfies the criteria of this chapter for a development zone and to obtain public comment

518 regarding the improvement plan and the effect that the development zone may have on the  
519 owners of real estate, tenants and other persons within the development zone and on the  
520 municipality or adjacent communities. Within 90 days after the conclusion of the public hearing  
521 and in conjunction with regional planning agencies, the municipal governing body shall issue  
522 recommendations on the petition; provided, however, that the recommendations shall include,  
523 but not be limited to, the following findings:

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

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

530 (c) Within 21 days after receipt of the recommendation required under subsection (b), the  
531 municipal governing body shall vote on the petition to establish the development zone and the  
532 improvement plan.

533 (d) Upon the approval of the petition by a majority vote of the municipal governing body  
534 under subsection (c), notice of such approval shall be promptly filed with the clerk of the  
535 municipality, the agency and the secretary of the commonwealth. Upon such filing, the  
536 development zone shall be deemed established and the improvement plan shall be deemed  
537 approved.

538 (e) The public facilities' owner shall have all rights and powers necessary or convenient  
539 to carry out and effectuate this chapter that are consistent with the improvement plan as approved  
540 by the municipal governing body, including, but not limited to, the authority:

541 (1) to make and enter into all contracts and agreements necessary or incidental to  
542 the exercise of any power granted by this chapter, including agreements with the municipality,  
543 the commonwealth, the agency and any other municipality or political entity or utility for the  
544 provision of services that are necessary to the acquisition, construction, operation or financing of  
545 the improvements within the development zone;

546 (2) to purchase or acquire by lease, lease-purchase, sale and lease-back, gift or  
547 devise or to obtain or grant options for the acquisition of any property, real or personal, tangible  
548 or intangible, or any interest therein, in the exercise of its powers and the performance of its  
549 duties and to acquire real estate or any interest therein, within the boundaries of the development  
550 zone itself, if authorized in the improvement plan, and to acquire real estate or any interest  
551 therein outside the boundaries of the development zone, necessary for the acquisition,  
552 construction and operation of the improvements or services relating thereto that are located  
553 within the development zone or are related to or provided by the public facilities' owner;

554 (3) to construct, improve, extend, equip, enlarge, repair, maintain and operate and  
555 administer the improvements for the benefit of the development zone within or without the  
556 development zone and to acquire existing improvements or construct new improvements,  
557 including those located under or over any roads, public ways or parking areas and to enter upon  
558 and excavate any private land within the development zone for the purpose of constructing the  
559 improvements or repairing the same;

560 (4) to accept goods or gifts of funds, property or services from any source, public  
561 or private;

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

566 (6) to pledge or assign any money, infrastructure assessments or other revenues  
567 relating to any improvements within or related to the development zone and any proceeds  
568 derived therefrom;

569 (7) to enter into contracts and agreements with the municipality, the agency, the  
570 commonwealth or any political subdivision thereof, the property owners of the development  
571 zone and any public or private party with respect to all matters necessary, convenient or desirable  
572 for carrying out this chapter including, but not limited to, the acquisition of existing  
573 improvements, collection of revenue, data processing and other matters of management,  
574 administration and operation and to make other contracts of every name and nature and execute  
575 and deliver all instruments necessary or convenient for carrying out any of its purposes;

576 (8) to exercise the powers and privileges of, and to be subject to the limitations  
577 upon, municipalities provided in sections 38 to 42K, inclusive, of chapter 40 and chapters 80 and  
578 83, insofar as such provisions may be applicable and consistent with this chapter; provided,  
579 however, that any requirement in said sections 38 to 42K, inclusive, of said chapter 40 and in  
580 said chapters 80 and 83 for a vote by the governing body of a municipality or for a vote by the

581 voters of a municipality, shall be satisfied by a vote or resolution duly adopted by the board of  
582 selectmen, city council or town council as the case may be;

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

585 (10) to employ such assistants, agents, employees and persons as may be  
586 necessary in the public facilities' owner's judgment and to fix their compensation according to  
587 the terms of the improvement plan;

588 (11) to procure insurance against any loss or liability that may be sustained or  
589 incurred in carrying out this chapter in such amount as the public facilities' owner shall deem  
590 necessary and appropriate with insurers licensed to furnish such insurance in the commonwealth;

591 (12) to apply for any loans, grants or other types of assistance from the United  
592 States government, the commonwealth or any political subdivision thereof that are described in  
593 the improvement plan or any amended improvement plan;

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

597 (14) to sue and be sued in its own name, plead and be impleaded; and

598 (15) to do all things necessary, convenient or desirable for carrying out this  
599 chapter.

600 Section 4. (a) Consistent with the improvement plan, the assessing party may fix, revise,  
601 charge, collect and abate infrastructure assessments, for the cost, maintenance, operation and

602 administration of the improvements imposed on the real estate, leaseholds or other interests  
603 therein, located in the development zone. All real estate within a development zone owned by the  
604 commonwealth or any political subdivision, political instrumentality, agency or public authority  
605 thereof shall be exempt from such charges unless the charges are specifically accepted by the  
606 commonwealth, political subdivision, political instrumentality, agency or public authority. In  
607 providing for the payment of the cost of the improvements or for the use of the improvements,  
608 the assessing party may avail itself of the provisions of the General Laws relative to the  
609 assessment, apportionment, division, fixing, reassessment, revision, abatement and collection of  
610 infrastructure assessments by cities and towns or the establishment of liens therefor and interest  
611 thereon and the procedures set forth in sections 5 and 5A of chapter 254 for the foreclosure of  
612 liens arising under section 6 of chapter 183A, as it shall deem necessary and appropriate for  
613 purposes of the assessment and collection of infrastructure assessments. The assessing party shall  
614 file copies of the improvement plan and any amendments thereof, and all schedules of  
615 assessments with the appropriate registry of deeds and the municipality's assessors' records so  
616 that notice thereof shall be reported on a municipal lien certificate for any real estate parcel  
617 located in a development zone. Notwithstanding any general or special law to the contrary, the  
618 assessing party may pay the entire cost of any improvements, including the acquisition thereof,  
619 during construction or after completion, or the debt service of notes or bonds used to fund such  
620 costs, from infrastructure assessments and may establish such infrastructure assessments before,  
621 during or within 1 year after completion of construction or acquisition of any improvements. The  
622 assessing party may establish a schedule for the payment of infrastructure assessments not to  
623 exceed 25 years.

624 Notwithstanding any general or special law to the contrary, the assessing party may  
625 contract with the agency for any services required by the assessing party regarding the  
626 assessment, apportionment, division, fixing, reassessment, revision, collection and enforcement  
627 of infrastructure assessments hereunder and the fees, costs and other expenses thereof may be  
628 included in the calculation of the infrastructure assessments levied by the assessing party  
629 hereunder.

630 The infrastructure assessments established by the assessing party in accordance with this  
631 chapter shall be fixed in respect of the aggregate thereof so as to provide revenues at least  
632 sufficient to: (i) pay the administrative expenses of the assessing party and the agency; (ii) pay  
633 the principal of, premium, if any, and interest on bonds, notes or other evidences of indebtedness  
634 of the agency under this chapter as the same becomes due and payable; (iii) create and maintain  
635 such reasonable reserves as may be reasonably required by any trust agreement or resolution  
636 securing bonds; (iv) provide funds for paying the cost of the operation and necessary  
637 maintenance, repairs, replacements and renewals of the improvements; and (v) pay or provide for  
638 any amounts that the agency, including reasonable administrative fees, may be obligated to pay  
639 or provide for by law or contract, including any resolution or contract with or for the benefit of  
640 the holders of its bonds and notes.

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

647 (b) As an alternative to levying infrastructure assessments under any other provision of  
648 this chapter or any other General Law, the assessing party may levy special assessments on real  
649 estate, leaseholds or other interests therein within the development zone to finance the cost of the  
650 improvements and the maintenance, repair, replacement and renewal thereof, and the expense of  
651 administration thereof, provided, however, that the ratio of the property's value to the amount of  
652 the lien shall not exceed 3:1. In determining the basis for and amount of the special assessment,  
653 the cost of the improvements and the maintenance, repair, replacement and renewal thereof, and  
654 the expense of administration thereof, including the cost of the repayment of the debt issued or to  
655 be issued by the agency to finance the improvements, may be calculated and levied using any of  
656 the following methods that result in fairly allocating the costs of the improvements to the real  
657 estate in the development zone:

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

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

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

666 The assessing party, consistent with the improvement plan, may also provide for the  
667 following:

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



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

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

673 (4) the circumstances under which the special assessments may be reduced or  
674 abated; and

675 (5) the prepayment of infrastructure assessments under this chapter under  
676 procedures that may be established by the assessing party.

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

685 (d) Notwithstanding any general or special law to the contrary, the agency, the  
686 municipality or any other public facilities' owner may contract with owners of real estate within  
687 a development zone to acquire or undertake improvements within the development zone. Upon  
688 completion, such improvements shall be conveyed to the public facilities owner; provided,  
689 however, that the consideration for the conveyance shall be limited to the cost thereof.

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

700 Nothing in this chapter shall be construed to limit or otherwise diminish the power of the  
701 agency to finance the costs of projects authorized under said chapters 23G and 40D within the  
702 development zone or the municipality upon compliance with said chapters 23G and 40D.

703 (b) The agency may provide by resolution of its board of directors for the issuance of  
704 bonds or notes of the agency for any of the purposes set forth in this chapter. Bonds issued  
705 hereunder shall be special obligations payable solely from particular funds and revenues  
706 generated from infrastructure assessments levied under this chapter as provided in the resolution.  
707 No bonds or notes shall be issued by the agency under this chapter until the agency's board of  
708 directors has determined that the bonds or notes trust agreement and any related financing  
709 documents are reasonable and proper and comply with this chapter. The agency may charge a  
710 reasonable fee in connection with the review of such documentation by its staff and board of  
711 directors. Without limiting the generality of the foregoing, such bonds may be issued to pay or  
712 refund notes issued under this chapter, to pay the cost of acquiring, laying, constructing and

713 reconstructing the improvements. The bonds of each issue shall be dated, shall bear interest at  
714 the rates, including rates variable from time to time, and shall mature at such times not exceeding  
715 25 years from their dates, as determined by the agency, and may be redeemable before maturity,  
716 at the option of the agency or the holder thereof, at such price and under such terms and  
717 conditions as may be fixed by the agency before the issuance of the bonds. The agency shall  
718 determine the form of the bonds and the manner of execution of the bonds and shall fix the  
719 denomination of the bonds and the place of payment of principal and interest, which may be at  
720 any bank or trust company within or without the commonwealth and such other locations as  
721 designated by the agency. In the event an officer whose signature or a facsimile of whose  
722 signature shall appear on any bonds shall cease to be an officer before the delivery of the bonds,  
723 the signature or facsimile shall be valid and sufficient for all purposes to the same extent as if the  
724 officer had remained in office until the delivery. The bonds shall be issued in registered form.  
725 The agency may sell the bonds in a manner and for a price, either at public or private sale, as it  
726 may determine to be for the best interests of the development zone.

727         Before the preparation of definitive bonds, the agency may, under like restrictions, issue  
728 interim receipts or temporary bonds exchangeable for definitive bonds when the bonds have been  
729 executed and are available for delivery. The agency may also provide for the replacement of any  
730 bonds that shall become mutilated, destroyed or lost. The issuance of the bonds, the maturities,  
731 and other details thereof, the rights of the holders thereof, and the agency in respect of the same,  
732 shall be governed by this chapter insofar as the same may be applicable.

733         While any bonds or notes of the agency remain outstanding, its powers, duties or  
734 existence shall not be diminished or impaired in any way that will affect adversely the interests  
735 and rights of the holders of such bonds or notes. Bonds or notes issued under this chapter, unless

736 otherwise authorized by law, shall not be deemed to constitute a debt of the commonwealth or  
737 the municipality or a pledge of the faith and credit of the commonwealth or of the municipality,  
738 but the bonds or notes shall be payable solely by the agency as special obligations payable from  
739 particular funds collected from infrastructure assessments levied under this chapter and any  
740 revenues derived from the operation of the improvements. Any bonds or notes issued by the  
741 agency under this chapter shall contain on their face a statement to the effect that neither the  
742 commonwealth, nor the municipality, shall be obliged to pay the same or the interest thereon,  
743 and that the faith and credit or taxing power of the commonwealth, the municipality or the  
744 agency is not pledged to the payment of the bonds or notes. All bonds or notes issued under this  
745 chapter shall have all the qualities and incidents of negotiable instruments as defined in section  
746 3-104 of chapter 106.

747 Issuance by the agency of bonds or notes for any purpose shall not preclude the agency  
748 from issuing other bonds or notes in connection with the same project or any other project;  
749 provided, however, that the resolution or trust indenture wherein any subsequent bonds or notes  
750 may be issued shall recognize and protect any prior pledge made for any prior issue of bonds or  
751 notes unless, in the resolution or trust indenture authorizing such prior issue, the right is reserved  
752 to issue subsequent bonds on a parity with such prior issue.

753 (c) In the discretion of the agency, bonds issued under this chapter may be secured by a  
754 trust agreement between the agency and the bond owners or a corporate trustee which may be  
755 any trust company or bank having the powers of a trust company within or without the  
756 commonwealth. A trust agreement may pledge or assign, in whole or in part, the revenues, funds  
757 and other assets or property held or to be received by the assessing party or the agency including,  
758 without limitation, all monies and investments on deposit from time to time in any fund of the

759 assessing party or the agency or any account thereof and any contract or other rights to receive  
760 the same, whether then existing or thereafter coming into existence and whether then held or  
761 thereafter acquired by the assessing party or the agency, and the proceeds thereof. A trust  
762 agreement may pledge or assign, in whole or in part, assessments, development zone revenues,  
763 funds and other assets or property relating to the development zone held or to be received by the  
764 assessing party or the agency. A trust agreement may contain, without limitation, provisions for  
765 protecting and enforcing the rights, security and remedies of the bondholders, provisions  
766 defining defaults and establishing remedies, which may include acceleration, and may also  
767 contain restrictions on the remedies by individual bondholders. A trust agreement may contain  
768 covenants of the agency concerning the custody, investment and application of monies, the issue  
769 of additional or refunding bonds, the use of any surplus bond proceeds, the establishment of  
770 reserves and the regulation of other matters customarily treated in trust agreements. A bank or  
771 trust company may act as a depository of any fund of the assessing party or the agency or trustee  
772 under a trust agreement if the bank or trust company furnishes such indemnification and  
773 reasonable security as the agency may require. Any assignment or pledge of revenues, funds and  
774 other assets and property made by the assessing party or the agency shall be valid and binding  
775 and shall be deemed continuously perfected for the purposes of chapter 106 and other laws when  
776 made. The revenues, funds and other assets and property, rights therein and thereto and proceeds  
777 so pledged and then held or thereafter acquired or received by the assessing party or the agency  
778 shall immediately be subject to the lien of such pledge without any physical delivery or  
779 segregation or further act, and the lien of any such pledge shall be valid and binding against all  
780 parties having claims of any kind in tort, contract or otherwise against the trust, whether or not  
781 such parties have notice thereof. The trust agreement by which a pledge is created shall not be

782 required to be filed or recorded to perfect the pledge except in the records of the agency and no  
783 filing shall be required under said chapter 106. Any pledge or assignment made by the agency  
784 shall be an exercise of its political and governmental powers, and revenues, funds, assets,  
785 property and contract or other rights to receive the same and the proceeds thereof which are  
786 subject to the lien of a pledge or assignment created under this chapter shall not be applied to any  
787 purposes not permitted by the pledge or assignment.

788 (d) The agency may issue notes of the agency in anticipation of federal, state or local  
789 grants for the cost of acquiring, constructing or improving the development zone's improvements  
790 or in anticipation of bonds to be issued under this chapter. Such notes shall be authorized, issued  
791 and sold in the same manner as, and shall otherwise be subject to, the other provisions of this  
792 chapter. Such notes shall mature at such times as provided by the issuing resolution of the  
793 agency and may be renewed from time to time; provided, however, that all such notes and  
794 renewals thereof shall mature on or before 20 years from their date of issuance.

795 (e) In addition to other security provided herein, or otherwise provided by law, bonds,  
796 notes or obligations issued by the agency under this chapter may be secured, in whole or in part,  
797 by a letter of credit, line of credit, bond insurance policy, liquidity facility or other credit facility  
798 for the purpose of providing funds for payments in respect of bonds, notes or other obligations  
799 required by the holder thereof to be redeemed or repurchased prior to maturity or for providing  
800 additional security for such bonds, notes or other obligations. In connection therewith, the  
801 agency may enter into reimbursement agreements, remarketing agreements, standby bond  
802 purchase agreements and any other necessary or appropriate agreements. The assessing party  
803 may pledge or assign any of its revenues as security for the reimbursement by it to the agencies  
804 or providers of such letters of credit, lines of credit, bond insurance policies, liquidity facilities or

805 other credit facilities of any payments made under the letters of credit, lines of credit, bond  
806 insurance policies, liquidity facilities or other credit facilities.

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

822 (g) The agency may use any funds available therefor to purchase its bonds or notes. The  
823 agency may hold, pledge, cancel or resell such bonds or notes, subject to and in accordance with  
824 agreements with bondholders. The agency may issue refunding bonds for the purpose of paying  
825 any of its bonds at maturity or upon acceleration or redemption. Refunding bonds may be issued  
826 at such times prior to the maturity or redemption of the refunded bonds as the agency deems to  
827 be in the public interest. Refunding bonds may be issued in sufficient amounts to pay or provide

828 for the principal of the bonds being refunded, together with any redemption premium thereon,  
829 any interest accrued or to accrue to the date of payment of such bonds, the expense of issuing the  
830 refunding bonds, the expense of redeeming bonds being refunded and such reserves for debt  
831 service or other capital from the proceeds of such refunding bonds as may be required by a trust  
832 agreement or resolution securing the bonds and, if considered advisable by the agency, for the  
833 additional purpose of the acquisition, construction or reconstruction and extension or  
834 improvement of improvements. All other provisions relating to the issuance of refunding bonds  
835 shall be as set forth in this chapter insofar as the same may be applicable.

836 (h) All moneys received under this chapter, whether as proceeds from the issue of bonds  
837 or notes or as revenue or otherwise, shall be deemed trust funds to be held and applied solely as  
838 provided in this chapter.

839 (i) Bonds or notes issued under this chapter shall be securities in which all public officers  
840 and public bodies of the commonwealth and its political subdivisions, all insurance companies,  
841 trust companies in their commercial departments and within the limits set by the General Laws,  
842 banking associations, investment companies, executors, trustees and other fiduciaries, and all  
843 other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other  
844 obligations of a similar nature may properly and legally invest funds, including capital in their  
845 control and belonging to them and the bonds shall be obligations that may properly and legally  
846 be made eligible for the investment of savings deposits and income thereof in the manner  
847 provided in section 2 of chapter 167E. The bonds or notes shall be securities that may properly  
848 and legally be deposited with and received by any state or municipal officer or any agency or  
849 political subdivision of the commonwealth for any purpose for which the deposit of bonds or  
850 other obligations of the commonwealth is now or may hereafter be authorized by law.



851 Notwithstanding any general or special law to the contrary or any provision in their  
852 respective charters, agreements of associations, articles or organization or trust indentures,  
853 domestic corporations organized for the purpose of carrying on business within the  
854 commonwealth including, without limitation, any electric or gas company as defined in section 1  
855 of chapter 164, railroad corporation as defined in section 1 of chapter 160, financial institutions,  
856 trustees and the municipality may acquire, purchase, hold, sell, assign, transfer or otherwise  
857 dispose of any bonds, notes, securities or other evidences of indebtedness of the agency provided  
858 that they are rated similarly to other governmental bonds or notes and make contributions to the  
859 agency, all without the approval of any regulatory authority of the commonwealth.

860 (j) Any holder of bonds or notes issued under this chapter, and a trustee under a trust  
861 agreement, except to the extent its rights may be restricted by the trust agreement, may, either at  
862 law or in equity, by suit, action, mandamus or other proceeding, protect and enforce all rights  
863 under the laws of the commonwealth or granted hereunder or under the trust agreement and may  
864 enforce and compel the performance of all duties required by this chapter or by the trust  
865 agreement, to be performed by the agency or by any officer thereof.

866 (k) Notwithstanding this chapter or any recitals in any bonds or notes issued under this  
867 chapter, all such bonds or notes shall be deemed to be investment securities under chapter 106.

868 (l) Bonds or notes may be issued under this chapter without obtaining the consent of any  
869 department, division, commission, board, bureau or agency of the commonwealth or the  
870 municipality, and without any proceedings or the happening of any other conditions or things  
871 other than those proceedings, conditions or things that are specifically required by this chapter,

872 and the validity of and security for any bonds or notes issued by the agency shall not be affected  
873 by the existence or nonexistence of any such consent or other proceedings, conditions or things.

874 Section 6. Bonds or notes issued by the agency and their transfer and their interest or  
875 income, including any profit on the sale thereof, and the improvements belonging to the public  
876 facilities' owner shall at all times be exempt from taxation within the commonwealth; provided,  
877 however, that nothing in this chapter shall limit or restrict the ability of the commonwealth or the  
878 municipality to otherwise tax the individuals and companies or their real or personal property or  
879 any person living or business operating within the boundaries of the development zone.

880 Section 7. For purposes of this chapter, the agency may issue bonds secured by  
881 infrastructure assessments under and according to the terms of chapter 40Q. With the approval of  
882 the municipal governing body, the agency may issue its bonds in place of those of the  
883 municipality under chapter 40Q provided that the municipality has fulfilled all requirements set  
884 forth in said chapter 40Q that would be required of the municipality if it were itself issuing bonds  
885 under said chapter 40Q. In addition, the municipality shall include in its invested revenue district  
886 development program as defined in said chapter 40Q, a description of the rights and  
887 responsibilities of the assessing party, the agency and the municipality with respect to the  
888 program. In such case, the municipality may designate the agency as the issuer of bonds under  
889 said chapter 40Q for the purpose of financing any of the project costs as defined in said chapter  
890 40Q and that are located in, or functionally serving the needs of, the development zone. The  
891 municipality shall determine the percentage of the captured assessed valuation, as defined in said  
892 chapter 40Q, of property within the boundaries of the development zone that the municipality is  
893 pledging under an invested revenue district development program as defined in said chapter 40Q  
894 for the payment of the agency's bonds. With the written agreement of the persons owning

895 specific tax parcels in the development zone, the assessing party may adopt a plan whereby any  
896 of the assessing powers described in this chapter are made applicable exclusively to those parcels  
897 in order to secure and fund the debt service for the bonds. The project costs as defined in said  
898 chapter 40Q shall not be reduced by the amount of the revenues derived under this chapter and  
899 the revenues derived from such a plan may be made contingent upon or abated, in whole or in  
900 part, by the assessing party upon the receipt of the anticipated revenues generated through the  
901 pledged captured assessed valuation. At its option, the municipality may waive any adjustment  
902 for the inflation factor as defined in said chapter 40Q in order to increase the captured assessed  
903 valuation available to finance improvements benefiting the development zone. The assessing  
904 party, the agency and the municipality shall enter into an agreement delineating the rights and  
905 responsibilities of each under such district improvement financing.

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

912           Section 9. The collector-treasurer of each municipality, at the option of the municipality  
913 and the agency, may collect any infrastructure assessments, including any recording fees, on  
914 behalf of the agency under an agreement between the municipality and the agency and to  
915 disburse the funds to any designated management entity or financial institution selected by the  
916 agency. The collector-treasurer shall disburse revenues to the management entity or financial

917 institution within 30 days after the collection of such fees, together with the interest earned on  
918 the holding of such fees.

919           Section 10. (a) If any provision of this chapter is inconsistent with any general or special  
920 law, administrative order or regulation or any resolution or ordinance of the municipality, this  
921 chapter shall control. Without limiting the generality of the foregoing, no provision of any  
922 resolution or ordinance of the municipality requiring ratification by the voters of certain bond  
923 issues shall apply to the issuance of bonds or notes of the agency under this chapter, nor shall  
924 any such provision be applicable to the manner of voting or the limitations as to the amount and  
925 time of payment of debts incurred by the agency.

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

932           SECTION 12. Section 19 of chapter 25 of the General Laws, as appearing in the 2010  
933 Official Edition, is hereby amended by inserting after subsection (a) the following subsection:-

934           (a $\frac{1}{2}$ ) Upon receiving notice from the Massachusetts Development Finance Agency that  
935 energy project bonds are to be issued under section 45 of chapter 23G, the department shall issue  
936 financing orders, granting a first priority lien on the mandatory charge established by the first  
937 sentence of subsection (a) and all or a portion of the amounts collected pursuant thereto, as set  
938 forth in such financing order to secure such energy project bonds. Upon the effective date of a

939 financing order, unless otherwise directed by the department, there shall exist a first priority lien  
940 on all mandatory charges imposed by subsection (a) then existing or thereafter arising under the  
941 terms of the financing order. This lien shall arise by operation of this subsection automatically  
942 without any action on the part of the department, the agency, any special purpose entity, as  
943 defined in said section 45 of said chapter 23G, or any other person. This lien shall secure all  
944 obligations then existing or subsequently arising to the holders of such energy project bonds, the  
945 trustee or representative for such holders and any other entity specified in the financing order.  
946 The person for whose benefit this lien is established shall, upon the occurrence of any defaults  
947 specified in the financing order, have all the rights and remedies of a secured party upon default  
948 under article 9 of chapter 106 and shall be entitled to foreclose or otherwise enforce this statutory  
949 lien on the mandatory charges. This lien shall attach to such mandatory charges regardless of  
950 who shall own, or shall subsequently be determined to own, the mandatory charges, including  
951 any electric distribution company and municipal aggregator, any affiliate thereof, the agency or  
952 special purpose entity or any other person. The lien shall be valid, perfected and enforceable  
953 against all third parties upon the effectiveness of the financing order without any further public  
954 notice; provided, however, that any person may file a financing statement. A perfected statutory  
955 lien on the mandatory charges shall be a continuously perfected lien on all revenues and  
956 proceeds arising with respect thereto, whether or not the revenues or proceeds have accrued.

957         The department may issue financing orders in accordance with this section to facilitate  
958 the financing or refinancing of energy projects, as defined in said section 45 of said chapter 23G.  
959 A financing order shall specify that amounts collected under the mandatory charges set forth in  
960 subsection (a) shall be allocated first to the energy project bonds, and shall be paid over to the  
961 agency upon receipt, and second to other projects financed in accordance with this subsection.

962 Financing orders issued under this subsection shall not constitute a debt or liability of the  
963 commonwealth or of any political subdivision thereof and shall not constitute a pledge of the  
964 faith and credit of the commonwealth or any of its political subdivisions, but shall be payable  
965 solely from the funds provided in said section 45 of said chapter 23G and this subsection.

966 SECTION 13. Section 2WWW of chapter 29 of the General Laws is hereby further  
967 amended by striking out subsection (d), as appearing in the 2010 Official Edition, and inserting  
968 in place thereof the following subsection:-

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

975 SECTION 14. Said section 2WWW of said chapter 29 is hereby further amended by  
976 inserting after subsection (h), as so appearing, the following subsection:-

977 (h<sup>1/2</sup>) A portion of the grant fund shall be used to address the gap between the skills held  
978 by workers and the skills needed by employers for jobs that require more than a high school  
979 diploma but less than a 4-year degree. Grants awarded under this program shall focus on building  
980 relationships and partnerships among geographic clusters of high schools, vocational-technical  
981 schools, community colleges, state universities, institutions of higher education, local employers,  
982 industry partners, local workforce investment boards and workforce development entities, in  
983 order to create multiple and seamless pathways to employment through enhanced coordination of

984 existing institutions and resources. Each cluster shall designate 1 entity or organization as the  
985 lead partner for each cluster and approved procurements shall be jointly applied for by, at a  
986 minimum, a public educational institution, including a community college, at least 1 regional  
987 workforce investment board and at least 1 regional employer in a high growth sector. Grants  
988 made under this program shall include consideration of, but not be limited to: (i) defining and  
989 establishing the process for students to transition from adult basic education programs to college-  
990 based programs; (ii) programs accessible to working, unemployed or underemployed adults; (iii)  
991 support of education and workforce development initiatives that collaborate with the efforts or  
992 initiatives of public educational institutions, including development of stackable certificates and  
993 credentials, nonsemester-based modular programs and accelerated associate degree programs;  
994 provided, however, that the grants issued from this fund shall serve to supplement, and not  
995 supplant, ongoing initiatives at community colleges; (iv) providing sector-based training,  
996 including developmental education and certification programs; (v) providing student support  
997 services; (vi) using competency-based placement assessments; (vii) leveraging regional  
998 resources, including shared equipment and funding; (viii) partnering with 2 or more training  
999 organizations in a region; and (ix) partnering with 2 or more employers in a region. This portion  
1000 of the grant fund may also be used to develop regional centers of excellence, which shall be  
1001 aligned to the commonwealth's economic development strategies to meet the needs of employers  
1002 in high growth sectors including, but not limited to, health care, life sciences, information  
1003 technology and advanced manufacturing. Each center of excellence shall be located at a  
1004 community college, state university, vocational or technical high school or collaboration between  
1005 these entities.

1006 A project grant program shall be designed by Commonwealth Corporation, in  
1007 consultation with a middle skills subcommittee of the advisory committee, which shall include,  
1008 at a minimum, a representative from the business community to be appointed by the secretary of  
1009 labor and workforce development; the director of the Center for Labor Market Studies at  
1010 Northeastern University or a designee; a representative of adult basic education or nontraditional  
1011 college students in the commonwealth to be appointed by the secretary of education; the  
1012 Massachusetts Workforce Board Association; and the Massachusetts AFL-CIO, and  
1013 representatives of the other mandatory advisory committee constituencies under subsection (b).

1014 SECTION 15. Said section 2WWW of said chapter 29 is hereby further amended by  
1015 striking out subsection (k), as so appearing, and inserting in place thereof the following  
1016 subsection:-

1017 (k) The director of workforce development and the advisory committee established under  
1018 subsection (b) shall examine and make an ongoing assessment of the effectiveness of the grant  
1019 fund, considering any similar educational or workforce development grant programs funded by  
1020 the commonwealth. The director and committee shall encourage coordination of existing  
1021 workforce development initiatives and strategies of employers and employer associations, local  
1022 workforce investment boards, labor organizations, community-based organizations, including  
1023 adult basic education providers; institutions of higher education, vocational education  
1024 institutions, one-stop career centers, local workforce development entities and nonprofit  
1025 education, training or other service providers and, when applicable, shall inform grant applicants  
1026 of the availability and eligibility for other workforce training funds. The establishment of the  
1027 Workforce Competitiveness Trust Fund shall not be determined to replace, displace or serve as a  
1028 substitute for any other workforce training fund, including community college workforce



1029 development programs or the Workforce Training Fund established in section 2RR and award of  
1030 any grant funds from the Workforce Competitiveness Trust Fund shall not make an applicant  
1031 ineligible for any other funds.

1032 SECTION 16. Said section 2WWW of said chapter 29, as amended by section 105 of  
1033 chapter 3 of the acts of 2011, is hereby further amended by adding the following subsection:-

1034 (l) Each grant recipient shall submit an annual report for the duration of the program or  
1035 partnership funded through a grant to the committee for its review. Before grants are awarded,  
1036 the Commonwealth Corporation shall reach agreement with each eligible entity that receives a  
1037 grant on performance measures and indicators that will be used to evaluate the performance of  
1038 the eligible entity in carrying out the activities described in their application.

1039 SECTION 17. Chapter 40H of the General Laws is hereby amended by adding the  
1040 following section:-

1041 Section 10. (a) For the purposes of this section, the following words shall, unless the  
1042 context clearly requires otherwise, have the following meanings:-

1043 “Community investment plan”, an organizational business plan developed by a certified  
1044 community development corporation that details its goals, outcomes, strategies, programs and  
1045 activities for a 3 to 5-year period and its financial plans for supporting its strategy; provided,  
1046 however, that the plan shall be designed to engage local residents and businesses to work  
1047 together to undertake community development programs, projects and activities which develop  
1048 and improve urban, rural or suburban communities in sustainable ways that create and expand  
1049 economic opportunities for low and moderate income households; provided further, that the  
1050 specific format and content of a community investment plan may be adapted to the particular

1051 organization and community, but shall include the following elements: (i) a description of the  
1052 community to be served by the organization, including the neighborhoods, towns or cities to be  
1053 served and any particular constituencies that the organization is dedicated to serving; (ii) a  
1054 description of how community residents and stakeholders were engaged in the development of  
1055 the plan and their role in monitoring and implementing the organization's activities during the  
1056 time period of the plan; (iii) the goals sought to be achieved during the time period of the plan,  
1057 including how low and moderate income households or low and moderate income communities  
1058 will benefit and how the entire community will benefit; (iv) the activities to be pursued to  
1059 achieve those goals; (v) the manner in which success shall be measured and evaluated; (vi) a  
1060 description of the collaborative efforts that shall support implementation of the plan, including  
1061 collaborative efforts with nonprofit, for profit or public entities; (vii) a description of how the  
1062 different activities within the plan fit together and how the entire plan fits into a larger strategy or  
1063 vision for the community; (viii) the financial strategy to be deployed to support these activities;  
1064 and (ix) other information regarding the history and track record of the organization as  
1065 determined by the department.

1066 "Community partner", a community development corporation or a community support  
1067 organization selected by the department through a competitive process to receive a community  
1068 investment grant.

1069 "Community support organization", any nonprofit organization which is not a  
1070 community development corporation but has a focus on and track record of providing capacity  
1071 building services to community development corporations.

1072 "Department", the department of housing and community development.

1073 “Gateway municipality”, a gateway municipality as defined in section 3A of chapter 23A.

1074 “Low and moderate income community”, an economic target area as defined in section  
1075 3A of chapter 23A, an enhanced economic enterprise community or empowerment zone as  
1076 designated by the United States Department of Housing and Urban Development or 1 or more  
1077 contiguous census tracts as designated by a city or town, in which either: (i) a majority of the  
1078 households are low and moderate income households; or (ii) the unemployment rate is at least 25  
1079 per cent higher than the annual statewide average unemployment rate at a time when the  
1080 statewide unemployment rate is less than or equal to 5 per cent or the unemployment rate is at  
1081 least 10 per cent higher than the annual statewide average unemployment rate at a time when the  
1082 statewide unemployment rate is greater than 5 per cent.

1083 “Low and moderate income households”, households which have incomes that do not  
1084 exceed 80 per cent of the median income for the area, with adjustments made for smaller and  
1085 larger families, as such median shall be determined from time to time by the secretary of the  
1086 United States Department of Housing and Urban Development under 42 U.S.C. 1437(a)(B)(2) or  
1087 any successor legislation and the regulations promulgated thereunder.

1088 (b) The department shall promulgate regulations concerning the process by which  
1089 community development corporations apply to become a community partner; provided, however,  
1090 that:

1091 (1) the department shall design a competitive process to review applications by  
1092 community development corporations and community support organizations; provided, however,  
1093 that community support organizations may qualify but not more than 2 such organizations may,  
1094 at any given time, be awarded community investment grants;

1095                   (2) the selection process shall favor community development corporations with  
1096 the highest quality community investment plans and strong track records and shall strive to  
1097 ensure that all regions of the commonwealth are able to fairly compete for allocations, including  
1098 gateway municipalities, rural areas and suburban areas; provided, however, that at least 30 per  
1099 cent of the community partners shall be located in or serving gateway municipalities and at least  
1100 20 per cent of the community partners shall be located in or serving rural areas, as defined by the  
1101 department, unless the department finds that there are not a sufficient number of qualified  
1102 applications from those areas;

1103                   (3) the department shall, subject to appropriation, implement at least 1 such  
1104 allocation process each year; provided, however, that each grant shall be valid for up to 3 years,  
1105 contingent upon the community partner satisfactorily meeting the reporting requirements of the  
1106 department; provided further, that community partners who have not fully utilized their  
1107 community investment grant within 3 years may apply to the department for a 1-year extension;  
1108 provided further, that community investment grants may be revoked after 2 years from the date  
1109 of the award by the department if: (i) the community partner is found to be in noncompliance  
1110 with this section or the department's regulations promulgated hereunder; (ii) if the community  
1111 partner is determined by the department to be making inadequate progress on its community  
1112 investment plan; or (iii) for other good cause as determined by the department; and

1113                   (4) no community partner shall, subject to appropriation, receive a community  
1114 investment grant of less than \$50,000 or more than \$150,000 in any 1 fiscal year. No community  
1115 partner shall receive a subsequent allocation unless it has utilized at least 95 per cent of the 3  
1116 year total of any prior allocation

1117 SECTION 18. Chapter 40J of the General Laws is hereby amended by inserting after  
1118 section 4F the following section:-

1119 Section 4G. (a) In order to assist in fostering additional scientific and technology research  
1120 and development, there is hereby established a Scientific and Technology Research and  
1121 Development Matching Grant Fund, to which shall be credited the proceeds of bonds or notes of  
1122 the commonwealth issued for the purpose and any appropriations designated by the general court  
1123 to be credited thereto. The matching grant fund shall be administered by the corporation. The  
1124 corporation shall hold the matching grant fund in accounts separate from other funds of the  
1125 corporation. The purpose of the matching grant fund shall be to provide matching funds for  
1126 capital expenditures to be made in connection with projects which are sponsored by the  
1127 University of Massachusetts, research universities, nonprofit entities or non-profit research  
1128 institutions in the commonwealth for scientific or technology research and development and  
1129 funded in part by the federal government or other public or private funds including, but not  
1130 limited to, venture capital; provided, however, that any grant awarded in accordance with this  
1131 section shall leverage at least \$3, in the aggregate, during activities funded by such grant, from  
1132 sources other than an agency as defined in section 39 of chapter 6, for each dollar granted;  
1133 provided further, that funds expended specifically for this matching fund from chapter 258 of the  
1134 acts of 2008 shall not count towards the \$3 of financing that is required for the matching fund;  
1135 provided further, that prior to awarding any grant under this section the corporation shall  
1136 determine that the grant will advance the purposes of this section; provided further, that priority  
1137 shall be given to large-scale, long-term research and development activities that have the greatest  
1138 potential to support scientific and technological innovation and stimulate economic and  
1139 employment opportunities through industry partnerships; and provided further, that at least 50

1140 per cent of the grant funds under this section shall be reserved for award over the term of each  
1141 authorization or appropriation, subject to qualification, to the University of Massachusetts. The  
1142 University of Massachusetts may, if it deems necessary to help ensure efficient and effective  
1143 research and development efforts, enter into collaborative agreements with other higher  
1144 education institutions in the commonwealth to undertake parts of any research and development  
1145 project for which grant funding under this section is sought.

1146 (c) To support effective planning and implementation of the matching grant fund, the  
1147 corporation shall develop program guidelines or regulations in consultation with the University  
1148 of Massachusetts and such other institutions or persons as deemed appropriate by the  
1149 corporation. The corporation shall annually file a report with the joint committee on higher  
1150 education and the house and senate committees on ways and means detailing the grants awarded  
1151 under this section.

1152 SECTION 19. Section 1 of chapter 40O of the General laws, as appearing in the 2010  
1153 Official Edition, is hereby amended by striking out, in line 11, the words “elects to participate”  
1154 and inserting in place thereof the following word:- participates.

1155 SECTION 20. Section 4 of said chapter 40O, as so appearing, is hereby amended by  
1156 striking out, in lines 9 to 11, inclusive, the words “, the basis for determining the district fee, and  
1157 the process by which a property owner may elect not to participate in or benefit from such BID”  
1158 and inserting in place thereof the following words:- and the basis for determining the district fee.

1159 SECTION 21. Said section 4 of said chapter 40O, as so appearing, is hereby further  
1160 amended by striking out, in lines 24 to 26, inclusive, the words “for property owners to follow  
1161 who elect not to participate in or benefit from said BID in accordance with the provisions of this

1162 section” and inserting in place thereof the following words:- by which eligible property owners  
1163 may vote not to renew such BID.

1164 SECTION 22. Said section 4 of said chapter 400, as so appearing, is hereby further  
1165 amended by striking out the fifth and sixth paragraphs and inserting in place thereof the  
1166 following 3 paragraphs:-

1167 Notice of the declaration of the organization of the BID shall be mailed or delivered to  
1168 each property owner within the proposed BID. The notice shall explain that membership in the  
1169 BID is irrevocable until the failure to renew the BID as provided in this section or the dissolution  
1170 under section 10, and shall include a description of the basis for determining the district fee, the  
1171 projected fee level and the proposed services to be provided by the BID. Such notice shall be  
1172 published for 2 consecutive weeks in a newspaper of general circulation in the area, the last  
1173 publication being not more than 30 days after the vote to declare the district organized.

1174 Participation in the BID shall be permanent until after the discontinuation of the BID as  
1175 provided in this section, or until the dissolution of the BID under section 10. A non-participating  
1176 owner in the district shall become a participating member on the date of a renewal vote, as  
1177 provided below. On or before the fifth anniversary of the organization of a newly created BID  
1178 and on or before January 1, 2018 and the fifth anniversary thereafter of the date of the most  
1179 recent renewal of the BID under this section, the board of directors of the BID or of its  
1180 designated management entity shall call a renewal meeting of the BID members to review the  
1181 preceding 5-year history of the BID, to propose an updated improvement plan to succeed the  
1182 then current improvement plan and to consider whether to continue the BID. The renewal  
1183 meeting shall be held at a location within the district. Notice of the meeting shall be given to

1184 participating members in the manner provided in the by-laws, at least 30 days prior to the  
1185 meeting. The BID shall continue after each renewal meeting if a majority of participating  
1186 property owners who are not more than 30 days in arrears in any payment due to the BID and are  
1187 present at the renewal meeting, in person or by proxy, vote to renew the BID for a term of 5  
1188 years commencing on the first day of the next fiscal year of the BID.

1189         If the eligible participating property owners elect not to continue the BID, the board shall  
1190 conclude the business of the BID prior to the sixth anniversary of the BID's creation, or of the  
1191 prior renewal vote, as the case may be, and proceed to discontinue the BID. Notice of the  
1192 discontinuation vote shall be given to the local municipal governing board, which shall formally  
1193 declare the BID dissolved as of such sixth anniversary; provided, however, that the BID shall not  
1194 be dissolved until it has received the accounts receivable due to the BID and until it has satisfied  
1195 or paid in full all of its outstanding indebtedness, obligations and liabilities, or until funds are on  
1196 deposit and available therefor, or until a repayment schedule has been formulated and approved  
1197 by the local municipal governing board. Except as necessary to conclude the business of the  
1198 BID, the BID shall not incur any new or increased financial obligations after such sixth  
1199 anniversary. Upon the dissolution of a BID, the remaining assets shall first be applied to repay  
1200 obligations of the BID, and then in accordance with the improvement plan, as updated.

1201         SECTION 23. Section 9 of said chapter 40O, as so appearing, is hereby amended by  
1202 striking out, in lines 30 and 31, the words "and may elect not to participate in the BID as  
1203 provided in such section".

1204         SECTION 24. Section 2 of chapter 40Q of the General Laws, as so appearing, is hereby  
1205 amended by striking out subsection (a) and inserting in place thereof the following subsection:-



1206 (a) Notwithstanding any general or special law to the contrary, any city or town by vote  
1207 of its town meeting, town council or city council, with the approval of the mayor where required  
1208 by law, may designate development districts within the boundaries of the city or town; provided,  
1209 however, that a development district may consist of 1 or more parcels or lots of land, whether or  
1210 not contiguous, or 1 or more buildings or structures, whether or not adjacent, on 1 or more  
1211 parcels of land; provided further, that the total area of all development districts shall not exceed  
1212 25 per cent of the total area of a city or town; and provided further, that the boundaries of a  
1213 development district may be altered only after meeting the requirements for adoption under this  
1214 subsection. The city or town shall find that the designation of the development district is  
1215 consistent with the requirements of this section and will further the public purpose of  
1216 encouraging increased residential, industrial and commercial activity.

1217 SECTION 25. Section 2 of chapter 43D of the General Laws, as so appearing, is hereby  
1218 amended by striking out the definition of “Priority development site” and inserting in place  
1219 thereof the following definition:-

1220 “Priority development site”, a privately or publicly-owned property that is: (1) eligible  
1221 under applicable zoning provisions, including special permits or other discretionary permits, for  
1222 the development or redevelopment of a building at least 50,000 square feet of gross floor area in  
1223 new or existing buildings or structures; and (2) designated as an appropriate priority  
1224 development site by the board; provided, however, that several parcels or projects may be  
1225 included within a single priority development site; and provided further, that wherever possible,  
1226 priority development sites shall be located adjacent to areas of existing development or in  
1227 underutilized buildings or facilities or close to appropriate transit services.

1228 SECTION 26. Subsection (e) of section 53E<sup>3</sup>/<sub>4</sub> of chapter 44 of the General Laws, as  
1229 appearing in the 2010 Official Edition, is hereby amended by adding the following paragraph:-

1230 A city or town may participate in the Massachusetts Development Finance Agency's  
1231 energy conservation loan program established in section 46 of chapter 23G to obtain funds to  
1232 make loans under this section. To the extent that the city or town receives funds under such  
1233 program, it shall enter into a loan agreement with the property owner that has been approved by  
1234 the agency and shall pledge such loan agreement and all amounts received under the loan  
1235 agreement to the agency. In the event of a payment default by the property owner, the city or  
1236 town shall enforce its rights under any betterments or other security granted under the applicable  
1237 loan agreement. All amounts realized by the city or town as a result of such enforcement or  
1238 otherwise realized under the betterments or other security granted under the applicable loan  
1239 agreement or as a result of this section shall be immediately transferred to the agency.

1240 SECTION 27. Section 6 of chapter 62 of the General Laws is hereby amended by striking  
1241 out, in line 273, as so appearing, the figure "2013" and inserting in place thereof the following  
1242 figure:- 2015.

1243 SECTION 28. Said section 6 of said chapter 62 is hereby further amended by striking  
1244 out, in line 278, as so appearing, the figure "2014" and inserting in place thereof the following  
1245 figure:- 2016.

1246 SECTION 29. Section 2 of chapter 63 of the General Laws, as so appearing, is hereby  
1247 amended by inserting after the figure "\$456", in line 27, the following words:- ; and provided  
1248 further that, qualifying corporations under section 38DD shall receive a credit of \$456 against  
1249 the excise imposed under this section.

1250 SECTION 30. Section 2B of said chapter 63, as so appearing, is hereby amended by  
1251 inserting after the figure “\$456”, in line 40, the following words:- ; provided, however, that  
1252 qualifying corporations under section 38DD shall receive a credit of \$456 against the excise  
1253 imposed under this section.

1254 SECTION 31. Section 38Q of said chapter 63, as so appearing, is hereby amended by  
1255 striking out, in line 3, the figure “2013” and inserting in place thereof the following figure:-  
1256 2015.

1257 SECTION 32. Said section 38Q of said chapter 63, as so appearing, is hereby further  
1258 amended by striking out, in line 8, the figure “2014” and inserting in place thereof the following  
1259 figure:- 2016.

1260 SECTION 33. Said chapter 63 is hereby further amended by inserting after section 38CC  
1261 the following section:-

1262 Section 38DD. (a) A corporation formed under chapter 156D and taxable under this  
1263 chapter shall receive a nontransferrable credit against an excise tax imposed under subsection (b)  
1264 of section 2, subsection (b) of section 2B or subsection (b) of section 39.

1265 (b) A corporation shall only be eligible for a credit under subsection (a) for the first 3  
1266 years in which it is required to file a return under this chapter; provided, however, that such  
1267 credit shall not be allowed to any corporation with 50 per cent or more of its voting stock owned  
1268 by another corporation, whether or not such owning corporation is taxable in the commonwealth.

1269 SECTION 34. Section 39 of said chapter 63, as so appearing, is hereby amended by  
1270 inserting after the figure “\$456”, in line 49, the following words:- ; provided, however, that

1271 qualifying corporations under section 38DD shall receive a credit of \$456 against the excise  
1272 imposed under this section.

1273 SECTION 35. Subsection (c) of section 3 of chapter 63B of the General Laws, as so  
1274 appearing, is hereby amended by striking out the first and second sentences and inserting in place  
1275 thereof the following 3 sentences:- For the purposes of this chapter, there shall be 4 required  
1276 installments for each taxable year, except as otherwise provided by this chapter. The first  
1277 installment shall be paid on or before the fifteenth day of the third month of the taxable year, the  
1278 second installment shall be paid on or before the fifteenth day of the sixth month of the taxable  
1279 year, the third installment shall be paid on or before the fifteenth day of the ninth month of the  
1280 taxable year and the fourth installment shall be paid on or before the fifteenth day of the twelfth  
1281 month of the taxable year. The amount of any installment shall be 25 per cent of the required  
1282 annual payment.

1283 SECTION 36. Section 4A of said chapter 63B, as so appearing, is hereby amended by  
1284 striking out, in line 4, the words “sixty-five percent” and inserting in place thereof the following  
1285 words:- 50 per cent.

1286 SECTION 37. Said section 4A of said chapter 63B, as so appearing, is hereby further  
1287 amended by striking out, in line 9, the words “ten percent” and inserting in place thereof the  
1288 following words:- 25 per cent.

1289 SECTION 38. Said section 4A of said chapter 63B, as so appearing, is hereby further  
1290 amended by striking out, in line 14, the words “ninety percent” and inserting in place thereof the  
1291 following words:- 25 per cent.

1292 SECTION 39. Said section 4A of said chapter 63B, as so appearing, is hereby further  
1293 amended by striking out, in lines 16 and 17, the words “ten percent” and inserting in place  
1294 thereof the following words:- 25 per cent.

1295 SECTION 40. Section 4B of said chapter 63B, as so appearing, is hereby amended by  
1296 striking out, in lines 7 and 8, the words “thirty percent” and inserting in place thereof the  
1297 following words:- 25 per cent.

1298 SECTION 41. Said section 4B of said chapter 63B, as so appearing, is hereby further  
1299 amended by striking out, in line 10, the words “twenty-five percent” and inserting in place  
1300 thereof the following words:- 25 per cent.

1301 SECTION 42. Said section 4B of said chapter 63B, as so appearing, is hereby further  
1302 amended by striking out, in line 13, the words “twenty-five percent” and inserting in place  
1303 thereof the following words:- 25 per cent.

1304 SECTION 43. Said section 4B of said chapter 63B, as so appearing, is hereby amended  
1305 by striking out, in lines 15 and 16, the words “twenty percent” and inserting in place thereof the  
1306 following words:- 25 per cent.

1307 SECTION 44. Section 6 of chapter 64H of the General Laws is hereby amended by  
1308 inserting after the word “tools”, in line 237, as so appearing, the following words:- , standardized  
1309 computer software.

1310 SECTION 45. Said section 6 of said chapter 64H is hereby further amended by inserting  
1311 after the word “thereof,” in line 264, as so appearing, the following words:- and standardized  
1312 computer software.

1313 SECTION 46. Section 57A of chapter 121B of the General Laws is hereby repealed.

1314 SECTION 47. Section 44 of chapter 130 of the General Laws, as appearing in the 2010  
1315 Official Edition, is hereby amended by striking out the third paragraph and inserting in place  
1316 thereof the following paragraph:-

1317 If the measurement of any such lobster taken from 1 or the other eye sockets is of the  
1318 required length, such lobster shall be deemed to be a legal lobster. The bringing ashore of a  
1319 mutilated lobster in a manner that affects its measurement as aforesaid shall be prima facie  
1320 evidence in all prosecutions that the lobster was or is less than the required length; provided,  
1321 however, that the director, with the approval of the marine fisheries advisory commission, shall  
1322 promulgate rules and regulations to allow the on-shore processing of live lobsters of legal length  
1323 into a food product of frozen lobster parts and the possession and sale of such processed food  
1324 product by wholesale dealers; provided further, that the processing of lobsters into parts at sea  
1325 shall be prohibited and shall be subject to the penalties provided in the first paragraph; provided  
1326 further, that such processing shall be conducted only by wholesale dealers licensed by the  
1327 department of public health under section 77G of chapter 94; provided further, that the  
1328 packaging of processed frozen lobster parts as a food product shall bear a label in accordance  
1329 with applicable federal and state laws and regulations; provided further, that frozen lobster parts  
1330 that have been processed as a food product may be possessed, sold or offered for sale by a  
1331 wholesale dealer and any retail dealer including, without limitation, restaurants and retail food  
1332 establishments; and provided further, that such food product may be possessed by a consumer.  
1333 This section shall not apply to common carriers possessing lobster or lobster food products for  
1334 the purpose of transportation.

1335 SECTION 48. Section 40 of chapter 131 of the General Laws, as so appearing, is hereby  
1336 amended by inserting after the word “gas”, in line 8, the following word:- , sewer.

1337 SECTION 49. The second paragraph of said section 40 of said chapter 131, as so  
1338 appearing, is hereby amended by inserting after the first sentence the following 4 sentences:-  
1339 When a notice of intent proposes activities on land under water bodies and waterways or on a  
1340 tract of land greater than 50 acres, written notification shall be given to all abutters within 100  
1341 feet of the proposed project site. For the purposes of this section, “project site” shall mean lands  
1342 where the following activities are proposed to take place: dredging, excavating, filling, grading,  
1343 the erection, reconstruction or expansion of a building or structure, the driving of pilings, the  
1344 construction or improvement of roads or other ways and the installation of drainage, sewerage  
1345 and water systems, and “land under water bodies and waterways” shall mean the bottom of, or  
1346 land under, the surface of the ocean or an estuary, creek, river stream, pond or lake. When a  
1347 notice of intent proposes activity on a linear shaped project site longer than 1,000 feet in length,  
1348 notification shall be given to all abutters within 1,000 feet of the proposed project site. If the  
1349 linear project site takes place wholly within an easement through another person’s land, notice  
1350 shall also be given to the landowner.

1351 SECTION 50. The twenty-sixth paragraph of said section 40 of said chapter 131, as so  
1352 appearing, is hereby further amended by adding the following 5 sentences:- The permitting and  
1353 emergency provisions in this paragraph shall not apply to severe weather emergencies as  
1354 declared by the commissioner of environmental protection following a destructive weather event  
1355 requiring widespread recovery efforts, debris cleanup or roadway or utility repair. A severe  
1356 weather emergency declaration shall allow for emergency related work to occur as necessary for  
1357 the protection of the health or safety of the residents of the commonwealth. A severe weather

1358 emergency declaration by the commissioner shall describe the types of work allowed without  
1359 filing a notice of intent, any general mitigating measures to condition the work that may be  
1360 required in performing such work, any notification or reporting requirements, the geographic  
1361 area of the declaration's effect and the period of time the declaration shall be in effect which, in  
1362 no event, shall be longer than 3 months unless extended by the commissioner. A severe weather  
1363 emergency declared by the commissioner shall be sent electronically to all conservation  
1364 commissions in the geographic area of the severe weather emergency and shall be made widely  
1365 available to the general public through appropriate channels for emergency communications. A  
1366 declaration of a severe weather emergency by the commissioner shall not impact the  
1367 department's ability to enforce any general or special law or rule or regulation that is not altered  
1368 by the commissioner's declaration.

1369 SECTION 51. The General Laws are hereby amended by inserting after chapter 156D the  
1370 following chapter:-

1371 CHAPTER 156E

1372 BENEFIT CORPORATIONS

1373 Section 1. This chapter shall be known and may be cited as the Massachusetts Benefit  
1374 Corporation Act.

1375 Section 2. (a) Except as otherwise provided in this chapter, a benefit corporation doing  
1376 business in the commonwealth shall comply with other applicable laws regarding corporations,  
1377 including chapters 155, 156, 156A, 156B, 156D and 158. The existence of a provision of this  
1378 chapter shall not excuse or exempt any business organized under the laws of the commonwealth



1379 from complying with all relevant laws and regulations in the commonwealth, except to the extent  
1380 they are inconsistent with this chapter.

1381 (b) A provision in a benefit corporation’s articles of incorporation, bylaws or shareholder  
1382 agreement that is inconsistent with this chapter shall be void and unenforceable; provided,  
1383 however, that the remaining provisions of the articles of incorporation, bylaws or shareholder  
1384 agreement shall remain in effect.

1385 Section 3. As used in this chapter, unless the context otherwise requires, the following  
1386 words shall have the following meanings:-

1387 “Benefit corporation”, a corporation incorporated in the commonwealth that incorporated  
1388 as a benefit corporation under section 9 and has not ceased to be a benefit corporation by  
1389 terminating its benefit corporation status through the operation of section 6.

1390 “Benefit director”, either: (i) the director designated as the benefit director of a benefit  
1391 corporation under subsection (a) of section 11; or (ii) a person with any of the powers, duties or  
1392 rights of a benefit director to the extent provided in the bylaws under subsection (e) of section  
1393 11.

1394 “Benefit enforcement proceeding”, a claim or action brought directly by a benefit  
1395 corporation, or derivatively on behalf of a benefit corporation, against a director or officer for: (i)  
1396 failure to pursue the general public benefit purpose of the benefit corporation or a specific public  
1397 benefit purpose set forth in its articles; or (ii) a violation of any obligation, duty or standard of  
1398 conduct under this chapter.

1399 “Benefit officer”, the individual designated as the benefit officer of a benefit corporation  
1400 under section 13.

1401 “General public benefit”, a material, positive impact on society and the environment,  
1402 taken as a whole, as measured by a third-party standard, from the business and operations of a  
1403 benefit corporation.

1404 “Independent”, having no material relationship with a benefit corporation or a subsidiary  
1405 of the benefit corporation; provided, however, that serving as a benefit director or benefit officer  
1406 shall not preclude a person from being independent; provided further, that a material relationship  
1407 between a person and a benefit corporation or any of its subsidiaries shall be presumed to exist if  
1408 1 or more of the following apply:

1409 (1) the person is, or has been within the last year, an employee other than a benefit  
1410 officer of the benefit corporation or a subsidiary of the benefit corporation;

1411 (2) an immediate family member of the person is, or has been within the last year,  
1412 an executive officer other than a benefit officer of the benefit corporation or its subsidiary;

1413 (3) there is beneficial or record ownership of 5 per cent or more of the outstanding  
1414 shares of the benefit corporation by: (i) the person; or (ii) an association of which the person is a  
1415 director, an officer or a manager or in which the person owns beneficially or of record 5 per cent  
1416 or more of the outstanding equity interests.

1417 “Minimum status vote”, (1) in the case of a business corporation, in addition to any other  
1418 required approval or vote, the satisfaction of the following conditions:

1419 (i) the shareholders of every class or series shall be entitled to vote on the  
1420 corporate action regardless of a limitation stated in the articles of incorporation or bylaws on the  
1421 voting rights of any class or series; and

1422 (ii) the corporate action shall be approved by vote of the shareholders of each  
1423 class or series entitled to cast at least 2/3 of the votes that all shareholders of the class or series  
1424 are entitled to cast on the action;

1425 (2) in the case of a domestic entity other than a business corporation, in addition to any  
1426 other required approval, vote or consent, the satisfaction of the following conditions:

1427 (i) the holders of every class or series of equity interest in the entity that are  
1428 entitled to receive a distribution of any kind from the entity shall be entitled to vote on or consent  
1429 to the action regardless of any otherwise applicable limitation on the voting or consent rights of  
1430 any class or series; and

1431 (ii) the action shall be approved by vote or consent of the holders described in  
1432 clause (1) entitled to cast at least 2/3 of the votes or consents that all of those holders are entitled  
1433 to cast on the action.

1434 “Specific public benefit”, includes any of the following:

1435 (1) providing low-income or underserved individuals or communities with  
1436 beneficial products or services;

1437 (2) promoting economic opportunity for individuals or communities beyond the  
1438 creation of jobs in the normal course of business;

1439 (3) promoting the preservation and conservation of the environment;

- 1440 (4) improving human health;
- 1441 (5) promoting the arts, sciences, access to and advancement of knowledge;
- 1442 (6) increasing or facilitating the flow of capital and assets to entities with a  
1443 general public benefit purpose; or
- 1444 (7) conferring any other particular benefit on society or the environment.

1445 “Third-party standard”, a standard for defining, reporting and assessing overall corporate  
1446 social and environmental performance which is:

1447 (1) comprehensive in that it assesses the effect of the business and its operations  
1448 upon the interests listed in subclauses (ii), (iii), (iv) and (v) of clause (1) of subsection (a) of  
1449 section 10;

1450 (2) developed or performed by a person or organization independent of the benefit  
1451 corporation and not more than 1/3 of the members of the governing body of the organization are  
1452 representatives of any of the following:

1453 (i) an association of businesses operating in a specific industry the  
1454 performance of whose members is measured by the standard;

1455 (ii) a business from a specific industry or an association of businesses in  
1456 that industry; or

1457 (iii) a business whose performance is assessed against the standard; and

1458 (3) not materially financed by an association of business described in clause (2);

1459 (4) credible because the standard is developed by a person that:

1460 (i) has access to necessary expertise to assess overall corporate social and  
1461 environmental performance; and

1462 (ii) uses a balanced multi-stakeholder approach, including a public  
1463 comment period of at least 30 days to develop the standard;

1464 (5) transparent, because the following information is publicly available about the  
1465 standard:

1466 (i) the criteria considered when measuring the overall social and  
1467 environmental performance of a business;

1468 (ii) the relative weighting of those criteria;

1469 (iii) the identity of the directors, officers, material owners and governing  
1470 body of the organization that developed and control revisions to the standard; and

1471 (iv) an accounting of the sources of financial support for the organization,  
1472 with sufficient detail to disclose any relationship that could reasonably be considered to present a  
1473 potential conflict of interest.

1474 Section 4. A benefit corporation shall be organized under the laws of the commonwealth,  
1475 provided that a benefit corporation's articles of incorporation shall make clear reference that it is  
1476 a benefit corporation.

1477 Section 5. An existing corporation organized under the laws of the commonwealth, may  
1478 elect to become a benefit corporation by amending its articles of incorporation, under section

1479 10.01 of chapter 156D, to include a statement that the corporation is a benefit corporation. In  
1480 order to be effective, the amendment shall be adopted by at least the minimum status vote.

1481 Section 6. A benefit corporation may terminate its status as a benefit corporation and  
1482 cease to be subject to this chapter by amending its articles of incorporation to delete the  
1483 statement required by sections 4 and 5 that the corporation is a benefit corporation. In order to  
1484 be effective, the amendment shall be adopted by at least the minimum status vote.

1485 Section 7. A business corporation organized under the laws of the commonwealth shall  
1486 not hold itself out as, advertise itself as, or indicate in any way that it is a benefit corporation  
1487 unless it was organized under and in full compliance with this chapter.

1488 Section 8. (a) An entity that is not a benefit corporation shall become a benefit  
1489 corporation and shall be subject to this chapter if:

1490 (1) the entity that is not a benefit corporation is a party to a merger or the entity  
1491 that is not a benefit corporation is the exchanging corporation in a share exchange; and

1492 (2) the surviving corporation in the merger or share exchange is to be a benefit  
1493 corporation.

1494 (b) In order to be effective, a plan of merger or share exchange subject to this section,  
1495 shall be adopted by the minimum status vote.

1496 Section 9. (a) In addition to its purposes under chapter 156D as a business corporation, a  
1497 benefit corporation shall have the purpose of creating general public benefit.

1498 (b) The articles of a benefit corporation may identify 1 or more specific public benefits  
1499 that it is the purpose of the benefit corporation to create in addition to its purpose as a business

1500 corporation and under subsection (a). The identification of a specific public benefit under this  
1501 subsection shall not limit the obligation of a benefit corporation under subsection (a).

1502 (c) The creation of a general public benefit and a specific public benefit under  
1503 subsections (a) and (b) shall be in the best interest of the benefit corporation.

1504 (d) A benefit corporation may amend its articles to add, amend or delete the  
1505 identification of a specific public benefit under section 10.01 of chapter 156D; provided,  
1506 however, that the elimination of an optional specific public benefit shall not significantly  
1507 diminish or eliminate the general public benefit required in this subsection.

1508 (e) A professional corporation that is a benefit corporation shall not be in violation of  
1509 section 3 of chapter 156A by having the purpose to create a general public benefit or a specific  
1510 public benefit.

1511 Section 10. (a) In discharging the duties of their respective positions and in considering  
1512 the best interests of the benefit corporation, the board of directors, committees of the board and  
1513 individual directors of a benefit corporation:

1514 (1) shall consider the effects of any action upon:

1515 (i) the shareholders of the benefit corporation;

1516 (ii) the employees and workforce of the benefit corporation, its  
1517 subsidiaries and its suppliers;

1518 (iii) the interest of customers or clients as beneficiaries of the general  
1519 public benefit or specific public benefit purposes of the benefit corporation;

1520 (iv) community and societal factors, including those of each community in  
1521 which offices or facilities of the benefit corporation, its subsidiaries or its suppliers are located;

1522 (v) the local, regional, and global environment;

1523 (vi) the short-term and long-term interests of the benefit corporation,  
1524 including benefits that may accrue to the benefit corporation from its long-term plans and the  
1525 possibility that these interests may be best served by the continued independence of the benefit  
1526 corporation; and

1527 (vii) the ability of the benefit corporation to accomplish its general public  
1528 benefit purpose and any specific public benefit purpose; and

1529 (2) may consider:

1530 (i) the interests of the economy of the state, the region and the country  
1531 under clause (3) of subsection (a) of section 8.30 of chapter 156D; or

1532 (ii) other pertinent factors or the interests of any other group that they  
1533 deem appropriate.

1534 (b) Directors shall consider the factors in paragraph (1) of subsection (a) using sound and  
1535 reasonable judgment in determining corporate actions and the best interests of the benefit  
1536 corporation. Directors shall not be required to give priority to the interests of a particular person  
1537 or group referred to in paragraphs (1) or (2) of subsection (a) over the interests of any other  
1538 person or group unless the benefit corporation has stated in its articles its intention to give  
1539 priority to certain interests related to its accomplishment of its general public benefit purpose or  
1540 of a specific public benefit purpose identified in its articles.



1541 (c) The consideration of interests and factors in the manner required by subsection (a)  
1542 shall not constitute a violation of section 8.01 of chapter 156D.

1543 (d) A director shall not be personally liable for monetary damages for:

1544 (1) any action or inaction as a director if the director performed the duties of  
1545 office in compliance with section 8.30 of chapter 156D and this section; or

1546 (2) failure of the benefit corporation to pursue or create general public benefit or a  
1547 specific public benefit.

1548 (e) A director shall not have a fiduciary duty to a person that is a beneficiary of the  
1549 general or specific public benefit purposes of a benefit corporation arising from the status of the  
1550 person as a beneficiary.

1551 Section 11. (a) The board of directors of a benefit corporation shall include 1 director  
1552 who shall:

1553 (1) be designated the benefit director; and

1554 (2) have, in addition to the powers, duties, rights and immunities of the other  
1555 directors of the benefit corporation, the powers, duties, rights and immunities provided in this  
1556 chapter.

1557 (b) The benefit director shall be elected, and may be removed, in the manner provided  
1558 under chapter 156D and shall be an individual who is independent. The benefit director may  
1559 serve as the benefit officer at the same time as serving as the benefit director. The articles,  
1560 bylaws or shareholder agreement of a benefit corporation may prescribe additional qualifications  
1561 of the benefit director consistent with this subsection.

1562 (c) The benefit director shall prepare and the benefit corporation shall include in the  
1563 annual shareholder's report the opinion of the benefit director on the following:

1564 (1) whether the benefit corporation acted in accordance with its general public  
1565 benefit and any specific public benefit purpose in all material respects during the period covered  
1566 by the report;

1567 (2) whether the directors and officers complied with subsection (a) of section 10  
1568 and subsection (a) of section 12;

1569 (3) whether, in the opinion of the benefit director, the benefit corporation or its  
1570 directors or officers failed to comply with subsection (b) and, if so, a description of the ways in  
1571 which the benefit corporation or its directors or officers failed to comply; and

1572 (4) what impact the corporation's status as a benefit corporation is having on its  
1573 business, including client or consumer opinion, return on investment, impact on shareholders and  
1574 impact on employees.

1575 (d) The action or inaction of an individual in the capacity of a benefit director shall  
1576 constitute, for all purposes, an action or inaction of that individual in the capacity of a director of  
1577 the benefit corporation.

1578 (e) (1) A shareholder agreement of a benefit corporation adopted under subsection (a)  
1579 of section 7.32 of chapter 156D shall provide that the persons or shareholders who perform the  
1580 duties of the board of directors shall include a person with the powers, duties, rights and  
1581 immunities of a benefit director.

1582                   (2) A person that exercises 1 or more of the powers, duties or rights of a benefit  
1583 director under this subsection:

1584                   (i) shall not be required to be independent of the benefit corporation;

1585                   (ii) shall have the immunities of a benefit director;

1586                   (iii) may share the powers, duties and rights of a benefit director with 1 or  
1587 more other persons; and

1588                   (iv) shall not be subject to the procedures for election or removal of  
1589 directors in chapter 156D unless the person is also a director of the benefit corporation or the  
1590 shareholder agreement makes those procedures applicable.

1591                   (f) The benefit director of a professional corporation shall not be required to be  
1592 independent.

1593                   (g) Regardless of whether the bylaws of a benefit corporation include a provision  
1594 eliminating or limiting the personal liability of directors authorized by chapter 156D, a benefit  
1595 director shall not be personally liable for an act or omission in the capacity of a benefit director  
1596 unless the act or omission constitutes self-dealing, willful and intentional misconduct or a  
1597 knowing violation of the law.

1598                   Section 12. (a) Each officer of a benefit corporation shall consider the interests and  
1599 factors described in clause (1) of subsection (a) of section 10 in the manner provided in said  
1600 subsection (a) if:

1601                   (1) the officer has discretion to act with respect to a matter; and

1602 (2) it reasonably appears to the officer that the matter may have a material effect  
1603 on the creation of a general public benefit or a specific public benefit by the benefit corporation.

1604 (b) The consideration of interests and factors in the manner described in clause (1) of  
1605 subsection (a) shall not constitute a violation of section 8.41 of chapter 156D.

1606 (c) An officer shall not be personally liable for monetary damages for:

1607 (1) any action or inaction as an officer if the officer performed the duties of the  
1608 position in compliance with chapter 156D and this section; or

1609 (2) failure of the benefit corporation to pursue or create a general public benefit or  
1610 a specific public benefit.

1611 (d) An officer shall not have a fiduciary duty to a person that is a beneficiary of the  
1612 general or specific public benefit purposes of a benefit corporation arising from the status of the  
1613 person as a beneficiary.

1614 Section 13. (a) A benefit corporation may have an officer designated as the benefit  
1615 officer. A benefit officer shall have:

1616 (1) the powers and duties relating to the purpose of the corporation to create a  
1617 general public benefit or a specific public benefit provided:

1618 (i) by the bylaws; or

1619 (ii) absent controlling provisions in the bylaws, by resolutions or orders of  
1620 the board of directors; and

1621 (2) the duty to oversee and prepare the annual benefit report required by  
1622 subsection (a) of section 15.

1623 Section 14. (a) (1) The duties under this chapter and the general public benefit purpose  
1624 and any specific public benefit purpose of a benefit corporation may be enforced only in a  
1625 benefit enforcement proceeding.

1626 (2) Except in a benefit enforcement proceeding, no person shall bring an action or  
1627 assert a claim against a benefit corporation or its directors or officers with respect to:

1628 (i) failure to pursue or create general or specific public benefits set forth in  
1629 its articles; or

1630 (ii) a violation of a duty or standard of conduct under this chapter.

1631 (3) A benefit corporation shall not be liable for monetary damages under this  
1632 chapter for any failure of the benefit corporation to pursue or create a general public benefit or a  
1633 specific public benefit.

1634 (b) A benefit enforcement proceeding shall be commenced or maintained only:

1635 (1) directly by the benefit corporation; or

1636 (2) derivatively by:

1637 (i) a shareholder;

1638 (ii) a director;

1639 (iii) a person or group of persons that owns beneficially or of record 5 per  
1640 cent or more of the equity interests in an association of which the benefit corporation is a  
1641 subsidiary; or

1642 (iv) other persons as specified in the articles of organization, bylaws or  
1643 shareholder agreement of the benefit corporation.

1644 Section 15. (a) A benefit corporation shall prepare an annual benefit report, including all  
1645 of the following information:

1646 (1) a narrative description of:

1647 (i) the ways in which the benefit corporation pursued a general public  
1648 benefit during the year and the extent to which general public benefit was created;

1649 (ii) the ways in which the benefit corporation pursued a specific public  
1650 benefit that the articles state it is the purpose of the benefit corporation to create and the extent to  
1651 which that specific public benefit was created;

1652 (iii) any circumstances that have hindered the creation by the benefit  
1653 corporation of general public benefit or specific public benefit; and

1654 (iv) the process and rationale for selecting or changing the third-party  
1655 standard used to prepare the benefit report;

1656 (2) an assessment of the overall social and environmental performance of the  
1657 benefit corporation against a third-party standard:

1658 (i) applied consistently with any application of that standard in prior  
1659 benefit reports; or

1660 (ii) accompanied by an explanation of the reasons for any inconsistent  
1661 application;

1662 (3) the name of the benefit director and the benefit officer, if any, and the address  
1663 to which correspondence to each of them may be directed;

1664 (4) the compensation paid by the benefit corporation during the year to each  
1665 director in the capacity of a director;

1666 (5) the name of each person that owns 5 per cent or more of the outstanding  
1667 shares of the benefit corporation either: (i) of record; or (ii) beneficially, to the extent known to  
1668 the benefit corporation without independent investigation;

1669 (6) the statement of the benefit director described in subsection (c) of section 11;

1670 (7) a statement of any connection between the organization that established the  
1671 third-party standard, or its directors, officers or any holder of 5 per cent or more of the  
1672 governance interests in the organization, and the benefit corporation or its directors, officers or  
1673 any holder of 5 per cent or more of the outstanding shares of the benefit corporation, including  
1674 any financial or governance relationship which might materially affect the credibility of the use  
1675 of the third-party standard; and

1676 (8) if the benefit corporation has dispensed with, or restricted the discretion or  
1677 powers of, the board of directors, a description of:

1678 (i) the persons that exercise the powers, duties and rights and who have the  
1679 immunities of the board of directors; and

1680 (ii) the benefit director, as required by subsection (d) of section 11.

1681 (b) Nothing in this chapter shall require the benefit report or the assessment of the  
1682 performance of the benefit corporation in the benefit report required by clause (2) of subsection  
1683 (a) to be audited or certified by a third party standards provider.

1684 Section 16. (a) The annual benefit report shall be sent to each shareholder at the same  
1685 time that the benefit corporation delivers any other annual report to its shareholders, or within  
1686 120 days following the end of the fiscal year of the benefit corporation.

1687 (b) A benefit corporation shall post its most recent annual benefit report on the public  
1688 portion of its website, if any, but the compensation paid to directors and financial, confidential or  
1689 proprietary information included in the benefit report may be omitted from the benefit report as  
1690 posted.

1691 (c) If a benefit corporation does not have a website, the benefit corporation shall provide  
1692 a copy of its most recent benefit report, without charge, to any person that requests a copy, but  
1693 the compensation paid to directors and financial or proprietary information included in the  
1694 benefit report may be omitted from the copy of the benefit report provided.

1695 (d) The benefit corporation shall deliver a copy of the benefit report to the state secretary  
1696 for filing, but the compensation paid to directors and financial, confidential or proprietary  
1697 information included in the benefit report may be omitted from the benefit report as filed. The  
1698 state secretary shall charge a fee of \$75 for filing a benefit report.



1699 SECTION 52. Section 14C of chapter 167 of the General Laws, as appearing in the 2010  
1700 Official Edition, is hereby amended by striking out the third and fourth paragraphs and inserting  
1701 in place thereof the following 3 paragraphs:-

1702 The small business loan review boards shall meet on a regular basis or, as demand for  
1703 their services requires, to review small business loan denials that applicants believe were  
1704 unreasonably denied. Upon commencement of a review of a small business loan denial submitted  
1705 by an applicant, the small business loan review board shall report the results of its findings to the  
1706 applicant within 30 days after submission of the request for review; provided, however, that the  
1707 board may, at its discretion, extend the review period to within 60 days of a submission of the  
1708 request for review. Upon making a determination for reason of denial, a small business loan  
1709 review board shall provide information on its findings to the applicant and the commissioner of  
1710 banks and shall provide information to the applicant on alternative sources of financing,  
1711 including information on any small business financing programs or other relevant programs  
1712 offered by the commonwealth. The commissioner shall file annual reports regarding the  
1713 activities of the small business loan review boards with the house and senate chairs of the joint  
1714 committee on community development and small business, the house and senate chairs of the  
1715 joint committee on economic development and emerging technologies and house and senate  
1716 chairs of the joint committee on revenue not later than January 1.

1717 In addition, the small business loan review boards shall conduct annual studies and issue  
1718 annual reports on the availability of credit to small businesses within their regions and report  
1719 back to the commissioner of banks on their findings. The reports shall be published and made  
1720 available to the public through the website of the office of consumer affairs and business  
1721 regulation or the searchable website established under section 3 of chapter 23A.

1722 Notwithstanding this chapter, the commissioner may promulgate rules and regulations  
1723 governing the establishment, operation and procedures of small business loan review boards. In  
1724 addition, the commissioner shall market and promote the small business loan review boards as a  
1725 resource for small businesses.

1726 SECTION 53. Item 6033-9013 of section 2 of chapter 246 of the acts of 2002 is hereby  
1727 amended by adding the following words:- ; provided further, that after August 1, 2012, amounts  
1728 in this item shall be expended for the MassWorks infrastructure program established in section  
1729 63 of chapter 23A of the General Laws; provided further, that any uncommitted balance as of  
1730 August 1, 2012 from this item shall be transferred to the executive office of housing and  
1731 economic development; provided further, that any unexpended balance as of September 1, 2012  
1732 from this item or its successor item established as a result of chapter 25 of the acts of 2009 shall  
1733 be transferred to item 7002-8005 within the executive office of housing and economic  
1734 development; provided further, that before October 1, 2012, the executive office of housing and  
1735 economic development shall submit a report on the amount of authorization expended from this  
1736 item before August 1, 2012; provided further, that the report shall detail awards expected to  
1737 utilize this authorization after August, 1, 2012 and the schedule plan for completing awards; and  
1738 provided further that said report shall be submitted to the house and senate committees on ways  
1739 and means and the house and senate committees on bonding, capital expenditures and state  
1740 assets.

1741 SECTION 54. Item 6033-0428 of section 2B of chapter 291 of the acts of 2004 is hereby  
1742 amended by adding the following words:- ; provided further, that after August 1, 2012, amounts  
1743 in this item shall be expended for the MassWorks infrastructure program established in section  
1744 63 of chapter 23A of the General Laws; provided further, that any uncommitted balance as of

1745 August 1, 2012 from this item or its successor item established as a result of chapter 25 of the  
1746 acts of 2009 shall be transferred to item 7002-8010 within the executive office of housing and  
1747 economic development; provided further, that any unexpended balance as of September 1, 2012  
1748 from this item shall be transferred to the executive office of housing and economic development;  
1749 provided further, that before October 1, 2012 the executive office of housing and economic  
1750 development shall submit a report on the amount of authorization expended from this item before  
1751 August 1, 2012; provided further, that the report shall detail awards expected to utilize this  
1752 authorization after August, 1, 2012 and the schedule plan for completing awards; and provided  
1753 further that the report shall be submitted to the house and senate committees on ways and means  
1754 and the house and senate committees on bonding, capital expenditures and state assets.

1755 SECTION 55. Item 6033-0499 of said section 2B of said chapter 291 is hereby amended  
1756 by adding the following words:- ; provided further, that after August 1, 2012, amounts in this  
1757 item shall be expended for the MassWorks infrastructure program established in section 63 of  
1758 chapter 23A of the General Laws; provided further, that any uncommitted balance as of August  
1759 1, 2012 from this item or its successor item established as a result of chapter 25 of the acts of  
1760 2009 shall be transferred to item 7002-8015 within the executive office of housing and economic  
1761 development; provided further, that any unexpended balance as of September 1, 2012 from the  
1762 aforementioned item shall be transferred to the executive office of housing and economic  
1763 development; provided further, that before October 1, 2012, the executive office of housing and  
1764 economic development shall submit a report on the amount of authorization expended from this  
1765 item before August 1, 2012; provided further, that the report shall detail awards expected to  
1766 utilize this authorization after August, 1, 2012 and the schedule plan for completing awards; and  
1767 provided further, that the report shall be submitted to the house and senate committees on ways

1768 and means and the house and senate committees on bonding, capital expenditures and state  
1769 assets. 1790

1770 SECTION 56. Item 6001-0421 of section 2I of said chapter 291 is hereby amended by  
1771 adding the following words:- ; provided further, that after August 1, 2012, amounts in this item  
1772 shall be expended for the MassWorks infrastructure program as established in section 63 of  
1773 chapter 23A of the General Laws; provided further, that any uncommitted balance as of August  
1774 1, 2012 from this item or its successor item established as a result of chapter 25 of the acts of  
1775 2009 shall be transferred to item 7002-8020 within the executive office of housing and economic  
1776 development; provided further, that any unexpended balance as of September 1, 2012 from this  
1777 item shall be transferred to the executive office of housing and economic development; provided  
1778 further, that before October 1, 2012, the executive office of housing and economic development  
1779 shall submit a report on the amount of authorization expended from this item before August 1,  
1780 2012; provided further, that the report shall detail awards expected to utilize this authorization  
1781 after August, 1, 2012 and the schedule plan for completing awards; and provided further, that the  
1782 report shall be submitted to the house and senate committees on ways and means and the house  
1783 and senate committees on bonding, capital expenditures and state assets.

1784 SECTION 57. Item 1100-8000 of section 2B of chapter 123 of the acts of 2006, as  
1785 amended by section 105 of chapter 27 of the acts of 2009, is hereby further amended by adding  
1786 the following words:- ; provided further, that after August 1, 2012, amounts in this item shall be  
1787 expended for the MassWorks infrastructure program established in section 63 of chapter 23A of  
1788 the General Laws; provided further, that any uncommitted balance as of August 1, 2012 from the  
1789 this item or its successor item established as a result of chapter 25 of the acts of 2009 shall be  
1790 transferred to the executive office of housing and economic development; provided further, that

1791 any unexpended balance as of September 1, 2012 from the this item shall be transferred to item  
1792 7005-8025 within the executive office of housing and economic development; and provided  
1793 further, that before October 1, 2012, the executive office of housing and economic development  
1794 shall submit a report on the amount of authorization expended from this item before August 1,  
1795 2012; provided further, that the report shall detail awards expected to utilize this authorization  
1796 after August, 1, 2012 and the schedule plan for completing awards; and provided further that the  
1797 report shall be submitted to the house and senate committee on ways and means and the house  
1798 and senate committees on bonding, capital expenditures and state assets.

1799 SECTION 58. The definition of "Public infrastructure improvements" in section 5 of  
1800 chapter 293 of the acts of 2006 is hereby amended by inserting after the words "facilities", in line  
1801 6, the following words:- , parking garages.

1802 SECTION 59. Said chapter 293 is hereby further amended by inserting after section 12A,  
1803 inserted by section 17 of chapter 129 of the acts of 2008, the following section:-

1804 Section 12B. Notwithstanding any other provision of this act, new revenue and new state  
1805 tax revenues may, respectively and to the extent and in the manner approved by the secretary  
1806 with consideration of economic conditions and the characteristics of the project, include revenue  
1807 and state tax revenue attributable to construction-related activity and purchases in connection  
1808 with an economic development project and all calculations of any matter under the act  
1809 including, without limitation, calculation of infrastructure assessments and shortfalls, shall  
1810 reflect such inclusion in the manner approved by the secretary. The commissioner shall certify  
1811 the amount of new state tax revenues attributable to such construction-related activity and

1812 purchases in the manner and at the times specified in the secretary's certification of the economic  
1813 development project.

1814 SECTION 60. Item 6033-0887 of section 2B of chapter 86 of the acts of 2008 is hereby  
1815 amended by adding the following words:- ; provided further, that after August 1, 2012, amounts  
1816 in this item shall be expended for the MassWorks infrastructure program established in section  
1817 63 of chapter 23A of the General Laws; provided further, that any uncommitted balance as of  
1818 August 1, 2012 from this item or its successor item established as a result of chapter 25 of the  
1819 acts of 2009 shall be transferred to item 7002-8030 within the executive office of housing and  
1820 economic development; provided further, that any unexpended balance as of September 1, 2012  
1821 from this item shall be transferred to the executive office of housing and economic development;  
1822 provided further, that before October 1, 2012, the executive office of housing and economic  
1823 development shall submit a report on the amount of authorization expended from this item before  
1824 August 1, 2012; provided further, that the report shall detail awards expected to utilize this  
1825 authorization after August, 1, 2012 and the schedule plan for completing awards; and provided  
1826 further, that the report shall be submitted to the house and senate committees on ways and means  
1827 and the house and senate committees on bonding, capital expenditures and state assets.

1828 SECTION 61. Item 7004-0035 of section 2 of chapter 119 of the acts of 2008 is hereby  
1829 amended by adding the following words:- ; provided further, that after August 1, 2012, amounts  
1830 in this item shall be expended for the MassWorks infrastructure program established in section  
1831 63 of chapter 23A of the General Laws; provided further, that any uncommitted balance as of  
1832 August 1, 2012 from this item or its successor item established as a result of chapter 25 of the  
1833 acts of 2009 shall be transferred to item 7005-8035 within the executive office of housing and  
1834 economic development; provided further, that any unexpended balance as of September 1, 2012

1835 from this item shall be transferred to the executive office of housing and economic development;  
1836 provided further, that before October 1, 2012, the executive office of housing and economic  
1837 development shall submit a report on the amount of authorization expended from this item before  
1838 August 1, 2012; provided further, that the report shall detail awards expected to utilize this  
1839 authorization after August, 1, 2012 and the schedule plan for completing awards; and provided  
1840 further, that the report shall be submitted to the house and senate committees on ways and means  
1841 and the house and senate committees on bonding, capital expenditures and state assets.

1842 SECTION 62. Item 7100-1000 of section 2 of chapter 258 of the acts of 2008 is hereby  
1843 amended by inserting after the word "Worcester", in line 92, the following words:- ; provided  
1844 further, that not less than \$25,000,000 shall be expended in collaboration and coordination with  
1845 funds granted under section 4G of chapter 40J of the General Laws; provided further, that funds  
1846 expended for such purpose shall leverage at least \$3, in the aggregate, during activities funded by  
1847 such grant, from sources other than an agency as defined by section 39 of chapter 6 of the  
1848 General Laws, for each dollar granted and that funds expended for this purpose shall not qualify  
1849 as meeting the requirements for leveraged dollars required under said section 4G.

1850 SECTION 63. Item 6035-0877 of section 2B of chapter 303 of the acts of 2008, as  
1851 amended by section 33 of chapter 26 of the acts of 2009, is hereby further amended by adding  
1852 the following words:- ; provided further, that after August 1, 2012, amounts in this item shall be  
1853 expended for the MassWorks infrastructure program established in section 63 of chapter 23A of  
1854 the General Laws; provided further, that any uncommitted balance as of August 1, 2012 from  
1855 this item shall be transferred to the executive office of housing and economic development;  
1856 provided further, that any unexpended balance as of September 1, 2012 from this item or its  
1857 successor item established as a result of chapter 25 of the acts of 2009 shall be transferred to item

1858 7002-8045 within the executive office of housing and economic development; provided further,  
1859 that before October 1, 2012. the executive office of housing and economic development shall  
1860 submit a report on the amount of authorization expended from this item before August 1, 2012;  
1861 provided further, that the report shall detail awards expected to utilize this authorization after  
1862 August, 1, 2012 and the schedule plan for completing awards; and provided further, that the  
1863 report shall be submitted to the house and senate committees on ways and means and the house  
1864 and senate committees on bonding, capital expenditures and state assets.

1865 SECTION 64. Item 6035-0887 of said section 2B of said chapter 303, as amended by  
1866 section 34 of said chapter 26, is hereby amended by adding the following words:- ; provided  
1867 further, that after August 1, 2012, amounts in this item shall be expended for the MassWorks  
1868 infrastructure program established in section 63 of chapter 23A of the General Laws; provided  
1869 further, that any uncommitted balance as of August 1, 2012 from this item or its successor item  
1870 established as a result of chapter 25 of the acts of 2009 shall be transferred to item 7002-8040  
1871 within the executive office of housing and economic development; provided further, that any  
1872 unexpended balance as of September 1, 2012 from this item shall be transferred to the executive  
1873 office of housing and economic development; provided further, that before October 1, 2012, the  
1874 executive office of housing and economic development shall submit a report on the amount of  
1875 authorization expended from this item before August 1, 2012; provided further, that the report  
1876 shall detail awards expected to utilize this authorization after August, 1, 2012 and the schedule  
1877 plan for completing awards; and provided further, that the report shall be submitted to the house  
1878 and senate committees on ways and means and the house and senate committees on bonding,  
1879 capital expenditures and state assets.



1880 SECTION 65. Item 6001-0803 of section 2C of chapter 303 of the acts of 2008 is hereby  
1881 amended by adding the following words:- ; provided further, that after August 1, 2012, amounts  
1882 in this item shall be used for the MassWorks infrastructure program established in section 63 of  
1883 chapter 23A of the General Laws; provided further, that any uncommitted balance as of August  
1884 1, 2012 from this item or its successor item established as a result of chapter 25 of the acts of  
1885 2009 shall be transferred to item 7002-8050 within the executive office of housing and economic  
1886 development; provided further, that any unexpended balance as of September 1, 2012 from this  
1887 item shall be transferred to the executive office of housing and economic development; provided  
1888 further, that before October 1, 2012, the executive office of housing and economic development  
1889 shall submit a report on the amount of authorization expended from this item before August 1,  
1890 2012; provided further, that the report shall detail awards expected to utilize this authorization  
1891 after August, 1, 2012 and the schedule plan for completing awards; and provided further, that the  
1892 report shall be submitted to the house and senate committees on ways and means and the house  
1893 and senate committees on bonding, capital expenditures and state assets.

1894 SECTION 66. Item 6001-0817 of said section 2C of said chapter 303 is hereby amended  
1895 by adding the following words:- ; provided further, that after August 1, 2012, amounts in this  
1896 item shall be expended for the MassWorks infrastructure program established in section 63 of  
1897 chapter 23A of the General Laws; provided further, that any uncommitted balance as of August  
1898 1, 2012 from this item or its successor item established as a result of chapter 25 of the acts of  
1899 2009 shall be transferred to item 7002-8055 within the executive office of housing and economic  
1900 development; provided further, that any unexpended balance as of September 1, 2012 from this  
1901 item shall be transferred to the executive office of housing and economic development; provided  
1902 further, that before October 1, 2012, the executive office of housing and economic development

1903 shall submit a report on the amount of authorization expended from this item before August 1,  
1904 2012; provided further, that the report shall detail awards expected to utilize this authorization  
1905 after August, 1, 2012 and the schedule plan for completing awards; and provided further, that the  
1906 report shall be submitted to the house and senate committees on ways and means and the house  
1907 and senate committees on bonding, capital expenditures and state assets.

1908 SECTION 67. Item 1100-8020 of section 2C of chapter 304 of the acts of 2008, is hereby  
1909 amended by adding the following words:- ; provided further, that after August 1, 2012, amounts  
1910 in this item shall be used for the MassWorks infrastructure program established in section 63 of  
1911 chapter 23A of the General Laws; provided further, that any uncommitted balance as of August  
1912 1, 2012 from this item or its successor item established as a result of chapter 25 of the acts of  
1913 2009 shall be transferred to item 7002-8060 within the executive office of housing and economic  
1914 development; provided further, that any unexpended balance as of September 1, 2012 from this  
1915 item shall be transferred to the executive office of housing and economic development; provided  
1916 further, that before October 1, 2012, the executive office of housing and economic development  
1917 shall submit a report on the amount of authorization expended from this item before August 1,  
1918 2012; provided further, that the report shall detail awards expected to utilize this authorization  
1919 after August, 1, 2012 and the schedule plan for completing awards; and provided further, that the  
1920 report shall be delivered to the house and senate committees on ways and means and the house  
1921 and senate committees on bonding, capital expenditures and state assets.

1922 SECTION 68. Item 6001-0816 of section 2B of chapter 240 of the acts of 2010, as  
1923 amended by section 1 of chapter 412 of the acts of 2010 is hereby amended by adding the  
1924 following words:- ; provided further, that after August 1, 2012 amounts in this item shall be used  
1925 for the MassWorks infrastructure program established in section 63 of chapter 23A of the

1926 General Laws; provided further, that any uncommitted balance as of August 1, 2012 from this  
1927 item shall be transferred to item 7002-8060 within the executive office of housing and economic  
1928 development; provided further, that any unexpended balance as of September 1, 2012 from this  
1929 item shall be transferred to the executive office of housing and economic development; provided  
1930 further, that before October 1, 2012, the executive office of housing and economic development  
1931 shall submit a report on the amount of authorization expended from this item before August 1,  
1932 2012; provided further, that the report shall detail awards expected to utilize this authorization  
1933 after August, 1, 2012 and the schedule plan for completing awards; and provided further, that the  
1934 report shall be delivered to the house and senate committees on ways and means and the house  
1935 and senate committees on bonding, capital expenditures and state assets.

1936 SECTION 69. Section 171 of said chapter 240 is hereby amended by striking out, in lines  
1937 4 and 5, the words “\$25,000,000 and not more than \$50,000,000 in banks or financial  
1938 institutions” and inserting in place thereof the following words:- \$50,000,000 and not more than  
1939 \$100,000,000 in banks, financial institutions or other investment funds.

1940 SECTION 70. Section 173 of said chapter 240, as amended by section 42 of chapter 9 of  
1941 the acts of 2011, is hereby further amended by striking out the definition of “Tolling period” and  
1942 inserting place thereof the following definition:-

1943 “Tolling period”, the period from August 15, 2008 to August 15, 2012, inclusive.

1944 SECTION 71. Subsection (b) of said section 173 of said chapter 240, as so amended, is  
1945 hereby further amended by striking out, in line 2, the figure “2” and inserting in place thereof the  
1946 following figure:- 4.

1947 SECTION 72. To meet expenditures necessary in carrying out section 2, the state  
1948 treasurer shall, upon the request of the governor, issue and sell bonds of the commonwealth in an  
1949 amount to be specified by the governor from time to time but not exceeding, in the aggregate,  
1950 \$25,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on their  
1951 face, the Massachusetts Technology Park Corporation Scientific and Technology Research and  
1952 Development Matching Grant Fund, Act of 2011, and shall be issued for a maximum term of  
1953 years, not exceeding 30 years, as the governor may recommend to the general court under  
1954 section 3 of Article LXII of the Amendments to the Constitution. The bonds shall be payable not  
1955 later than June 30, 2048. All interest and payments on account of principal on these obligations  
1956 shall be payable from the General Fund. Bonds and interest on bonds issued under this section  
1957 shall, notwithstanding any other provision of this act, be general obligations of the  
1958 commonwealth.

1959 SECTION 73. Notwithstanding any general or special law to the contrary, the University  
1960 of Massachusetts Building Authority may enter into long-term leases for the purposes of  
1961 alleviating educational space overcrowding at university campuses and for the purpose of  
1962 stimulating economic development in gateway municipalities, as defined in section 3A of  
1963 chapter 23A of the General Laws. The University of Massachusetts Building Authority shall  
1964 report annually to the house and senate committees on ways and means a list of any square  
1965 footage leased under this section, the educational programs offered in that square footage and the  
1966 economic development projects leveraged by the individual leases in each gateway municipality.

1967 SECTION 74. Notwithstanding the last paragraph of section 2H of chapter 29 of the  
1968 General Laws, \$4,000,000 received from proceeds of one-time settlements or judgments that  
1969 would otherwise be transferred to the Commonwealth Stabilization Fund shall instead be

1970 deposited in the Smart Growth Housing Trust Fund established in section 35AA of chapter 10 of  
1971 the General Laws.

1972 SECTION 75. Notwithstanding any general or special law to the contrary, the  
1973 comptroller shall transfer \$5,000,000 from the General Fund to the Workforce Competitiveness  
1974 Trust Fund established in section 2WWW of chapter 29 of the General Laws.

1975 SECTION 76. Notwithstanding any general or special law to the contrary, the  
1976 commissioner of capital asset management and maintenance, in consultation with the president  
1977 of Massasoit Community College and the department of higher education, may enter into a lease  
1978 or other contractual arrangement with Marine and Environmental Education Alliance, Inc., a not-  
1979 for-profit corporation, to allow the college to utilize facilities now or hereafter owned, leased or  
1980 operated by the corporation for the purpose of providing post-secondary career and training  
1981 opportunities in marine and environmental studies. The lease or other contractual arrangement  
1982 shall be for a term, including extensions, of up to 30 years, and shall be on such terms and  
1983 conditions as the commissioner of capital asset management and maintenance, in consultation  
1984 with the president of Massasoit community college and the department of higher education,  
1985 deems appropriate.

1986 SECTION 77. Notwithstanding any general or special law to the contrary, the  
1987 comptroller may, on or before June 30, 2014, transfer not more than \$200,000,000 to the General  
1988 Fund from the Commonwealth Stabilization Fund; provided, however, the Commonwealth  
1989 Stabilization Fund shall be reimbursed the full amount of the transfer by December 31, 2014.  
1990 The comptroller, in consultation with the secretary of administration and finance, may take the  
1991 overall cash flow needs of the commonwealth into consideration in determining the timing of

1992 any transfer of funds. The comptroller shall provide a schedule of transfers to the secretary of  
1993 administration and finance and to the house and senate committees on ways and means.

1994 SECTION 78. (a) Notwithstanding any general or special law to the contrary, for the days  
1995 of August 11, 2012 and August 12, 2012, an excise shall not be imposed upon nonbusiness sales  
1996 at retail of tangible personal property as defined in section 1 of chapter 64H of the General Laws.  
1997 For the purposes of this section, tangible personal property shall not include telecommunications,  
1998 tobacco products subject to the excise imposed by chapter 64C of the General Laws, gas, steam,  
1999 electricity, motor vehicles, motorboats, meals or a single item the price of which is in excess of  
2000 \$2,500.

2001 (b) Notwithstanding any general or special law to the contrary, for the days of August  
2002 11, 2012 and August 12, 2012, a vendor shall not add to the sales price or collect from a  
2003 nonbusiness purchaser an excise upon sales at retail of tangible personal property, as defined in  
2004 section 1 of chapter 64H of the General Laws. The commissioner of revenue shall not require a  
2005 vendor to collect and pay excise upon sales at retail of tangible personal property purchased on  
2006 August 11, 2012 and August 12, 2012. An excise erroneously or improperly collected during the  
2007 days of August 11, 2012 and August 12, 2012, shall be remitted to the department of revenue.  
2008 This subsection shall not apply to the sale of telecommunications, tobacco products subject to the  
2009 excise imposed by chapter 64C of the General Laws, gas, steam, electricity, motor vehicles,  
2010 motorboats, meals or a single item the price of which is in excess of \$2,500.

2011 (c) Reporting requirements imposed upon vendors of tangible personal property, by law  
2012 or by regulation, including, but not limited to, the requirements for filing returns required by

2013 chapter 62C of the General Laws, shall remain in effect for sales for the days of August 11, 2012  
2014 and August 12, 2012.

2015 (d) On or before December 31, 2012, the commissioner of revenue shall certify to the  
2016 comptroller the amount of sales tax forgone, as well as new revenue raised from personal and  
2017 corporate income taxes and other sources, under this section. The commissioner shall file a  
2018 report with the joint committee on revenue and the house and senate committees on ways and  
2019 means detailing by fund the amounts under general and special laws governing the distribution of  
2020 revenues under chapter 64H of the General Laws which would have been deposited in each fund  
2021 without this section.

2022 (e) The commissioner of revenue shall issue instructions or forms, or promulgate rules or  
2023 regulations, necessary for the implementation of this section.

2024 (f) Eligible sales at retail of tangible personal property under subsections (a) and (b)  
2025 shall be restricted to those transactions occurring on August 11, 2012 and August 12, 2012.  
2026 Transfer of possession of or payment in full for the property shall occur on 1 of those days and  
2027 prior sales or layaway sales shall be ineligible.

2028 SECTION 79. Sections 35 to 43, inclusive, shall be effective for tax years beginning on  
2029 or after January 1, 2014.

2030 SECTION 80. The searchable website established under subsection (c) of section 3 of  
2031 chapter 23A of the General Laws shall be accessible to the public not later than February 1,  
2032 2013.

2033 SECTION 81. The exemption allowed in sections 44 and 45 shall take effect on July 1,  
2034 2013.

2035 SECTION 82. Section 51 shall take effect on December 1, 2012.

2036 SECTION 83. The credit allowed in sections 29, 30, 33 and 34 shall apply to companies  
2037 that first begin to pay the excise due under sections 2, 2B and 39 of chapter 63 of the General  
2038 Laws in tax year 2014 or any year thereafter.