

# **HOUSE . . . . . No. 4163**

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## The Commonwealth of Massachusetts

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HOUSE OF REPRESENTATIVES, June 9, 2014.

The committee on Economic Development and Emerging Technologies to whom was referred the message from His Excellency the Governor recommending legislation relative to promoting growth and opportunity (House, No. 4045), reports recommending that the accompanying bill (House, No. 4163) ought to pass.

For the committee,

JOSEPH F. WAGNER.

**HOUSE . . . . . No. 4163**

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**The Commonwealth of Massachusetts**

**In the Year Two Thousand Fourteen**

An Act promoting economic growth across the Commonwealth.

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

1           SECTION 1. To provide for supplementing certain items in the general appropriation act  
2 and other appropriations acts for fiscal year 2014, the sums set forth in section 2 are hereby  
3 appropriated from the General Fund unless specifically designated otherwise in this act or in  
4 those appropriation acts, for the several purposes and subject to the conditions specified in this  
5 act or in those appropriation acts, and subject to the laws regulating the disbursement of public  
6 funds for the fiscal year ending June 30, 2014. These sums shall be in addition to any amounts  
7 previously appropriated and made available for the purposes of those items.

8           SECTION 2.

9                   EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

10                                   Office of the Secretary

11           7002-0032.....\$2,000,000

12                                   Massachusetts Office of Business Development

13           7007-1641.....\$250,000

14           SECTION 2A. To provide for certain unanticipated obligations of the commonwealth, to  
15 provide for an alteration of purpose for current appropriations and to meet certain requirements  
16 of law, the sums set forth in this section are hereby appropriated from the General Fund, unless  
17 specifically designated otherwise in this section, for the several purposes and subject to the  
18 conditions specified in this section and subject to the laws regulating the disbursement of public  
19 funds for the fiscal year ending June 30, 2014. These sums shall be in addition to any amounts  
20 previously appropriated and made available for the purposes of those items.

21 EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

22 Office of the Secretary

23 7002-1501 For the operations, including but not limited to equity investments, of the  
24 Massachusetts technology development corporation, currently doing business as MassVentures,  
25 established by section 2 of chapter 40G of the General Laws.....\$1,500,000

26 7002-1502 For the Massachusetts development finance agency, as established by  
27 section 2 of chapter 23G of the General Laws; provided, that funds in this item shall be used for  
28 the gateway cities transformational projects program as established in SECTION 29 of this  
29 act.....\$10,000,000

30 7002-1503 For the purpose of the brownfields redevelopment fund as established by  
31 section 29A of chapter 23G of the General Laws.....\$10,000,000

32 7002-1504 For the manufacturing and information technology workforce training  
33 program as established by SECTION 30 of this act.....\$15,000,000

34 7002-1505 For a competitive technical assistance and grant fund to be administered  
35 by the executive office of housing and economic development, in coordination with the federal  
36 reserve bank of Boston, to provide multi-year support to promising initiatives in Massachusetts'  
37 smaller cities that advance cross-sector collaboration among the public, private and non-profit  
38 sectors; provided, that, to receive funding, a project proposal must catalyze and accelerate  
39 initiatives that will create new or stronger working relationships between key institutions,  
40 agencies, organizations, and businesses within these cities; provided further, that to be eligible  
41 for a competitive grant award, cities must have a population of between 35,000 and 250,000 as  
42 well as a median family income that is below the median for all Massachusetts cities and towns  
43 with a population between 35,000 and 250,000 and a median poverty rate that is above the  
44 median for all Massachusetts cities and towns with a population between 35,000 and 250,000;  
45 provided further that the federal reserve bank of Boston will further set program eligibility  
46 requirements; provided further, that the private sector and other institutions shall contribute to  
47 this program an amount that is at least equal to the total state appropriation for this  
48 program.....\$1,500,000

49 Massachusetts Office of Business Development

50 7007-1201 For the Massachusetts technology park corporation doing business as the  
51 Massachusetts technology collaborative, established under section 3 of chapter 40J of the  
52 General Laws, to establish programs that provide advice and training from successful,  
53 experienced entrepreneurs for start-up enterprises and that create a talent pipeline to technology  
54 startups and innovation companies; provided, that \$1,000,000 shall be expended to establish an  
55 entrepreneur and startup mentoring program, in consultation with the Massachusetts technology

56 development corporation, doing business as MassVentures, established by section 2 of chapter  
57 40G of the General Laws, that would provide assistance, mentoring, and advice to startups and  
58 innovation companies by connecting early-stage entrepreneurs, technology startups, and small  
59 businesses with successful, experienced business enterprises and capital financing; provided  
60 further, that \$1,000,000 shall be expended to fund paid internships for students seeking careers in  
61 technology and innovation industries to work with companies competing actively in those fields;  
62 provided further, that the Massachusetts technology collaborative shall seek private funds  
63 necessary to match contributions equal to \$1 for every \$1 contributed by Massachusetts  
64 technology collaborative through the internship program; provided further, that in the design and  
65 implementation of these programs, the Massachusetts technology collaborative shall consult with  
66 and review the talent pipeline and mentoring programs that are administered by the venture  
67 development center at the university of Massachusetts at Boston established under chapter 123 of  
68 the acts of 2006 in order to model and bring to scale successful talent pipeline programs and  
69 practices; provided further, that as a condition of such grants being awarded, the Massachusetts  
70 technology collaborative shall reach agreement with the grant recipient on performance  
71 measures and indicators that will be used to evaluate the performance of the grant recipient in  
72 carrying out the activities described in the recipient's application; provided further, that the  
73 Massachusetts technology collaborative shall file annual reports for the duration of the programs  
74 with the chairs of the house and senate committee on ways and means and the chairs of the joint  
75 committee on economic development and emerging technologies, on or before January 1;  
76 provided further, that the paid internship program report shall include the number of placements  
77 of students in paid internships during the academic year, an analysis of the impact of the program  
78 on the ability of participants in the program to enter the full-time job market in the technology  
79 and innovation industries after graduation and shall be filed by June 15 of each year; provided  
80 further, that the entrepreneurship program report shall include an overview of the activities of the  
81 programs, the number of participants in the programs, and an analysis of the impact of said  
82 programs on the success of the participants' startup business ventures; and provided further, that  
83 funds in this item shall be available until June 30, 2018.....\$2,000,000

84           7007-1202     For the Massachusetts technology park corporation doing business as the  
85 Massachusetts technology collaborative to develop and implement a plan to promote and  
86 establish computer science education in the Massachusetts public schools with the primary  
87 objective of creating the opportunity for every Massachusetts student to learn computer science  
88 as detailed in section 56 of this act; provided, that said plan shall include but not be limited to  
89 recommendations for K-12 computer science standards, curriculum, professional development,  
90 and school district engagement; provided further, that the Massachusetts technology  
91 collaborative shall seek private funds necessary to match contributions equal to \$1 for every \$1  
92 contributed by the Massachusetts technology collaborative; provided further, that the  
93 Massachusetts technology collaborative shall file an annual report for the duration of the  
94 program with the chairs of the house and senate committee on ways and means and the chairs of  
95 the joint committee on economic development and emerging technologies; and provided further



131 (b) The council shall:

132 (1) confer with participants and parties from the public and private sector involved with  
133 STEM planning and programming;

134 (2) assess how to increase student interest in, and preparation for, careers in STEM; and

135 (3) advise on the creation, implementation of and updates to a statewide STEM plan that  
136 contains clear goals and objectives to guide the commonwealth's future STEM efforts, including  
137 the creation of benchmarks for improvements.

138 (c) The council shall consist of not less than 20 members and not more than 30 members,  
139 not including members serving ex officio. The members of the council shall be appointed by the  
140 governor for a term of 2 years and shall serve without compensation. Council members shall be  
141 persons with demonstrated interest, experience and expertise in STEM education and shall  
142 include: a senator in congress representing Massachusetts; a representative in congress  
143 representing Massachusetts; a member from the Massachusetts Technology Collaborative; a  
144 member from the Massachusetts Clean Energy Center; a member from the Massachusetts Life  
145 Sciences Center; a member from the Massachusetts Business Roundtable; the president of the  
146 University of Massachusetts, or a designee; a president of a state university, or a designee; a  
147 president of a private university, or a designee; a president of a public community college, or a  
148 designee; a superintendent of a public school district, or a designee; a superintendent of a  
149 vocational technical school, or a designee; a chamber of commerce executive, or a designee; a  
150 representative of a regional STEM network; an early education provider; a science or  
151 mathematics department chair from a public school district; an out-of-school time or informal  
152 educator with expertise in the STEM fields; a parent representative; a member of organized  
153 labor; and a member from a not-for-profit organization.

154 The following members shall also serve as members of the council, ex officio: the chairs  
155 of the joint committee on education; the chairs of the joint committee on labor and workforce  
156 development; the secretary of education; the secretary of labor and workforce development; the  
157 secretary of housing and economic development; the commissioner of higher education; the  
158 commissioner of elementary and secondary education; and the commissioner of early education  
159 and care. All ex officio members may be represented by designees. The governor shall  
160 designate 2 members of the council to serve as co-chairs, 1 of whom shall be a member from the  
161 public sector and 1 of whom shall be a member from the private sector.

162 (d) The council shall establish an executive committee comprised of 7 members who  
163 shall provide guidance on the recommendations of the council and plan future meetings and  
164 initiatives. The chair shall determine the membership of the executive committee and shall  
165 designate subcommittees to focus on particular challenges facing STEM education and the  
166 STEM fields in the commonwealth. The council and its executive committee shall meet at such  
167 times and places as determined by the chair. The council shall report any findings or

168 recommendations, including any recommendations for legislation or regulations, to the governor  
169 and to the clerks of the house of representatives and senate at such periods as determined by the  
170 chair.

171 SECTION 4. Section 4A of chapter 15A of the General Laws is hereby repealed.

172 SECTION 5. Said section 3A of chapter 23A of the General Laws, as appearing in the  
173 2012 Official Edition, is hereby further amended by striking out the definition of "Certified  
174 project" and inserting in place thereof the following definition:-

175 "Certified project", an expansion project, an enhanced expansion project, a job creation  
176 project, or manufacturing retention project that has been approved by the economic assistance  
177 coordinating council for participation in the economic development incentive program pursuant  
178 to section 3F.

179 SECTION 6. Said section 3A of chapter 23A, as so appearing, is hereby further amended  
180 by inserting after the definition of "Economic assistance coordinating council" the following  
181 definition:-

182 "Economic benefit", awards of tax credits approved under this chapter, any tax increment  
183 financing approved under section 3F and section 59 of chapter 40, or special tax assessment  
184 approved under section 3F of this chapter.

185 SECTION 7. Section 3A of chapter 23A, as so appearing, is hereby amended by striking  
186 out the definition of "Economic development incentive program" and inserting in place thereof  
187 the following definition:-

188 "Economic development incentive program" or "EDIP", a program designed to promote  
189 increased business

190 development and expansion in the commonwealth to be administered by the EACC.

191 SECTION 8. Said section 3A of chapter 23A, as so appearing, is hereby further amended  
192 by striking out the definition of "enhanced expansion project" and inserting in place thereof the  
193 following definition:-

194 "Enhanced expansion project", a facility that in its entirety and as of the project proposal  
195 date: (i) is located or will be located within the commonwealth; (ii) generates substantial sales  
196 from outside of the commonwealth; and (iii) generates a net increase of at least 100 full-time  
197 employees within 2 years after project certification, and which shall be maintained for a period  
198 of not less than 5 years; provided, however, that in the case of a facility that as of the project  
199 proposal date is already located in the commonwealth, enhanced expansion project shall refer  
200 only to a facility at which the controlling business has expanded or proposed to expand the  
201 number of permanent full-time employees at such facility and the expansion shall represent: (1)

202 an increase in the number of permanent full-time employees employed by the controlling  
203 business within the commonwealth; and (2) not a replacement or relocation of permanent full-  
204 time employees employed by the controlling business at any other facility located within the  
205 commonwealth; provided, further, that in the case of a facility to be located within the  
206 commonwealth after the project proposal date, "enhanced expansion project" shall refer only to a  
207 facility that is: (a) the first facility of the controlling business to be located within the  
208 commonwealth; or (b) a new facility of such business and not a replacement or relocation of an  
209 existing facility of such controlling business located within the commonwealth; or an expansion  
210 of an existing facility of the controlling business that results in an increase in permanent full-time  
211 employees.

212 SECTION 9. Said section 3A of chapter 23A, as so appearing, is hereby further amended  
213 by striking out the definition of "Expansion project" and inserting in place thereof the following  
214 definition:-

215 "Expansion project", a facility that in its entirety and as of the project proposal date: (i)  
216 generates substantial sales from outside of the commonwealth; and (ii) generates a net increase  
217 of full-time employees within 2 years after project certification, and which shall be maintained  
218 for a period of not less than 5 years; provided, however, that in the case of a facility that as of the  
219 project proposal date already is in existence, "expansion project" shall refer only to a facility at  
220 which the controlling business has proposed to expand the number of permanent full-time  
221 employees at such facility to occur after the project proposal date and the expansion shall  
222 represent: (1) an increase in the number of permanent full-time employees employed by the  
223 controlling business within the commonwealth; and (2) not a replacement or relocation of  
224 permanent full-time employees employed by the controlling business at any other facility located  
225 within the commonwealth; and provided further, that in the case of a facility to be constructed or  
226 relocated after the project proposal date, "expansion project" shall refer only to a facility which  
227 is: (a) the first facility of the controlling business to be located within the commonwealth; or (b)  
228 a new facility of such business and not a replacement or relocation of an existing facility of such  
229 controlling business located within the commonwealth or an expansion of an existing facility of  
230 the controlling business that results in an increase in permanent full-time employees.

231 SECTION 10. Said section 3A of chapter 23A, as so appearing, is hereby further  
232 amended by striking out the definition of "Expansion project EOA".

233 SECTION 11. Said section 3A of chapter 23A, as so appearing, is hereby further  
234 amended by striking out the definition of "Expansion project ETA".

235 SECTION 12. Said section 3A of chapter 23A, as so appearing, is hereby further  
236 amended by striking out the definition of " Expansion project proposal" and inserting in place  
237 thereof the following definition:-



238           “Expansion project proposal”, a proposal submitted by a controlling business to the  
239 EACC pursuant to section 3F for designation of a project as a certified expansion project,  
240 provided that: (i) the proposal is submitted in a timely manner, in such form and with such  
241 information as is prescribed by the EACC, supported by independently verifiable information  
242 and signed under the penalties of perjury by a person authorized to bind the controlling business;  
243 (ii) the proposal includes specific targets by year for the subsequent 5 calendar year period  
244 relative to the projected increase in the number of permanent full-time employees of the  
245 controlling business to be employed by and at the project from among residents of the  
246 commonwealth; and provided further, that in the case of a project that already is in existence as  
247 of the project proposal date, such projected increase shall not be less than 25 per cent over the  
248 subsequent 5-year period; and (iii) in the case of a project that is a new facility within the  
249 meaning of clause (b) of the definition of expansion project, such proposal shall include the  
250 number of permanent full-time employees employed by the controlling business at other  
251 facilities located in the commonwealth.

252           SECTION 13. Said section 3A of chapter 23A, as so appearing, is hereby further  
253 amended by inserting after the definition of "Gateway municipality" the following 2 definitions:

254           "Job creation project", a project or investment by a controlling business that (i) is located  
255 or will be located within the commonwealth; (ii) generates substantial sales from outside of the  
256 commonwealth; (iii) does not involve a significant investment in the construction or expansion  
257 of an existing facility, or otherwise result in an increase in the value of the real property where  
258 new jobs are to be located; and (iv) generates a net increase of at least 100 permanent full-time  
259 employees within 2 years after project certification, and which shall be maintained for a period  
260 of not less than 5 years; provided, however, that in the case of a facility that as of the project  
261 proposal date is already located in the commonwealth, job creation project shall refer only to a  
262 facility at which the controlling business has expanded or proposed to expand the number of  
263 permanent full-time employees at such facility and the expansion shall represent: (1) an increase  
264 in the number of permanent full-time employees employed by the controlling business within the  
265 commonwealth; and (2) not a replacement or relocation of permanent full-time employees  
266 employed by the controlling business at any other facility located within the commonwealth;  
267 provided, further, that in the case of a facility to be located within the commonwealth after the  
268 project proposal date, "job creation project" shall refer only to a facility that is: (a) the first  
269 facility of the controlling business to be located within the commonwealth; or (b) a new facility  
270 of such business and not a replacement or relocation of an existing facility of such controlling  
271 business located within the commonwealth; or an expansion of an existing facility of the  
272 controlling business that results in an increase in permanent full-time employees.

273           "Job creation project proposal", a proposal submitted by a controlling business to the  
274 EACC pursuant to section 3F for designation of a project as an job creation certified project,  
275 provided that: (i) the proposal is submitted in a timely manner, in such form and with such  
276 information as is prescribed by the EACC, supported by independently verifiable information

277 and signed under the penalties of perjury by a person authorized to bind the controlling business;  
278 (ii) the proposal includes specific targets by year for the subsequent 5 calendar year period  
279 relative to the projected increase in the number of permanent full-time employees of the  
280 controlling business to be employed by and at the project from among residents of the  
281 commonwealth; provided further, that in the case of a project that is a new facility within the  
282 meaning of clause (b) of the definition of job creation project, such proposal shall include, in  
283 addition, the number of permanent full-time employees employed by the controlling business at  
284 other facilities located in the commonwealth.

285 SECTION 14. Said section 3A of chapter 23A, as so appearing, is hereby further  
286 amended by inserting after the definition of "Municipal application" the following definition:-

287 "Municipal project endorsement", the endorsement by the municipality or municipalities  
288 in which a proposed project is located as required by clause (b) of subsection (1) of section 3F.

289 SECTION 15. Said section 3A of chapter 23A, as so appearing, is hereby further  
290 amended by striking out the definition of " Project" and inserting in place thereof the following  
291 definition:-

292 "Project", an expansion project, an enhanced expansion project, a job creation project, or  
293 a manufacturing retention project.

294 SECTION 16. Said section 3A of chapter 23A, as so appearing, is hereby further  
295 amended by striking out the definition of "Project proposal" and inserting in place thereof the  
296 following definition:-

297 "Project proposal", a proposal submitted by a controlling business to the EACC pursuant  
298 to section 3F for designation as a certified expansion project, an enhanced expansion project, a  
299 job creation project, or manufacturing retention project.

300 SECTION 17. Said section 3A of chapter 23A, as so appearing, is hereby further  
301 amended by adding the following 2 definitions:-

302 "Special tax assessment", a binding agreement between a municipality and a controlling  
303 business consistent with the requirements of subsection (7) of Section 3F.

304 "Tax increment financing agreement", a binding agreement between a municipality and a  
305 controlling business consistent with the requirements of subsection (6) of Section 3F of this  
306 chapter and section 59 of chapter 40.

307 SECTION 18. Said chapter 23A, as so appearing, is hereby further amended by striking  
308 out section 3B and inserting in place thereof the following section:-

309 Section 3B. There shall be an economic assistance coordinating council, established  
310 within the Massachusetts office of business development. Said council shall consist of 15: the

311 director of the office of business development or his designee who shall serve as co-chairperson;  
312 the director of housing and community development or his designee who shall serve as co-  
313 chairperson; the director of career services, or his designee; the secretary of labor and workforce  
314 development, or his designee; a representative of MOBD designated by the director of the office  
315 of business development; the director of economic assistance in the office of business  
316 development, or his designee; the president of the Commonwealth Corporation or his designee;  
317 and seven members to be appointed by the governor, one of whom shall be from the western  
318 region of the commonwealth, one of whom shall be from the central region of the  
319 commonwealth, one of whom shall be from the eastern region of the commonwealth, one of  
320 whom shall be from the southeastern region of the commonwealth, one of whom shall be from  
321 Cape Cod or the islands, one of whom shall be a representative of a higher educational institution  
322 within the commonwealth and one of whom shall be from the Merrimack valley, all of whom  
323 shall have expertise in issues pertaining to training, business relocation and inner-city and rural  
324 development, and all of whom shall be knowledgeable in public policy and international and  
325 state economic and industrial trends. Each member appointed by the governor shall serve at the  
326 pleasure of the governor. Said council shall adopt bylaws to govern its affairs.

327 SECTION 19. Section 3C of said chapter 23A, as so appearing, is hereby further  
328 amended by striking out clauses (d) to (h), inclusive, of subsection (1) and inserting in place  
329 thereof the following 4 clauses:-

330 (d) certify and approve tax increment financing agreements and special tax assessments  
331 pursuant to section 3F of this chapter and clause (vii) of section 59 of chapter 40.

332 (e) assist municipalities in obtaining state and federal resources and assistance for  
333 certified projects and other job creation and retention opportunities within the commonwealth;

334 (f) provide appropriate coordination with other state programs, agencies, authorities, and  
335 public instrumentalities to enable certified projects and other job creation and retention  
336 opportunities to be more effectively promoted by the commonwealth;

337 (g) monitor the implementation and operation of the economic development incentive  
338 program; and

339 SECTION 20. Section 3D of said chapter 23A, as so appearing, is hereby further  
340 amended by adding the following subsection:-

341 (2) The EACC may amend the boundaries of an ETA to address unique situations in  
342 which a commercial or industrial facility, which is the location for a prospective certified  
343 expansion project candidate, is located within the boundaries of 2 or more municipalities, with at  
344 least one of the municipalities in an existing ETA. Under such circumstance, if all of the  
345 municipalities involved wish to certify the proposed project, the boundaries of the ETA may  
346 deviate from census tract boundaries to include the parcel or parcels occupied by said

347 commercial or industrial facility. The EACC may consider such an application for amending the  
348 boundaries of an ETA; provided, however, that:

349 (a) inclusion of the facility and underlying parcels in the pre-existing contiguous ETA  
350 does not alter the eligibility of said ETA as determined pursuant to subclause (ii) of clause (a) of  
351 section 3D;

352 (b) evidence that said commercial or industrial facility is physically located in 2 or more  
353 municipalities can be provided;

354 (c) the amended ETA application is jointly filed by the municipalities in which the  
355 facility and parcels are located, and the EACC approves said amended ETA application; and

356 (d) the filing municipalities represent in their joint application that a certified project  
357 application will be submitted to the EACC within a reasonable period of time for the project  
358 proposing to occupy said facility and parcels.

359 SECTION 21. Section 3E of said chapter 23A, as so appearing, is hereby further  
360 amended by striking out subclause (iii) of clause (f) of subsection (2) and inserting in place  
361 thereof the following subclause:-

362 (iii) a statement which describes the municipality's proposals to secure access to publicly  
363 or privately sponsored training programs to be made available to employees of certified projects,  
364 or others who reside in the ETA which contains the area proposed for designation, if applicable;  
365 and

366 SECTION 22. Section 3E of said chapter 23A, as so appearing, is hereby further  
367 amended by striking out subsection (3) and inserting in place thereof the following subsection:-

368 (3) receipt with the municipal application of a binding written offer from the  
369 municipality, subject only to acceptance by the EACC through designation of the area proposed  
370 therefor, in the municipal application as an EOA, to provide to certified projects within the  
371 project EOA and pursuant to section 59 of chapter 40 either tax increment financing or a special  
372 tax assessment consistent with subsections (6) or (7) of section 3F.

373 SECTION 23. Said section 3E of chapter 23A, as so appearing, is hereby further  
374 amended by striking out the second paragraph of clause (d) of subsection (4) and inserting in  
375 place thereof the following paragraph:-

376 An EOA shall retain its designation for at least 5 years and not more than 20 years from  
377 the date it is so designated, as determined by the EACC, unless such designation is revoked prior  
378 to the expiration of the specified period; provided, however, that the EACC shall not specify a  
379 duration in excess of that requested in the municipal application. The designation of an EOA  
380 may be revoked only by the EACC, and only upon the following grounds: (a) upon the petition

381 of the municipality which requested the designation which petition satisfies the authorization  
382 requirements for a municipal application, and which petition shall be granted as a matter of  
383 course; or (b) if the EACC determines, based on its own investigation, that plans and  
384 commitments incorporated with the municipal application for such designation are materially at  
385 variance with the conduct of the municipality subsequent to the designation and such variance is  
386 found to frustrate the public purpose which such designation was intended to advance. Any such  
387 revocation of an EOA designation shall only be applied prospectively to deny certification to any  
388 projects located or to be located in such EOA and not certified prior to such revocation and shall  
389 not apply to, nor revoke any benefits due to or which may become due to, any certified project  
390 already in existence in said EOA, including but without limitation any benefits included in any  
391 plans and commitments incorporated with the municipal application for such designation;  
392 provided, however, that in no event shall a certified project receive any benefits arising from its  
393 status as a certified project for a period of longer than that specified by the EACC in its  
394 certification designation, including any renewals thereof, or 20 years, whichever period is of  
395 shorter duration. No designation of an area as an EOA may be renewed or extended except  
396 pursuant to the provisions of paragraphs (1) to (4), inclusive.

397 SECTION 24. Said section 3E of chapter 23A, as so appearing, is hereby further  
398 amended by adding the following subsection:-

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

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

405 (b) the creation of a significant number of new jobs and not merely a replacement or  
406 relocation of current jobs within the commonwealth, and

407 (c) a private project or investment that will contribute significantly to the resiliency of the  
408 local economy.

409 SECTION 25. Said chapter 23A, as so appearing, is hereby further amended by striking  
410 out section 3F and inserting in place thereof the following section:-

411 Section 3F. (1) The EACC may from time to time designate one or more projects as a  
412 certified expansion project, a certified enhanced expansion project, a certified job creation  
413 project, or a certified manufacturing retention project, and take any and all actions necessary or  
414 appropriate thereto, upon compliance with the following:

415 (a) receipt of a project proposal therefor requesting such designation from the controlling  
416 business;

417 (b) receipt of a municipal project endorsement, which includes the following findings  
418 based on the information submitted with said project proposal and such additional investigation  
419 as the municipality shall make:

420 (i) the project proposal complies with the definition of a project proposal set forth in  
421 section 3A;

422 (ii) in the case of an expansion project proposal, that the expansion project is consistent  
423 with and can reasonably be expected to benefit from the municipality's plans relative to the  
424 project EOA, if and to the extent applicable;

425 (iii) together with all other projects previously certified and located in the same  
426 municipality, will not overburden the municipality's supporting resources, including but without  
427 limitation those set forth in clause (f) of said paragraph (2) of section 3E;

428 (iv) the project proposal includes a workable plan, with precise goals and objectives, by  
429 which the controlling business proposes to realize the increased employment objectives for the  
430 project and the business' plan to employ aggressive affirmative action goals, objectives and  
431 identification and recruitment techniques and, in the case of an expansion project, the plan for  
432 increased employment from among residents of the expansion project ETA, if applicable;

433 (v) the project proposal contains documentation regarding an agreement, if any, between  
434 the controlling business and area banking institutions by which said controlling business agrees  
435 to establish one or more accounts in said banks and said banks agree to commit a specified  
436 percentage of the funds deposited in said accounts for loans made thereby to businesses located  
437 within the expansion project area pursuant to the Massachusetts capital access program  
438 established pursuant to section 57 of chapter 23A;

439 (vi) the project as described in the proposal, together with the municipal resources  
440 committed thereto, will, if certified, have a reasonable chance of increasing or retaining  
441 employment opportunities as advanced in said proposal; and

442 (vii) In the case of an expansion project, the municipality or municipalities in which the  
443 expansion project is located or will be located each has offered to enter into a tax increment  
444 financing agreement meeting the requirements of paragraph (6) or paragraph (7) of Section 3F,  
445 or to provide a special tax assessment meeting the requirements of paragraph (7) of Section 3F;

446 (c) receipt with the municipal project endorsement of a request by the municipality for a  
447 designation of the project as a certified project for a specified number of years, which shall be  
448 not less than 5 years nor more than 20 years; and

449 (d) the following findings are made by the EACC, based on the project proposal,  
450 documents submitted therewith, the municipal project endorsement, and such additional  
451 investigation as the EACC shall make, and incorporate in its minutes, that:

452 (i) the project proposal complies with the definition of a project proposal set forth in  
453 section 3A, with all other applicable statutory requirements, and with such other criteria that  
454 EACC may prescribe; and

455 (ii) the project as described in the proposal, and as further described in the written  
456 determination of the municipality made pursuant to clause (b) will, if certified, have a reasonable  
457 chance of increasing or retaining employment opportunities for residents of the ETA or  
458 municipality, as applicable.

459 (e) Notwithstanding any provisions of sections 3 to 3H, inclusive, to the contrary, as of  
460 July 1, 2014 it shall no longer be a requirement that a certified expansion project be located  
461 within an ETA and an EOA; provided that an expansion project proposal shall be accompanied  
462 by a municipal project endorsement that meets the requirements of clause (b) of subsection (1) of  
463 section 3F.

464 (2) A certified project shall retain its certification for the period specified by the EACC in  
465 its certification decision; provided, however, that such specified period shall be not less than 5  
466 years from the date of certification nor more than: (i) 20 years from such date; or (ii) the number  
467 of years requested by the municipality approving the project proposal, whichever is lesser, unless  
468 such certification is revoked prior to the expiration of the specified period. The certification of a  
469 project may be revoked only by the EACC and only upon: (a) the petition of the municipality  
470 that approved the project proposal, if applicable, if the petition satisfies the authorization  
471 requirements for a municipal application, or the petition of the director of economic  
472 development; and (b) the independent investigation and determination of the EACC that  
473 representations made by the controlling business in its project proposal are materially at variance  
474 with the conduct of the controlling business subsequent to the certification and such variance is  
475 found to frustrate the public purpose that such certification was intended to advance; provided,  
476 however, that for an expansion project where the actual number of permanent full-time  
477 employees employed by the controlling business at the project is less than 50 per cent of the  
478 number of such permanent full-time employees projected in the project proposal, then this shall  
479 be deemed a material variance for the purposes of a revocation determination. Upon such a  
480 revocation, any and all tax credits available to the controlling business as a result of project  
481 certification shall be revoked and forfeited for the year in which revocation occurred and all  
482 subsequent years, and the commonwealth, and the municipality, in the case of a certified  
483 expansion project, shall have causes of action against the controlling business for the value of  
484 any economic benefit received by the controlling business prior or subsequent to such  
485 revocation.

486 Under this section, revocation shall take effect on the first day of the tax year in which  
487 the material variance occurred, as determined by the EACC.

488 The revocation of a project certification shall not revoke any benefits due to the project  
489 that relate to years prior to the year in which the revocation determination is made, unless the  
490 controlling business does not proceed with the certified project or EACC determines that the  
491 controlling business made a material misrepresentation in its project proposal, or failed to act in  
492 good faith to create and maintain the jobs described in its project proposal. In any such case, both  
493 the commonwealth and the municipality shall have causes of action against the controlling  
494 business for the value of any economic benefits received subsequent to the date on which such  
495 material misrepresentation was made. The commissioner of revenue may, consistent with this  
496 paragraph, disallow or recapture any credits, exemptions or other tax benefits allowed by the  
497 original certification under this section. The department of revenue shall issue regulations to  
498 recapture the value of any credits, exemptions or other tax benefits allowed by the certification  
499 under this section.

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

504 (3) The EACC shall evaluate and either grant or deny a project proposal within 90 days  
505 of its project proposal date and failure to do so by the EACC shall result in approval of the  
506 project for a term of 5 years. Approval of a project under this section shall not constitute an  
507 approval by the EACC of any tax incentives provided for under chapters 62 and 63.

508 (4) The EACC may award to a certified project tax credits available under subsection (g)  
509 of section 6 of chapter 62 and section 38N of chapter 63. The amount and duration of the credit  
510 awarded shall be based on the following factors:

511 (a) for expansion projects:

512 (i) the degree to which the project is expected to generate net new economic activity  
513 within the commonwealth by generating substantial sales from outside of the commonwealth, or  
514 otherwise;

515 (ii) the degree to which the project is expected to increase employment opportunities for  
516 residents of the project ETA, if applicable, and of the commonwealth; and

517 (iii) the economic need of the project ETA as measured by the income and employment  
518 levels of the ETA, if applicable;

519 (b) for enhanced expansion projects:



520 (i) the degree to which the project is expected to generate net economic activity within  
521 the commonwealth by generating substantial sales from outside of the commonwealth, or  
522 otherwise; and

523 (ii) the degree to which the project is expected to increase employment opportunities for  
524 residents of the commonwealth;

525 (c) for manufacturing retention projects:

526 (i) the degree to which the project is expected to generate economic activity within the  
527 commonwealth by generating substantial sales from outside of the commonwealth, or otherwise;  
528 and

529 (ii) the degree to which the project is expected to retain or increase manufacturing  
530 employment opportunities for residents in the project gateway municipality and the  
531 commonwealth.

532 (d) for job creation projects:

533 (i) the degree to which the project is expected to generate net economic activity within  
534 the commonwealth by generating substantial sales from outside of the commonwealth, or  
535 otherwise; and

536 (ii) the degree to which the project is expected to increase employment opportunities for  
537 residents of the commonwealth; and

538 (iii) the degree to which the project qualifies for certification as an expansion project, an  
539 enhanced expansion project or a manufacturing retention project, with the expectation that the  
540 EACC will certify a proposed project as a job creation project only if the proposed project does  
541 not otherwise qualify for certification.

542 (5) The EACC may limit any incentive or credit available to a project pursuant to  
543 subsection (g) of section 6 of chapter 62 and section 38N of chapter 63 to a specific dollar  
544 amount or time duration or in any other manner deemed appropriate by EACC, including limits  
545 or restrictions on the right of the controlling business to carry unused credits forward to future  
546 tax years.

547 (6) Where a municipal project endorsement includes an offer by the municipality to  
548 provide the certified project with tax increment financing, said binding written offer shall contain  
549 a tax increment financing agreement adopted in accordance with the provisions of section 59 of  
550 chapter 40. The EACC may approve such tax increment financing plan pursuant to regulations  
551 adopted by the EACC. Any such approval shall include a finding, reflected in the EACC's  
552 minutes, that the tax increment financing plan complies with the requirements of said section 59

553 of chapter 40 and will further the public purpose of encouraging increased industrial and  
554 commercial activity in the commonwealth.

555 (7) Where a municipal project endorsement includes an offer by the municipality to  
556 provide the certified project with a special tax assessment, the municipal project endorsement  
557 shall include a binding written offer setting forth the following assessment schedule for each  
558 parcel of real property in and on which is located, and which is otherwise a part of, a certified  
559 project:

560 (i) in the first year, an assessment of zero per cent of the actual assessed valuation of the  
561 parcel; provided, that such assessment shall be granted for the year designated in the binding  
562 written offer;

563

564 (ii) in the second year, an assessment of up to 25 per cent of the actual assessed valuation  
565 of the parcel;

566 (iii) in the third year, an assessment of up to 50 per cent of the actual assessed valuation  
567 of the parcel;

568 (iv) in the fourth year, an assessment of up to 75 per cent of the actual assessed valuation  
569 of the parcel;

570 (v) in subsequent years, assessment of up to 100 per cent of the actual assessed valuation  
571 of the parcel.

572 For the purposes of this clause the term “municipality’s fiscal year” shall refer to a period  
573 of 365 days beginning, in the first instance, with the, calendar year in which the assessed  
574 property is purchased or acquired by the controlling business or the calendar year in which the  
575 assessed property becomes part of a certified project, whichever is last to occur; provided,  
576 further, that no such written offer from a municipality shall be considered to be binding as  
577 aforesaid unless and until it is authorized.

578 Notwithstanding anything to the contrary in section 3F, a municipality may offer a  
579 special tax assessment to a controlling business without a certified project, provided that (i) the  
580 municipality shall make a formal determination that the controlling business is making an  
581 investment that will contribute to economic revitalization of the municipality and significantly  
582 increase employment opportunities for residents of the municipality; (ii) the municipality shall  
583 apply to the EACC for approval of the special tax assessment; and (iii) the EACC shall make a  
584 formal finding, based on information presented by the municipality and incorporated into its  
585 minutes, that the special tax assessment is reasonably necessary to enable the controlling  
586 business’s investment and will further the public purpose of encouraging increased industrial and  
587 commercial activity in the commonwealth.

588 SECTION 26. Said chapter 23A, as so appearing, hereby is further amended by striking  
589 out subsections (a) and (b) of section 63 and inserting in place thereof the following subsections:

590 (a) There shall be established within the executive office of housing and economic  
591 development a MassWorks infrastructure program: (i) to issue public infrastructure grants to  
592 municipalities and other public instrumentalities for design, construction, building, land  
593 acquisition, rehabilitation, repair and other improvements to publicly-owned infrastructure  
594 including, but not limited to, sewers, utility extensions, streets, roads, curb-cuts, parking, water  
595 treatment systems, telecommunications systems, transit improvements and pedestrian and  
596 bicycle ways; (ii) for commercial and residential transportation and infrastructure development,  
597 improvements and various capital investment projects under the growth districts initiative  
598 administered by the executive office of housing and economic development; (iii) to assist  
599 municipalities to advance projects that support job creation and expansion, housing development  
600 and rehabilitation, community development projects, and small town transportation projects  
601 authorized under subsection (e); provided, however, that projects supporting smart growth as  
602 defined by the state's sustainable development principles shall be preferred; or (iv) to match  
603 other public and private funding sources to build or rehabilitate transit-oriented housing located  
604 within .5 miles of a commuter rail station, subway station, ferry terminal, or bus station, at least  
605 25 per cent of which shall be affordable.

606 (b) Eligible public infrastructure projects authorized by the preceding paragraph (a)(i)  
607 shall be located on public land or on public leasehold, right-of-way or easement. A project that  
608 uses grants to municipalities for public infrastructure provided by this section shall be procured  
609 by a municipality in accordance with chapter 7, section 39M of chapter 30, chapter 30B and  
610 chapter 149.

611 SECTION 27. Chapter 23A, as so appearing, is hereby amended by adding the following  
612 section:

613 Section 65. (a) The secretary of the executive office of housing and economic  
614 development, hereinafter referred to as the secretary, shall establish a Massachusetts financial  
615 services advisory council, hereinafter referred to as the council, within the executive office of  
616 housing and economic development. The council's mission shall be to advise the governor on  
617 policies, strategies, and initiatives designed to preserve and advance the competitiveness and  
618 leadership of the state's financial services industry, including, but not limited to, the banking,  
619 investment management, and insurance sectors.

620 (b) The council shall consist of 15 members: the secretary, who shall serve as chair;  
621 the chairs of the joint committee on economic development and emerging technologies; the  
622 chairs of the joint committee on financial services; the commissioner of higher education; the  
623 executive director of the office of international trade and investment; and 8 representatives of the  
624 business community appointed by the secretary; provided, that not fewer than 2 business

625 representatives shall be appointed from each of the following sectors: banking, investment  
626 management, and insurance; provided further, that not less than 1 business representative shall  
627 be appointed from a company whose headquarters is located in suffolk, middlesex, essex, norfolk  
628 or worcester county; provided further, that not less than 1 business representative shall be  
629 appointed from a company whose headquarters is located in hampshire, hampden, franklin or  
630 berkshire county; and provided further, that not less than 1 business representative shall be  
631 appointed from a company whose headquarters is located in bristol, plymouth, nantucket, dukes  
632 or barnstable county. The secretary, in making his appointments, shall consider the size of the  
633 business representative's company, including its employee base within the commonwealth and  
634 the amount of assets under management or premiums in force. Business representatives shall be  
635 appointed for 2 year terms, and may be reappointed without limit to the number of terms.

636 (c) The council shall convene a minimum of 3 meetings per calendar year to  
637 exchange ideas and develop strategies for business and government collaboration to strengthen  
638 and advance the state's financial services industry, especially as it relates to public policy,  
639 workforce development, international trade and direct foreign investment, and industry  
640 promotion.

641 SECTION 28. Section 1 of chapter 23G of the General Laws, as appearing in the 2012  
642 Official Edition, is hereby amended by inserting after the definition of "Economic development  
643 project" the following definition:

644 "Equity investments" means investments that result in the agency holding a controlling  
645 ownership interest in any company; any membership interest that constitutes controlling voting  
646 rights in any company; any controlling interest in real estate or other assets; any transaction  
647 which in substance falls into any of these categories even though it may be structured as some  
648 other form of business transaction; and includes an equity security. The term "equity investment"  
649 does not include any of the foregoing if the interest is taken as security for a loan.

650 Said section 1 of chapter 23G, as so appearing, is hereby further amended by inserting  
651 after the definition of "Sponsor" the following definition:

652 "Transformative development" means redevelopment on a scale and character capable of  
653 catalyzing significant follow-on private investment, leading over time to transformation of an  
654 entire downtown or urban neighborhood, and consistent with local plans. Transformative  
655 development may involve major investment in new construction, rehabilitation and adaptive  
656 reuse, or multiple smaller investments on a sustained basis.

657 SECTION 29. Said chapter 23G, as so appearing, is hereby further amended by inserting  
658 after section 45 the following section:-

659 Section 46. (a) There shall be established and set up on the books of the commonwealth  
660 a separate fund to be known as the Transformative Development Fund within the Massachusetts

661 development finance agency. In carrying out its duties under this section, the agency may utilize  
662 all the power and authority provided in this chapter. Notwithstanding any other provisions in this  
663 chapter, the agency shall have the power and authority to utilize the fund, as provided in this  
664 section, to make equity investments and provide technical assistance to revitalize and support  
665 residential, commercial, industrial and institutional development, or any mix of such uses, and  
666 provide financial assistance to promote collaborative workspaces in gateway municipalities, as  
667 defined in section 3A of chapter 23A. The fund will be administered and managed by the fund  
668 director, who shall be appointed by the executive director. The agency may adopt such  
669 guidelines as are necessary to implement the purposes of the program. The fund may coordinate  
670 with other agencies and instrumentalities of the commonwealth to effectuate the purposes of this  
671 section.

672 (b) The liabilities and obligations of the fund shall not extend beyond the monies  
673 which are deposited in the fund and shall not constitute a debt or pledge of the faith and credit of  
674 the commonwealth or any subdivision thereof.

675 (c) Moneys in or received for the fund may be deposited with and invested by any  
676 institution as may be designated by the treasurer of the agency at his or her sole discretion and  
677 paid as the fund director shall direct. Any return on investment received by the fund as a result of  
678 these deposits and the agency's equity investments shall be deposited and held for the use and  
679 benefit of the fund. The treasurer of the agency may make payments from such deposit accounts  
680 for use in accordance with the provisions of this section. The agency may be reimbursed  
681 annually from the fund for all reasonable and necessary direct costs and expenses incurred with  
682 its administration, management and operation of the fund, including reasonable staff time and  
683 out-of-pocket expenses and the reasonable administrative costs.

684 (d) The fund shall be eligible to apply for and accept subventions, grants, loans,  
685 advances and contributions from any source, of money, property, labor, or other things of value,  
686 to be held, used and applied in furtherance of the purposes articulated herein.

687 (e) The agency shall use the fund to make equity investments in property that the  
688 agency has determined has the potential to constitute transformative development in one or more  
689 gateway municipalities.

690 (f) With respect to any property acquired by the fund, the agency may pledge its  
691 ownership interest, physical assets held by the ownership entity, or any portion of the anticipated  
692 gross revenue resulting from the fund's equity investments, to secure loans related to  
693 development of the property. The agency may not cross-collateralize the fund's investments in  
694 such property.

695 (g) The fund director shall allocate a portion of the original capitalization of the fund,  
696 not to exceed 20 per cent and not less than 10 per cent, to provide technical assistance to  
697 revitalize and support development in gateway municipalities, utilizing any or all of the

698 following methods of providing such assistance: (i) grants to support the hiring of professional  
699 staff or professional services by a gateway municipality or any instrumentality thereof; (ii)  
700 reimbursement for professional staff employed by the agency and imbedded in a gateway  
701 municipality; (iii) grants to pay for third-party professional services managed by the agency; and  
702 (iv) any other variation on the provision of technical assistance that is consistent with the  
703 purposes of this section.

704 (h) At its discretion, the agency may allocate the fund's technical assistance through a  
705 competitive process using criteria that include, without limitation, the existence of a long-term  
706 economic development strategy, commitment to effective use of the agency's technical  
707 assistance by the municipality and other local partners, and the potential for transformative  
708 development in the gateway municipality.

709 (i) The fund director shall allocate a portion of the original capitalization of the fund,  
710 not to exceed 25 per cent and not less than 10 per cent, to support the development in gateway  
711 municipalities of collaborative workspaces to spur innovative and creative business growth and  
712 economic activity and assist with the redevelopment of underutilized buildings. The program  
713 shall: (i) promote the creation of spaces, known as collaborative workspaces, by providing  
714 financial assistance for capital investments in underutilized buildings; (ii) foster collaboration  
715 and linkages among innovative and creative enterprises by providing central locations for such  
716 businesses or individuals to work in an environment designed to promote sharing of resources,  
717 experience and expertise; (iii) support partnerships between municipalities, property owners and  
718 businesses to establish such collaborative workspaces; and (iv) require such collaborative  
719 workspace to provide shared space which promotes the interaction, socialization and  
720 coordination among tenants through the clustering of multiple businesses or individuals within  
721 the collaborative workspace. The agency shall, through grants, contracts, or loans, administer the  
722 program for the purpose of facilitating collaborative, co-working space to address a regional  
723 market demand for affordable work environments that support communication, information  
724 sharing and networking opportunities.

725 (j) Loans or grants made under this program may be made to property owners or  
726 collaborative workspace operators for building improvements which will be utilized by the  
727 collaborative workspace participants, provided that such use of the fund results in corresponding  
728 private investment that matches or exceeds the grants from the fund. In the case of a grant, any  
729 participating property owner or collaborative workspace operator must at least match the fund's  
730 investment. In connection with any loan, the agency must reasonably anticipate that its loan will  
731 leverage additional private investment in the property.

732 (k) The agency shall solicit applications for financial assistance that promotes  
733 collaborative workspaces through a request for proposals. The agency shall establish criteria for  
734 the submission of applications; provided, however, that the applications, at a minimum, shall  
735 include: (i) a description of the parties involved in the project, including the professional

736 expertise and qualifications of the principals; (ii) a description of the scope of work that shall be  
737 undertaken by each party involved in the project; (iii) the proposed budget, including verification  
738 of funding from other sources; (iv) a statement of the project objective, including specific  
739 information on how the project shall promote the use of the space as collaborative, shared space;  
740 (v) a statement that sets forth the implementation plan, the facilities and resources available or  
741 needed for the project, and the proposed commencement and termination dates of the project;  
742 (vi) a description of the expected significance of the project, including a description of the  
743 market demand for the type of workspace proposed in the region that the space will be located  
744 and the number of businesses or individuals that will be served as a result of the project; and (vii)  
745 any other information that the agency shall deem necessary. The agency shall also establish  
746 guidelines for the review and approval of applications that include preferences for proposals that  
747 (i) redevelop at least 10,000 square feet in existing properties located in the downtown area of a  
748 gateway city; (ii) dedicate at least 25 per cent of accessible space to collaborative use; and (iii)  
749 support a cluster of at least 15 separate occupants.

750 (l) The agency shall enter into an agreement with each collaborative workspace  
751 operator that receives a grant or loan or enters into a contract under this section (i) on  
752 performance measures and indicators that shall be used to evaluate the performance of the  
753 collaborative workspace operator in carrying out the activities described in their application; or  
754 (ii) any other indicators determined to be necessary to evaluate the performance of the eligible  
755 entity. Each collaborative workspace operator shall submit an annual report for the agency's  
756 review for the duration of the collaborative workspace operation. The agency shall enter into an  
757 agreement with each property owner that receives a grant or loan or enters into a contract under  
758 this section on use of funds and timeframe for use of funds.

759 (m) The agency shall, in coordination with the executive office of housing and  
760 economic development, submit an annual report to the clerks of the house and senate who shall  
761 forward the report to the house and senate committees on ways and means, the joint committee  
762 on economic development and emerging technologies and the joint committee on labor and  
763 workforce development on or before December 31. The report shall include a current assessment  
764 of the progress of each project funded through the collaborative workspace program and the  
765 progress of the participants in the program.

766 SECTION 30. Chapter 29, as so appearing, is hereby amended by inserting after section  
767 2KKKK the following section:-

768 Section 2LLLL. (a) There shall be established and set upon the books of the  
769 commonwealth a separate fund to be known as the Advanced Manufacturing and Information  
770 Technology Training Trust Fund, hereinafter called the fund. The objective of the fund is to  
771 establish and support training and education programs that address the workforce shortages of  
772 the advanced manufacturing and information technology industries in the commonwealth to help  
773 meet the workforce and talent pipeline needs of employers. The fund shall be administered by

774 the commonwealth corporation who shall make expenditures from the fund, without further  
775 appropriation; provided, however, that not more than 10 per cent of the amount held in the fund  
776 in any 1 year shall be used by the commonwealth corporation for the combined cost of program  
777 administration, technical assistance to grantees and program evaluation

778 (b) Monies in the fund shall be expended on programs that have 2 or more of the  
779 following purposes, with a focus on aligning expenditures with industry needs:

780 (1) identify, support or establish, collaborative regional partnerships, including but  
781 not limited to, employers, workforce development and education organizations and economic  
782 development officials in every region of the state where manufacturers have a presence or where  
783 the information technology industry and related occupations demonstrate demand;

784 (2) address critical workforce shortages in advanced manufacturing or information  
785 technology;

786 (3) improve employment in the manufacturing or information technology industries  
787 for low-income individuals, women and minorities;

788 (4) provide training, educational or career ladder services for currently employed or  
789 unemployed manufacturing and information technology workers who are seeking new positions  
790 or responsibilities within the manufacturing or information technology industry;

791 (5) develop strong career awareness and advising programs for kindergarten through  
792 grade 12, postsecondary, disconnected youth, underemployed workers and unemployed adults;

793 (6) increase support for internship and apprentice training;

794 (7) boost industry-relevant instructor capacity for high school and postsecondary  
795 programs; and

796 (8) direct support for succession planning, worker retention and up-skilling strategies  
797 for older and incumbent workers.

798 (c) Commonwealth corporation shall establish a competitive grant process for funds  
799 expended on programs under subsection (b). Eligible applicants shall include: employers and  
800 employer associations; local workforce investment boards; labor organizations; joint labor-  
801 management partnerships; community-based organizations; institutions of higher education;  
802 kindergarten through grade 12 and vocational education institutions; private for-profit and non-  
803 profit organizations providing education and workforce training, one-stop career centers; local  
804 workforce development entities; and any partnership or collaboration between eligible  
805 applicants. Expenditures from the fund for such purposes shall complement and not replace  
806 existing local, state, private, or federal funding for training and educational programs.



807 (d) A grant proposal submitted under subsection (c) shall include, but not be limited  
808 to:

809 (1) a plan that defines specific goals for advanced manufacturing or information  
810 technology workforce training and educational improvements;

811 (2) the evidence-based programs the applicant shall use to meet the goals;

812 (3) a budget necessary to implement the plan, including a detailed description of any  
813 funding or in-kind contributions the applicant or applicants will be providing in support of the  
814 proposal;

815 (4) any other private funding or private sector participation the applicant anticipates  
816 in support of the proposal; and

817 (5) the proposed number of individuals who would be enrolled, complete training and  
818 be placed into employment in the targeted industries.

819 (e) Commonwealth corporation shall, in consultation with the executive office of  
820 housing and economic development, executive office of labor and workforce development,  
821 department of higher education and the Massachusetts technology collaborative, develop  
822 guidelines for an annual review of the progress being made by each grantee. Each grantee shall  
823 participate in any evaluation or accountability process implemented by or authorized by the  
824 commonwealth corporation. The commonwealth corporation shall file annual reports for the  
825 duration of the programs with the chairs of the house and senate committee on ways and means,  
826 the chairs of the joint committee on labor and workforce development, and, the chairs of the joint  
827 committee on economic development and emerging technologies, on or before January 1;  
828 provided further, the report shall include an overview of the activities of the programs, the  
829 number of participants in the programs, and the employment outcomes in the programs.

830 SECTION 31. Subsection (a) of section 2MMM of chapter 29 of the General Laws, as  
831 appearing in the 2012 Official Edition, is hereby amended by striking the last two sentences  
832 subsection (a) of section 2MMM of chapter 29 and inserting in place thereof:-

833 The department of higher education shall hold the Pipeline Fund in an account or  
834 accounts separate from other funds or accounts. Amounts credited to the Pipeline Fund shall be  
835 used by the commissioner of higher education, in consultation with the science, technology,  
836 engineering, and mathematics (STEM) advisory council, established by SECTION 3 of this act.

837 SECTION 32. Chapter 40 of the General Laws is hereby amended by striking out section  
838 59, as appearing in the 2012 Official Edition, and inserting in place thereof the following  
839 section:-

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

847 (i) includes a description of the parcels to be included in the agreement; provided,  
848 however, that the parcels are wholly within an economic target area or an area presenting  
849 exceptional opportunities for increased economic development, as defined by section 3D of  
850 chapter 23A and as may be defined further by regulations adopted by the economic assistance  
851 coordinating council; provided, further, that in the case of a TIF area that includes parcels  
852 located in one or more city or towns, the areas included in the TIF agreement shall be contiguous  
853 areas of such cities or towns;

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

865 (iii) authorizes tax increment exemptions from property taxes, under clause 51 of section  
866 5 of chapter 59, for a specified term not to exceed 20 years, for any parcel of real property which  
867 is included in a TIF agreement; provided, however, that the TIF agreement shall specify the level  
868 of the exemptions expressed as exemption percentages, not to exceed 100 per cent to be used in  
869 calculating the exemptions for the parcel, and for personal property situated on that parcel, as  
870 provided under said clause 51 of said section 5 of said chapter 59; provided, further, that the  
871 exemption for each parcel of real property shall be calculated using an adjustment factor for each  
872 fiscal year of the specified term equal to the product of the inflation factors for each fiscal year  
873 since the parcel first became eligible for an exemption under this clause; provided, further that  
874 the inflation factor for each fiscal year shall be a ratio;

875 (a) the numerator of which shall be the total assessed value of all parcels of commercial  
876 and industrial real estate that are assessed at full and fair cash value for the current fiscal year  
877 minus the new growth adjustment for the current fiscal year attributable to the commercial and

878 industrial real estate as determined by the commissioner of revenue under subsection (f) of  
879 section 21C of chapter 59; and

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

883 (iv) establishes a maximum percentage of the costs of any public construction, referenced  
884 in clause (ii) and initiated subsequent to the adoption of the TIF agreement, that can be recovered  
885 through betterments or special assessments against any parcel of real property eligible for tax  
886 increment exemptions from property taxes pursuant to clause (iii) during the period of such  
887 parcel's eligibility for exemption from annual property taxes pursuant to clause 51 of section 5 of  
888 chapter 59, notwithstanding the provisions of chapter 80 or any other general or special law  
889 authorizing the imposition of betterments or special assessments;

890 (v) includes: (a) all material representations of the parties which served as the basis for  
891 the descriptions contained in the TIF agreement in accordance with the provisions of clause (ii);  
892 (b) a detailed recitation of the tax increment exemptions and the maximum percentage of the cost  
893 of public improvements that can be recovered through betterments or special assessments  
894 regarding such parcel of real property pursuant to clauses (iii) and (iv); (c) a detailed recitation of  
895 all other benefits and responsibilities inuring to and assumed by the parties to such agreement;  
896 and (d) a provision that such agreement shall be binding upon subsequent owners of such parcel  
897 of real property;

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

900 (vii) is certified as an approved TIF agreement by the economic assistance coordinating  
901 council pursuant to section 3F of chapter 23A and regulations adopted by said council; provided,  
902 however, that the economic assistance coordinating council shall certify in its vote that the TIF  
903 agreement is consistent with the requirements of this section and section 3F of chapter 23A, and  
904 will further the public purpose of encouraging increased industrial and commercial activity in the  
905 commonwealth;

906 (viii) requires of an owner of a parcel pursuant to clause (v) to submit to the city or town  
907 clerk and the economic assistance coordinating council a report detailing the status of the  
908 construction laid out in the agreement; the current value of the property; and the number of jobs  
909 created to date as a result of the agreement; provided, however, that a report shall be filed every  
910 two years for the term of the tax increment exemption allowed under clause 51 of section 5 of  
911 chapter 59; and provided further, that a final report shall be filed in the final year of the  
912 exemption.

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

916 SECTION 33. Chapter 40J of the General Laws, as so appearing, is hereby amended by  
917 inserting after section 6E½ the following section: -

918 Section 6H. There shall be established and set upon the books of the corporation a  
919 separate fund to be known as the Big Data Innovation and Workforce fund, to which shall be  
920 credited the proceeds of any bonds or notes of the commonwealth issued for the purpose and any  
921 appropriations designated by the general court to be credited thereto. The corporation shall hold  
922 the fund in an account or accounts separate from other funds, including other funds established  
923 under this chapter. Amounts credited to the fund shall be available for expenditure by the  
924 corporation, without further appropriation, for any and all activities consistent with the  
925 provisions of this section and supportive of the purposes specified in this section as the  
926 corporation may determine are appropriate, including without limitation grants, contracts and  
927 loans. Amounts credited to the fund shall be expended or applied only with the approval of the  
928 executive director of the corporation upon consultation with the director of the John Adams  
929 innovation institute. Amounts credited to the fund shall be used to promote the use of big data,  
930 so-called, open data and analytics by, including, but not limited to: (i) bringing together  
931 academia, industry and public sector organizations to make recommendations regarding how to  
932 educate and prepare a workforce for careers in big data, including, but not limited to, through  
933 continuing education programs, advanced degree programs, and community college and STEM  
934 courses to close the skills gap; (ii) providing access to tools and technology to enable academia  
935 and industry to analyze open data sets to help identify and solve problems in transportation,  
936 public health, energy and other areas of public policy concern and to support economic  
937 development; and (iii) providing challenge grants that enable departments, agencies and  
938 instrumentalities of the commonwealth that utilize big data to solve public policy concerns and to  
939 support economic development. The corporation shall support efforts to develop policies and  
940 guidelines to safeguard personally identifiable information.

941 SECTION 34. Section 4 of chapter 40V of the General Laws, as appearing in the 2012  
942 Official Edition, is hereby amended by striking line 7.

943 SECTION 35. Section 6 of chapter 62 of the General Laws, as appearing in the 2012  
944 Official Edition, is hereby amended by striking out the first paragraph of clause (1) of subsection  
945 (g) and inserting in place thereof the following paragraph:-

946 (1) A credit shall be allowed against the tax liability imposed by this chapter, to the  
947 extent authorized by the economic assistance coordinating council established in section 3B of  
948 chapter 23A, up to an amount equal to 50 per cent of such liability in any taxable year; provided,  
949 however, that the 50 per cent limitation shall not apply where the credit is refundable under

950 paragraph (5): (i) for certified expansion projects and certified enhanced expansion projects, as  
951 defined in sections 3A and 3F of said chapter 23A, an amount up to 10 per cent, (ii) for certified  
952 manufacturing retention projects, as defined in said sections 3A and 3F of said chapter 23A, an  
953 amount up to 40 per cent of the cost of property that would qualify for the credit allowed by  
954 section 31A of chapter 63 if the property were purchased by a manufacturing corporation or a  
955 business corporation engaged primarily in research and development and used exclusively in a  
956 certified project as defined in said sections 3A and 3F of said chapter 23A; and, (iii) for certified  
957 job creation projects, as defined in said sections 3A and 3F of said chapter 23A, an amount up to  
958 \$1,000 per job created, or up to \$5,000 per job created in a gateway municipality as defined by  
959 section 3A of chapter 23A; provided, however, that the total award per project shall be no more  
960 than \$1,000,000; and further provided that a credit under this clause (iii) shall be allowed only  
961 for the year subsequent to that in which the jobs are created. A lessee may be eligible for a credit  
962 pursuant to this subsection for real property leased pursuant to an operating lease.  
963 Notwithstanding any contrary provisions in section 3F of chapter 23A, if such property is  
964 disposed of or ceases to be in qualified use within the meaning of section 31A or ceases to be  
965 used exclusively in a certified project before the end of the certified project's certification period,  
966 or if a project's certification is revoked, the recapture provisions of subsection (e) of section 31A  
967 shall apply; the revocation shall take effect on the first day of the tax year in which a material  
968 variance or material misrepresentation occurred as determined by the EACC. If such property is  
969 disposed of after the certified project's certification period but before the end of such property's  
970 useful life, the recapture provisions of subsection (e) of section 31A shall apply. The expiration  
971 of a certified project's certification shall not require the application of the recapture provisions of  
972 subsection (e) of section 31A.

973 SECTION 36. Said section 6 of chapter 62, as so appearing, is hereby amended by  
974 striking out the fourth sentence of clause (1) of subsection (g) and inserting in place thereof the  
975 following sentence:-

976 "To the extent applicable, paragraph (2) of section 3F of said chapter 23A shall apply to  
977 tax benefits awarded under this section."

978 SECTION 37. Said Section 6 of chapter 62, as so appearing, is further amended by  
979 striking out clause (2) of subsection (g) and inserting in place thereof:-

980 (2) Any taxpayer entitled to a credit under this subsection for any taxable year may, to the  
981 extent authorized by the economic assistance coordinating council established in section 3B of  
982 chapter 23A, carry over and apply to the tax for any one or more of the next succeeding ten  
983 taxable years, the portion, as reduced from year to year, of those credits which exceed the tax for  
984 the taxable year; provided, however, that in no event shall the taxpayer apply the credit to the tax  
985 for any taxable year beginning more than five years after the certified project or economic  
986 opportunity area ceases to qualify as such under the provisions of chapter 23A. Notwithstanding

987 the foregoing, the EACC may limit or restrict carry-over of credits as set forth in paragraph (5)  
988 of section 3F of said chapter 23A.

989 SECTION 38. Said section 6 of chapter 62, as so appearing, is hereby further amended by  
990 striking out clause (5) of subsection (g) and inserting in place thereof the following clause:-

991 (5) If a credit allowed under clauses (ii) and (iii) of paragraph 1 for a certified  
992 manufacturing retention project or a certified job creation project exceeds the tax otherwise due  
993 under this chapter, 100 per cent of the balance of such credit may, at the option of the taxpayer  
994 and to the extent authorized by the economic assistance coordinating council, be refundable to  
995 the taxpayer. Such refund shall be for the taxable year in which the qualified property giving rise  
996 to that credit is placed in service, in the case of a manufacturing retention project, or for the  
997 taxable year subsequent to the year in which the required jobs are added, in the case of a job  
998 creation project. If such credit balance is refunded to the taxpayer, the credit carryover provisions  
999 of paragraph (2) shall not apply.

1000 SECTION 39. Section 6 of chapter 62, as so appearing, is hereby amended in line 843  
1001 by striking the figure \$5,000,000 replacing it with \$10,000,000.

1002 SECTION 40. Said section 6 of chapter 62, as so appearing, is further amended in line  
1003 848 by striking the figure \$5,000,000 and replacing it with \$10,000,000.

1004 SECTION 41. Said section 6 of chapter 62, as so appearing, is further amended by adding  
1005 the following subsection:-

1006 (s)(1) There shall be a Massachusetts angel investor tax credit.

1007 (2) As used in this subsection, the following words shall have the following  
1008 meanings:

1009 "Business", a profession, sole proprietorship, trade partnership, corporation, general  
1010 partnership, limited liability company, limited partnership, joint venture, business trust, public  
1011 benefit corporation, non-profit entity or other business entity.

1012 "Gateway municipality", a gateway municipality as defined in section 3A of chapter 23A.

1013 "Qualifying business", a business which: (a) has its principal place of business in the  
1014 commonwealth; (b) has at least 50 per cent of its employees located in the business's principal  
1015 place of business; (c) has a fully developed business plan that includes all appropriate long and  
1016 short term forecasts and contingencies of business operations, including research and  
1017 development, profit, loss and cash flow projections and details of angel investor funding; (d)  
1018 employs 20 or fewer full-time employees at the time of the taxpayer investor's initial qualifying  
1019 investment as provided for in paragraph (3); (e) has a Massachusetts tax identification number;  
1020 and (f) has gross revenues equal to or less than \$500,000 in the fiscal year prior to eligibility.

1021 “Qualifying investment”, an investment that is at risk and not secured or guaranteed;  
1022 provided, however, that a qualifying investment shall not include venture capital funds, hedge  
1023 funds and commodity funds with institutional investors, or investments in a business involved in  
1024 retail, real estate, professional services, gaming, or financial services.

1025 “Taxpayer investor”, accredited investors, as defined by the United States Securities and  
1026 Exchange Commission pursuant to section 2(15)(ii) of the Securities Act of 1933, 15 U.S.C.  
1027 section 77b(15)(ii), and who is not the principal owner of the qualifying business who is  
1028 involved as a full-time professional activity.

1029 (3) A taxpayer investor who makes a qualifying investment in a qualifying business  
1030 shall be allowed a credit against the taxes imposed by this chapter in an amount equal to 20 per  
1031 cent of the amount of the taxpayer’s qualifying investment. A taxpayer investor who makes a  
1032 qualifying investment in a qualifying business with its principal place of business located in a  
1033 gateway municipality shall be allowed a credit against the taxes imposed by this chapter in an  
1034 amount equal to 30 per cent of the amount of the taxpayer’s qualifying investment. Taxpayer  
1035 investors may invest up to \$125,000 per qualifying business per year with a \$250,000 maximum  
1036 for each qualifying business. The total of all tax credits available to a taxpayer investor under  
1037 this section shall not exceed \$50,000 in any 1 tax year.

1038 (4) Qualifying investments may be used by a qualifying business for the following  
1039 purposes: (a) capital improvements; (b) plant equipment; (c) research and development; and (d)  
1040 working capital. Qualifying investments shall not be used to: pay dividends, fund or repay  
1041 shareholders’ loans, redeem shares, repay debt, or pay wages or other benefits of the taxpayer  
1042 investor.

1043 (5) The credits allowed under paragraph (3) may be taken against income tax due in  
1044 either the tax year of the initial investment or in any of the 3 subsequent taxable years. Any  
1045 amount of the tax credit that exceeds the tax due for a taxable year may be carried forward by the  
1046 taxpayer investor to any of the 3 subsequent taxable years. If the qualifying business ceases to  
1047 have its principal place of business in Massachusetts within such 3 year period, the taxpayer  
1048 investor shall not claim any further credits and must repay the total amount of credits claimed to  
1049 the commonwealth.

1050 (6) The commissioner of revenue, in consultation with the executive office of housing  
1051 and economic development, shall authorize annually, for the 2 year period beginning January 1,  
1052 2015, and ending December 31, 2018, an amount not to exceed \$5,000,000 per year for the  
1053 credits allowed under paragraph (3).

1054 (7) The executive office of housing and economic development, in consultation with  
1055 the commissioner of revenue, shall authorize, administer and determine eligibility for the  
1056 Massachusetts angel investor tax credit and allocate the credit in accordance with the standards  
1057 and requirements as set forth in regulations promulgated pursuant to this subsection. The

1058 executive office of housing and economic development shall allocate the total available angel  
1059 investor tax credit among as many qualified Massachusetts businesses as fiscally feasible with  
1060 the goal of creating and maintaining jobs in the commonwealth.

1061 (8) The commissioner of revenue and the executive office of housing and economic  
1062 development shall prescribe regulations necessary to carry out this subsection.

1063 (9) The executive office of housing and economic development and the office of the  
1064 commonwealth performance, accountability and transparency shall review the Massachusetts  
1065 angel investor tax credit established by this subsection and report on whether this tax credit  
1066 achieved the desired outcome and stated public policy purpose and if the tax credit is the most  
1067 cost effective means of achieving said purpose. The executive office of housing and economic  
1068 development and the office of commonwealth performance, accountability and transparency  
1069 shall file a report together with any recommendations regarding legislative changes to the  
1070 Massachusetts angel investor tax credit or whether the goals of the credit can be better served  
1071 through other fiscal means, to the governor, the clerks of the house and senate, the joint  
1072 committee on revenue, the joint committee on community development and small business and  
1073 the house and senate committees on ways and means no later than 3 years after implementation  
1074 of the credit.

1075 SECTION 42. Said section 6 of chapter 62, as so appearing, is further amended by adding  
1076 the following subsection:-

1077 (t)(1) As used in this subsection the following words shall, unless the context clearly  
1078 requires otherwise, have the following meanings:-

1079 “Advertising and public relations expenditure”, costs incurred within the commonwealth  
1080 by an eligible theater production for goods or services related to the marketing, public relations,  
1081 creation and placement of print, electronic, television, billboards and other forms of advertising  
1082 to promote the eligible theater production.

1083 “Broadway tour launch”, a live stage production that, in its original or adaptive version,  
1084 is performed in a qualified production facility and opens its United States tour in Massachusetts.

1085 “Commissioner”, the commissioner of revenue.

1086 “Eligible theater production”, a live stage musical or theatrical production or tour being  
1087 presented in a qualified production facility that is either: (a) a Pre-Broadway production, (b) a  
1088 Pre Off-Broadway production, or (c) a Broadway tour launch; and is doing business with a  
1089 Massachusetts-based theater venue, theater company, theater presenter or producer.

1090 “Eligible theater production certificate”, a certificate issued by the Massachusetts office  
1091 of travel and tourism certifying that the production is an eligible theater production, which meets  
1092 the requirements of this subsection.



1093 “Office”, the Massachusetts office of travel and tourism.

1094 “Payroll”, all salaries, wages, fees and other compensation including, but not limited to,  
1095 taxes, benefits and any other consideration paid to, or received on behalf of employees of the  
1096 applicant for services rendered to and on behalf of an eligible theater production; provided that  
1097 “payroll” shall be directly attributable to the eligible theater production, including its pre-  
1098 production stage, and may include, but is not limited to, (i) writing the script, (ii) casting, (iii)  
1099 hiring service providers, (iv) making purchases from vendors, (v) marketing, (vi) advertising,  
1100 (vii) public relations, (viii) load in, (ix) rehearsals, (x) performances, or (xi) load out; and  
1101 provided further, that “payroll” shall be limited to the first \$100,000 paid to or received on behalf  
1102 of each employee of an eligible theater production in each taxable year.

1103 “Pre-Broadway production”, a live stage production that, in its original or adaptive  
1104 version, is performed in a qualified production facility and has a presentation scheduled for New  
1105 York City’s Broadway theater district within 12 months after its Massachusetts presentation.

1106 “Pre-Off Broadway production”, a live stage production that, in its original or adaptive  
1107 version, is performed in a qualified production facility and has a presentation scheduled for New  
1108 York City’s Off-Broadway theater district within 12 months after its Massachusetts presentation.

1109 “Production and performance expenditures”, a contemporaneous exchange of cash or  
1110 cash equivalent for goods or services related to development, production, performance or  
1111 operating expenditures incurred within the commonwealth by an applicant on behalf of an  
1112 eligible theater production, including, but not limited to, expenditures for design, construction  
1113 and operation, including sets, special and visual effects, costumes, wardrobes, make-up and  
1114 accessories, sound, lighting and staging, transportation expenditures, advertising and public  
1115 relations expenditures, facility costs, rentals, per diems, accommodations and other related costs;  
1116 provided that payroll expenditures shall not be considered production and performance  
1117 expenditures.

1118 “Qualified production facility”, a facility located within the commonwealth, in which live  
1119 theatrical productions are, or are intended to be, exclusively presented, and which contains at  
1120 least 1 stage, a seating capacity of 600 or more seats, and dressing rooms, storage areas and other  
1121 ancillary amenities necessary for the presentation of an eligible theater production.

1122 “Transportation expenditures”, expenditures for the packaging, crating and transportation  
1123 of sets, lighting, sound equipment, costumes, wardrobes, make-up or any other tangible  
1124 performance or production-related equipment, property or materials, which are either: (i)  
1125 manufactured outside of the commonwealth and transported into the commonwealth for use in an  
1126 eligible theater production, or (ii) manufactured within the commonwealth and transported  
1127 outside of the commonwealth after use in an eligible theater production. “Transportation  
1128 expenditures” shall also include expenditures for transporting the cast and crew of an eligible

1129 theater production both into and out of commonwealth, which are incurred within the  
1130 commonwealth.

1131 (2) There shall be established a live theater tax credit program under which a  
1132 taxpayer engaged in the production of an eligible theater production may be eligible. The credit  
1133 may be claimed against the taxes due pursuant to this chapter. The purpose of the credit shall be  
1134 to support the expansion of pre-Broadway and pre-Off Broadway live theater and Broadway tour  
1135 launches and to promote the development and growth of live theater in the commonwealth.

1136 (3) A taxpayer that receives an eligible theater production certificate shall be allowed  
1137 a tax credit equal to 35% of the total payroll expenditures attributable to employees who reside in  
1138 Massachusetts, 25% of the total payroll expenditures attributable to employees who do not reside  
1139 in Massachusetts, and 25% of the total production and performance expenditures for the eligible  
1140 theater production, when the total production budget of the eligible theater production is equal to  
1141 or greater than \$100,000; provided, that such credits shall only be allowable for production costs  
1142 certified by the commissioner and directly attributable to activities in the commonwealth and  
1143 transportation expenditures; and provided further, that no amount of state funds, state loans or  
1144 state guaranteed loans received by the taxpayer shall be included for the purposes of calculating  
1145 any costs, budget or credits pursuant to this subsection.

1146 (4) The total cumulative value of the tax credit authorized pursuant to this subsection  
1147 and section 38HH of chapter 63 shall not exceed \$3,000,000 annually.

1148 (5) The tax credit authorized pursuant to this subsection shall be allowed against the  
1149 taxes due for the taxable year in which the credit is earned. Any amount of the credit that  
1150 exceeds the taxes due for a taxable year may be carried forward by the taxpayer for not more  
1151 than 5 subsequent taxable years, as reduced from year to year.

1152 (6) Credits allowed to any pass-through tax entity shall be passed through  
1153 respectively to persons designated as partners, members or owners of such entities on a pro rata  
1154 basis or pursuant to an executed agreement among such persons documenting an alternate  
1155 distribution method without regard to their sharing of other tax or economic attributes of such  
1156 entity.

1157 (7) All or any portion of the tax credits issued in accordance with this subsection  
1158 may be transferred, sold, assigned or otherwise conveyed to other taxpayers with a tax liability  
1159 under this chapter or chapter 63. A transferee may carry forward any amount of the tax credit  
1160 that exceeds the tax due for a taxable year for not more than 5 taxable years following the  
1161 original recipient's receipt of the credit. A transferor shall perfect a transfer by notifying the  
1162 commissioner, in writing, within 30 calendar days following the effective date of the transfer and  
1163 shall provide any information as may be required by the commissioner to administer and carry  
1164 out this subsection.

1165 (8) Any assignment or sales proceeds received by a transferor for an assignment or  
1166 sale of a tax credit pursuant to paragraph (7) shall be exempt from taxation pursuant to this  
1167 chapter.

1168 (9) (i) Prior to the debut performance of a live stage musical or theatrical production  
1169 or tour, an applicant for the tax credit authorized by this subsection shall properly prepare, sign  
1170 and submit to the office an application for initial certification of the theater production. The  
1171 application shall be in such form as the office, in consultation with the department of revenue,  
1172 shall prescribe, and shall require the submission of such information and data as the office deems  
1173 reasonably necessary for the proper evaluation and administration of the application, including,  
1174 but not limited to, information about the applicant, the applicant's business partners, the live  
1175 stage musical or theatrical production or tour for which an initial theater production certification  
1176 is being sought, the qualified production facility in which the production will be presented and  
1177 any plans to present the production in New York's Broadway or Off-Broadway theater districts.  
1178 The office shall review the completed application and determine whether the production (A) will  
1179 be presented in a qualified production facility; (B) is in fact a Pre-Broadway, Pre-Off Broadway  
1180 or Broadway tour launch production; and (C) meets any other criteria the office may reasonably  
1181 require for an initial theater production certification.

1182 (ii) If the initial certification is granted, the office shall issue a notice of initial  
1183 certification of the live stage musical or theatrical production or tour to the applicant and to the  
1184 commissioner. The notice shall contain, at a minimum, (A) a unique identification number; (B) a  
1185 clear explanation that such notice provides only an initial certification, with final certification as  
1186 an eligible theater production conditional upon further review; and (C) a clear explanation that  
1187 the notice does not grant or convey any benefit, including, but not limited to the tax credit  
1188 authorized by this subsection.

1189 (10) (i) Upon completion of a live stage musical or theatrical production or tour which  
1190 has received an initial certification pursuant to paragraph (9), an applicant shall properly prepare,  
1191 sign and submit to the office a final application for an eligible theater production certificate. The  
1192 final application shall, at a minimum, contain a cost report and an accountant's certification,  
1193 which shall be a certification of the accuracy of all information included in the cost report,  
1194 signed by an individual authorized to engage in the practice of public accountancy in the  
1195 commonwealth. If the office determines that the production is in fact an eligible theater  
1196 production and meets all other requirements of this subsection for an eligible theater production  
1197 certificate, it shall forward a copy of such certificate, along with the final application, to the  
1198 commissioner.

1199 (ii) The commissioner shall review the office's awarding of an eligible production  
1200 certificate pursuant to clause (i). Upon approval of said certificate, the commissioner shall  
1201 certify those payroll and production and performance expenditures for which the applicant may  
1202 receive the tax credit pursuant to this subsection, and calculate the amount of said credit. The

1203 commissioner shall then issue to the applicant: (A) an eligible theater production certificate, and  
1204 (B) a certificate stating the amount of the tax credit allowed pursuant to this subsection, each of  
1205 which shall reference the unique identification number issued pursuant to paragraph (9). The  
1206 commissioner may rely, without independent investigation, upon the accountant's certification  
1207 for the purposes of confirming the accuracy of the information provided in the cost report and  
1208 calculating the amount of said credit. The commissioner shall complete the review and, when  
1209 applicable, issue the certificates required by this subsection within 30 days of the date of receipt  
1210 of the eligible production certificate from the office.

1211 (11)(i) An eligible theater production certificate may be revoked by the office, after an  
1212 independent investigation and determination that representations made by an applicant in either  
1213 the initial certification process or final certification process are materially at variance with the  
1214 conduct of the applicant following certification pursuant to paragraph (9) or (10).

1215 (ii) Revocation shall take effect on the first day of the taxable year in which the office  
1216 determines that a material variance commenced. The commissioner shall, as of the effective date  
1217 of the revocation, disallow any credit allowed pursuant to this subsection. The amount of any  
1218 credit improperly provided shall be added back as additional taxes due in the year in which the  
1219 credit was first allowed; provided, however, that in the event that the credit has been transferred  
1220 pursuant to paragraph (7), the additional taxes shall be assessed against the original applicant for,  
1221 and recipient of, the credit and shall not be assessed against any transferee.

1222 (12) The Massachusetts office of travel and tourism, in consultation with the  
1223 commissioner, shall promulgate such rules and regulations in accordance with, and necessary for  
1224 the administration of, this subsection, which shall include regulations to recapture the value of  
1225 any tax credit allowed.

1226 SECTION 43. Section 38BB of said chapter 63, as so appearing, is hereby amended in  
1227 line 43 by striking out the figure \$5,000,000 and inserting in place thereof the following figure:-  
1228 \$10,000,000.

1229 SECTION 44. Said section 38BB of chapter 63, as so appearing, is hereby further  
1230 amended in line 48 by striking the figure \$5,000,000 and inserting in place thereof the following  
1231 figure:- \$10,000,000.

1232 SECTION 45. Section 38N of chapter 63, as so appearing, is hereby amended by striking  
1233 out the first paragraph of subsection (a) and inserting in place thereof the following paragraph:-

1234 (a) A corporation subject to tax under this chapter that participates in a certified project,  
1235 as defined in sections 3A and 3F of chapter 23A, may take a credit against the excise imposed by  
1236 this chapter to the extent authorized by the economic assistance coordinating council established  
1237 by section 3B of said chapter 23A, in an amount not to exceed 50 per cent of such liability in a  
1238 taxable year; provided, however, that the 50 per cent limitation shall not apply if the credit is

1239 refundable under subsection (b): (i) for certified expansion projects and certified enhanced  
1240 expansion projects, as defined in said sections 3A and 3F of said chapter 23A, an amount up to  
1241 10 per cent; (ii) for certified manufacturing retention projects, as defined in said sections 3A and  
1242 3F of said chapter 23A, an amount up to 40 per cent of the cost of any property that would  
1243 qualify for the credit allowed by section 31A if the property were purchased by a manufacturing  
1244 corporation or a business corporation engaged primarily in research and development and is used  
1245 exclusively in a certified project, as defined in said sections 3A and 3F of said chapter 23A; and,  
1246 (iii) for certified job creation projects, as defined in said sections 3A and 3F of said chapter 23A,  
1247 an amount up to \$1,000 per job created, or up to \$5,000 per job created in a gateway  
1248 municipality as defined by section 3A of chapter 23A; provided, however, that the total award  
1249 per project shall be no more than \$1,000,000; and further provided that a credit under this clause  
1250 (iii) shall be allowed only for the year subsequent to that in which the jobs are created. A lessee  
1251 may be eligible for a credit under this subsection for real property leased under an operating  
1252 lease.

1253 SECTION 46. Said section 38N of chapter 63, as so appearing, is further amended by  
1254 striking out the second to last sentence of the fourth paragraph of subsection (a) and inserting in  
1255 the place thereof :-

1256 To the extent applicable, subsection (2) of section 3F of said chapter 23A shall apply to  
1257 tax benefits awarded under this section.

1258 SECTION 47. Said section 38N of chapter 63, as so appearing, is hereby further amended  
1259 by striking out subsection (b) and inserting in place thereof the following subsection:-

1260 (b) If a credit allowed under clauses (ii) and (iii) of subsection (a) for certified  
1261 manufacturing retention projects and certified job creation projects exceeds the tax otherwise due  
1262 under this chapter, 100 per cent of the balance of such credit may, at the option of the taxpayer  
1263 and to the extent authorized pursuant to the economic assistance coordinating council, be  
1264 refundable to the taxpayer for the taxable year in which qualified property giving rise to that  
1265 credit is placed in service, in the case of a manufacturing retention project, or for the taxable year  
1266 subsequent to the year in which the required jobs are added, in the case of a job creation project.  
1267 If such credit balance is refunded to the taxpayer, the credit carryover provisions of subsection  
1268 (d) shall not apply. The amount of credit eligible to be refunded shall be determined without  
1269 regard to the limitations in subsections (a) and (c).

1270 SECTION 48. Said chapter 63 is hereby amended by striking out section 38O, as so  
1271 appearing, and inserting in place thereof the following section:-

1272 38O. A corporation whose excise under this chapter is based on net income may, in  
1273 determining such net income, deduct an amount equal to 10 per cent of the cost of renovating an  
1274 abandoned building that is either located within an economic target area as defined by section 3A  
1275 of chapter 23A, or part of a certified project as defined by section 3A of chapter 23A.

1276 SECTION 49. Chapter 63 of the General Laws, as appearing in the 2012 Official  
1277 Ediction, is further amended by adding after section 38FF the following section:-

1278 Section 38GG. (a) There shall be a Massachusetts angel investor tax credit.

1279 (b) As used in this subsection, the following words shall have the following  
1280 meanings:

1281 “Business”, a profession, sole proprietorship, trade partnership, corporation, general  
1282 partnership, limited liability company, limited partnership, joint venture, business trust, public  
1283 benefit corporation, non-profit entity or other business entity.

1284 “Gateway municipality”, a gateway municipality as defined in section 3A of chapter 23A.

1285 “Qualifying business”, a business which: (a) has its principal place of business in the  
1286 commonwealth; (b) has at least 50 per cent of its employees located in the business’s principal  
1287 place of business; (c) has a fully developed business plan that includes all appropriate long and  
1288 short term forecasts and contingencies of business operations, including research and  
1289 development, profit, loss and cash flow projections and details of angel investor funding; (d)  
1290 employs 20 or fewer full-time employees at the time of the taxpayer investor’s initial qualifying  
1291 investment as provided for in paragraph (3); (e) has a Massachusetts tax identification number;  
1292 and (f) has gross revenues equal to or less than \$500,000 in the fiscal year prior to eligibility.

1293 “Qualifying investment”, an investment that is at risk and not secured or guaranteed;  
1294 provided, however, that a qualifying investment shall not include venture capital funds, hedge  
1295 funds and commodity funds with institutional investors, or investments in a business involved in  
1296 retail, real estate, professional services, gaming, or financial services.

1297 “Taxpayer investor”, accredited investors, as defined by the United States Securities and  
1298 Exchange Commission pursuant to section 2(15)(ii) of the Securities Act of 1933, 15 U.S.C.  
1299 section 77b(15)(ii), and who is not the principal owner of the qualifying business who is  
1300 involved as a full-time professional activity.

1301 (3) A taxpayer investor who makes a qualifying investment in a qualifying business  
1302 shall be allowed a credit against the taxes imposed by this chapter in an amount equal to 20 per  
1303 cent of the amount of the taxpayer’s qualifying investment. A taxpayer investor who makes a  
1304 qualifying investment in a qualifying business with its principal place of business located in a  
1305 gateway municipality shall be allowed a credit against the taxes imposed by this chapter in an  
1306 amount equal to 30 per cent of the amount of the taxpayer’s qualifying investment. Taxpayer  
1307 investors may invest up to \$125,000 per qualifying business per year with a \$250,000 maximum  
1308 for each qualifying business. The total of all tax credits available to a taxpayer investor under  
1309 this section shall not exceed \$50,000 in any 1 tax year.

1310 (4) Qualifying investments may be used by a qualifying business for the following  
1311 purposes: (a) capital improvements; (b) plant equipment; (c) research and development; and (d)  
1312 working capital. Qualifying investments shall not be used to: pay dividends, fund or repay  
1313 shareholders' loans, redeem shares, repay debt, or pay wages or other benefits of the taxpayer  
1314 investor.

1315 (5) The credits allowed under paragraph (3) may be taken against income tax due in  
1316 either the tax year of the initial investment or in any of the 3 subsequent taxable years. Any  
1317 amount of the tax credit that exceeds the tax due for a taxable year may be carried forward by the  
1318 taxpayer investor to any of the 3 subsequent taxable years. If the qualifying business ceases to  
1319 have its principal place of business in Massachusetts within such 3 year period, the taxpayer  
1320 investor shall not claim any further credits and must repay the total amount of credits claimed to  
1321 the commonwealth.

1322 (6) The commissioner of revenue, in consultation with the executive office of housing  
1323 and economic development, shall authorize annually, for the 2 year period beginning January 1,  
1324 2015, and ending December 31, 2018, an amount not to exceed \$5,000,000 per year for the  
1325 credits allowed under paragraph (3).

1326 (7) The executive office of housing and economic development, in consultation with  
1327 the commissioner of revenue, shall authorize, administer and determine eligibility for the  
1328 Massachusetts angel investor tax credit and allocate the credit in accordance with the standards  
1329 and requirements as set forth in regulations promulgated pursuant to this subsection. The  
1330 executive office of housing and economic development shall allocate the total available angel  
1331 investor tax credit among as many qualified Massachusetts businesses as fiscally feasible with  
1332 the goal of creating and maintaining jobs in the commonwealth.

1333 (8) The commissioner of revenue and the executive office of housing and economic  
1334 development shall prescribe regulations necessary to carry out this subsection.

1335 (9) The executive office of housing and economic development and the office of the  
1336 commonwealth performance, accountability and transparency shall review the Massachusetts  
1337 angel investor tax credit established by this subsection and report on whether this tax credit  
1338 achieved the desired outcome and stated public policy purpose and if the tax credit is the most  
1339 cost effective means of achieving said purpose. The executive office of housing and economic  
1340 development and the office of commonwealth performance, accountability and transparency  
1341 shall file a report together with any recommendations regarding legislative changes to the  
1342 Massachusetts angel investor tax credit or whether the goals of the credit can be better served  
1343 through other fiscal means, to the governor, the clerks of the house and senate, the joint  
1344 committee on revenue, the joint committee on community development and small business and  
1345 the house and senate committees on ways and means no later than 3 years after implementation  
1346 of the credit.

1347 SECTION 50. Chapter 63 of the General Laws is hereby amended by inserting after  
1348 section 38FF the following section:-

1349 Section 38HH. (a) As used in this subsection the following words shall, unless the  
1350 context clearly requires otherwise, have the following meanings:-

1351 “Advertising and public relations expenditure”, costs incurred within the commonwealth  
1352 by an eligible theater production for goods or services related to the marketing, public relations,  
1353 creation and placement of print, electronic, television, billboards and other forms of advertising  
1354 to promote the eligible theater production.

1355 “Broadway tour launch”, a live stage production that, in its original or adaptive version,  
1356 is performed in a qualified production facility and opens its United States tour in Massachusetts.

1357 “Commissioner”, the commissioner of revenue.

1358 “Eligible theater production”, a live stage musical or theatrical production or tour being  
1359 presented in a qualified production facility that is either: (a) a Pre-Broadway production, (b) a  
1360 Pre Off-Broadway production, or (c) a Broadway tour launch; and is doing business with a  
1361 Massachusetts-based theater venue, theater company, theater presenter or producer.

1362 “Eligible theater production certificate”, a certificate issued by the Massachusetts office  
1363 of travel and tourism certifying that the production is an eligible theater production, which meets  
1364 the requirements of this subsection.

1365 “Office”, the Massachusetts office of travel and tourism.

1366 “Payroll”, all salaries, wages, fees and other compensation including, but not limited to,  
1367 taxes, benefits and any other consideration paid to, or received on behalf of employees of the  
1368 applicant for services rendered to and on behalf of an eligible theater production; provided that  
1369 “payroll” shall be directly attributable to the eligible theater production, including its pre-  
1370 production stage, and may include, but is not limited to, (i) writing the script, (ii) casting, (iii)  
1371 hiring service providers, (iv) making purchases from vendors, (v) marketing, (vi) advertising,  
1372 (vii) public relations, (viii) load in, (ix) rehearsals, (x) performances, or (xi) load out; and  
1373 provided further, that “payroll” shall be limited to the first \$100,000 paid to or received on behalf  
1374 of each employee of an eligible theater production in each taxable year.

1375 “Pre-Broadway production”, a live stage production that, in its original or adaptive  
1376 version, is performed in a qualified production facility and has a presentation scheduled for New  
1377 York City’s Broadway theater district within 12 months after its Massachusetts presentation.

1378 “Pre-Off Broadway production”, a live stage production that, in its original or adaptive  
1379 version, is performed in a qualified production facility and has a presentation scheduled for New  
1380 York City’s Off-Broadway theater district within 12 months after its Massachusetts presentation.



1381 “Production and performance expenditures”, a contemporaneous exchange of cash or  
1382 cash equivalent for goods or services related to development, production, performance or  
1383 operating expenditures incurred within the commonwealth by an applicant on behalf of an  
1384 eligible theater production, including, but not limited to, expenditures for design, construction  
1385 and operation, including sets, special and visual effects, costumes, wardrobes, make-up and  
1386 accessories, sound, lighting and staging, transportation expenditures, advertising and public  
1387 relations expenditures, facility costs, rentals, per diems, accommodations and other related costs;  
1388 provided that payroll expenditures shall not be considered production and performance  
1389 expenditures.

1390 “Qualified production facility”, a facility located within the commonwealth, in which live  
1391 theatrical productions are, or are intended to be, exclusively presented, and which contains at  
1392 least 1 stage, a seating capacity of 600 or more seats, and dressing rooms, storage areas and other  
1393 ancillary amenities necessary for the presentation of an eligible theater production.

1394 “Transportation expenditures”, expenditures for the packaging, crating and transportation  
1395 of sets, lighting, sound equipment, costumes, wardrobes, make-up or any other tangible  
1396 performance or production-related equipment, property or materials, which are either: (i)  
1397 manufactured outside of the commonwealth and transported into the commonwealth for use in an  
1398 eligible theater production, or (ii) manufactured within the commonwealth and transported  
1399 outside of the commonwealth after use in an eligible theater production. “Transportation  
1400 expenditures” shall also include expenditures for transporting the cast and crew of an eligible  
1401 theater production both into and out of commonwealth, which are incurred within the  
1402 commonwealth.

1403 (b) There shall be established a live theater tax credit program under which a  
1404 taxpayer engaged in the production of an eligible theater production may be eligible. The credit  
1405 may be claimed against the taxes due pursuant to this chapter. The purpose of the credit shall be  
1406 to support the expansion of pre-Broadway and pre-Off Broadway live theater and Broadway tour  
1407 launches and to promote the development and growth of live theater in the commonwealth.

1408 (c) A taxpayer that receives an eligible theater production certificate shall be allowed  
1409 a tax credit equal to 35% of the total payroll expenditures attributable to employees who reside in  
1410 Massachusetts, 25% of the total payroll expenditures attributable to employees who do not reside  
1411 in Massachusetts, and 25% of the total production and performance expenditures for the eligible  
1412 theater production, when the total production budget of the eligible theater production is equal to  
1413 or greater than \$100,000; provided, that such credits shall only be allowable for production costs  
1414 certified by the commissioner and directly attributable to activities in the commonwealth and  
1415 transportation expenditures; and provided further, that no amount of state funds, state loans or  
1416 state guaranteed loans received by the taxpayer shall be included for the purposes of calculating  
1417 any costs, budget or credits pursuant to this subsection.

1418 (d) The total cumulative value of the tax credit authorized pursuant to this section and  
1419 subsection (t) of section 6 of chapter 63 shall not exceed \$3,000,000 annually.

1420 (e) The tax credit authorized pursuant to this subsection shall be allowed against the  
1421 taxes due for the taxable year in which the credit is earned. Any amount of the credit that  
1422 exceeds the taxes due for a taxable year may be carried forward by the taxpayer for not more  
1423 than 5 subsequent taxable years, as reduced from year to year.

1424 (f) Credits allowed to any pass-through tax entity shall be passed through  
1425 respectively to persons designated as partners, members or owners of such entities on a pro rata  
1426 basis or pursuant to an executed agreement among such persons documenting an alternate  
1427 distribution method without regard to their sharing of other tax or economic attributes of such  
1428 entity.

1429 (g) All or any portion of the tax credits issued in accordance with this subsection  
1430 may be transferred, sold, assigned or otherwise conveyed to other taxpayers with a tax liability  
1431 under this chapter or chapter 62. A transferee may carry forward any amount of the tax credit  
1432 that exceeds the tax due for a taxable year for not more than 5 taxable years following the  
1433 original recipient's receipt of the credit. A transferor shall perfect a transfer by notifying the  
1434 commissioner, in writing, within 30 calendar days following the effective date of the transfer and  
1435 shall provide any information as may be required by the commissioner to administer and carry  
1436 out this subsection.

1437 (h) Any assignment or sales proceeds received by a transferor for an assignment or  
1438 sale of a tax credit pursuant to subsection (g) shall be exempt from taxation pursuant to this  
1439 chapter.

1440 (i) (1) Prior to the debut performance of a live stage musical or theatrical production  
1441 or tour, an applicant for the tax credit authorized by this subsection shall properly prepare, sign  
1442 and submit to the office an application for initial certification of the theater production. The  
1443 application shall be in such form as the office, in consultation with the department of revenue,  
1444 shall prescribe, and shall require the submission of such information and data as the office deems  
1445 reasonably necessary for the proper evaluation and administration of the application, including,  
1446 but not limited to, information about the applicant, the applicant's business partners, the live  
1447 stage musical or theatrical production or tour for which an initial theater production certification  
1448 is being sought, the qualified production facility in which the production will be presented and  
1449 any plans to present the production in New York's Broadway or Off-Broadway theater districts.  
1450 The office shall review the completed application and determine whether the production (i) will  
1451 be presented in a qualified production facility; (ii) is in fact a Pre-Broadway, Pre-Off Broadway  
1452 or Broadway tour launch production; and (iii) meets any other criteria the office may reasonably  
1453 require for an initial theater production certification.

1454           (2) If the initial certification is granted, the office shall issue a notice of initial  
1455 certification of the live stage musical or theatrical production or tour to the applicant and to the  
1456 commissioner. The notice shall contain, at a minimum, (i) a unique identification number; (ii) a  
1457 clear explanation that such notice provides only an initial certification, with final certification as  
1458 an eligible theater production conditional upon further review; and (iii) a clear explanation that  
1459 the notice does not grant or convey any benefit, including, but not limited to the tax credit  
1460 authorized by this subsection.

1461           (j)     (1) Upon completion of a live stage musical or theatrical production or tour which  
1462 has received an initial certification pursuant to subsection (i), an applicant shall properly prepare,  
1463 sign and submit to the office a final application for an eligible theater production certificate. The  
1464 final application shall, at a minimum, contain a cost report and an accountant's certification,  
1465 which shall be a certification of the accuracy of all information included in the cost report,  
1466 signed by an individual authorized to engage in the practice of public accountancy in the  
1467 commonwealth. If the office determines that the production is in fact an eligible theater  
1468 production and meets all other requirements of this subsection for an eligible theater production  
1469 certificate, it shall forward a copy of such certificate, along with the final application, to the  
1470 commissioner.

1471           (2) The commissioner shall review the office's awarding of an eligible production  
1472 certificate pursuant to paragraph (1). Upon approval of said certificate, the commissioner shall  
1473 certify those payroll and production and performance expenditures for which the applicant may  
1474 receive the tax credit pursuant to this subsection, and calculate the amount of said credit. The  
1475 commissioner shall then issue to the applicant: (i) an eligible theater production certificate, and  
1476 (ii) a certificate stating the amount of the tax credit allowed pursuant to this subsection, each of  
1477 which shall reference the unique identification number issued pursuant to subsection (i). The  
1478 commissioner may rely, without independent investigation, upon the accountant's certification  
1479 for the purposes of confirming the accuracy of the information provided in the cost report and  
1480 calculating the amount of said credit. The commissioner shall complete the review and, when  
1481 applicable, issue the certificates required by this subsection within 30 days of the date of receipt  
1482 of the eligible production certificate from the office.

1483           (k)(1) An eligible theater production certificate may be revoked by the office, after an  
1484 independent investigation and determination that representations made by an applicant in either  
1485 the initial certification process or final certification process are materially at variance with the  
1486 conduct of the applicant following certification pursuant to subsection (i) or (j).

1487           (2) Revocation shall take effect on the first day of the taxable year in which the office  
1488 determines that a material variance commenced. The commissioner shall, as of the effective date  
1489 of the revocation, disallow any credit allowed pursuant to this subsection. The amount of any  
1490 credit improperly provided shall be added back as additional taxes due in the year in which the  
1491 credit was first allowed; provided, however, that in the event that the credit has been transferred

1492 pursuant to subsection (g), the additional taxes shall be assessed against the original applicant  
1493 for, and recipient of, the credit and shall not be assessed against any transferee.

1494 (12) The Massachusetts office of travel and tourism, in consultation with the  
1495 commissioner, shall promulgate such rules and regulations in accordance with, and necessary for  
1496 the administration of, this subsection, which shall include regulations to recapture the value of  
1497 any tax credit allowed.

1498 (13) The credit authorized by this section shall only be allowed against the tax liability  
1499 of a corporation that is included in a consolidated return which qualifies for the credit. The credit  
1500 authorized by this section shall not be allowable against the tax liability of other corporations  
1501 that may join in the filing of a consolidated tax return; provided, however, that in the case of a  
1502 corporation that files a consolidated return with 1 or more other corporations with operations in  
1503 Massachusetts, the credit may be included in a consolidated return with respect to such  
1504 corporations with operations in Massachusetts only.

1505 SECTION 51. Section 1 of chapter 64H of the General Laws, as appearing in the 2012  
1506 Official Edition, is hereby amended by inserting after the definition of “Home service provider”  
1507 the following definition:-

1508 “Marine industrial park”, a multi-use complex on tidelands within a designated port area,  
1509 at which:

1510 (a) the predominant use is for water-dependent industrial purposes; in general, at least  
1511 two thirds of the park site landward of any project shoreline must be used exclusively for such  
1512 purposes;

1513 (b) spaces and facilities not dedicated to water-dependent industrial use are available  
1514 primarily for general industrial purposes; uses that are neither water-dependent nor industrial  
1515 may occur only in a manner that is incidental to and supportive of the water-dependent industrial  
1516 uses in the park, and may not include general residential or hotel facilities; and

1517 (c) any commitment of spaces and facilities to uses other than water-dependent industry  
1518 is governed by a comprehensive park plan, prepared in accordance with M.G.L. c. 30, §§ 61  
1519 through 62H, if applicable, and accepted by the department of environmental protection in a  
1520 written determination.

1521 SECTION 52. Paragraph (f) of section 6 of said chapter 64H, as so appearing, is hereby  
1522 amended by striking out, in line 49, the word “and”.

1523 SECTION 53. Paragraph (f) of section 6 of said chapter 64H, as so appearing, is hereby  
1524 amended by inserting, in line 61, after the words “such certificate” the following words:-

1525 ; and (4) any building or structure located in a Marine Industrial Park, provided that said  
1526 building or structure is used exclusively as an agricultural production, seafood processing or  
1527 seafood storage facility, notwithstanding whether such building or structure is owned by or held  
1528 in trust for the benefit of any governmental body or agency mentioned in paragraph (d) and used  
1529 exclusively for public purposes. A purchaser shall maintain records of all purchases on which  
1530 exemption is claimed under subparagraph (4). If the building or structure ceases to be used  
1531 exclusively as an agricultural production, seafood processing or seafood storage facility, use tax  
1532 shall accrue at that time to the owner of the building or structure on a portion of the sales price  
1533 on which the exemption was claimed that is proportionate to the remaining useful life of the  
1534 property as a percentage of the original useful life of such property

1535 SECTION 54. Section 110 of chapter 175 of the General Laws is amended by striking out  
1536 subsection (A) and inserting in place thereof the following:-

1537 Section 110. (A) Nothing in section one hundred and eight shall be construed to apply to  
1538 or affect or prohibit the issue of any general or blanket policy of insurance to groups, including,  
1539 but not limited to, the following:

1540 (a) any employer, whether an individual, association, co-partnership, or corporation,  
1541 or the trustees of a fund established by the employer; or

1542 (b) any municipal corporation or any department thereof not referred to in (c); or

1543 (c) any police, fire or governmental department or volunteer fire department or first  
1544 aid or civil defense or other such department; or

1545 (d) any college, school or other institution of learning, or a school district or districts  
1546 or school jurisdictional unit, or the head or principal or governing board thereof; or

1547 (e) any organization for health, recreational or military instruction or treatment; or

1548 (f) any automobile club, underwriters' corps, salvage bureau or like organization; or

1549 (g) any trade union or other association of wage workers described in section twenty-  
1550 nine; or

1551 (h) the trustees of a fund established by two or more employers in the same industry  
1552 or by one or more of such trade unions or associations of wage workers, or by one or more  
1553 employers and one or more of such trade unions or associations; or

1554 (i) any association of employers or employees in the same or related industry having  
1555 a constitution and by-laws and formed in good faith for purposes other than that of obtaining  
1556 insurance for its association members and employees, under which the officers, members of the  
1557 union or unions, or of the association or associations, or employees of the employer or  
1558 employers, or classes or departments thereof, or the students or patients thereof, as the case may

1559 be, are insured against loss or damage from disease or specified accidental bodily injuries, or  
1560 death caused by such injuries, contracted or sustained while exposed to the hazards of the  
1561 occupation, the course of instruction or treatment, or otherwise, for a premium intended to cover  
1562 the risks of all persons insured under such policy; or

1563 (j) a bank, association, financial or other institution, vendor, or to a parent holding  
1564 company, or to the trustee, trustees or agent designated by one or more banks, associations,  
1565 financial or other institutions, or vendors under which debtors, guarantors or purchasers are  
1566 insured against loss of time resulting from disease or specified bodily injuries, in an amount with  
1567 respect to each obligation not to exceed the lesser of the total of the scheduled payments on the  
1568 obligation, or \$125,000 of principal obligation plus finance charges; provided, however, that no  
1569 person shall be insured under any said policy for a period of more than fifteen years with respect  
1570 to each said obligation; provided, further, that where the coverage is for less than the full amount  
1571 of said obligation, the periodic benefit payment shall cover either the full amount of each  
1572 periodic payment on said obligation or the maximum periodic benefit set forth in said policy  
1573 until the maximum aggregate benefit of said policy is reached; and provided, further, that said  
1574 \$125,000 limitation and said fifteen year period limitation contained in this clause shall not apply  
1575 to said insurance for which no identifiable charge is made to the debtor, co-debtor or guarantor;  
1576 or

1577 (k) an incorporated or unincorporated religious, charitable, recreational, educational  
1578 or civic organization, or branch thereof; or

1579 (l) a restaurant, hotel, motel, resort, innkeeper, or other group with a high degree of  
1580 potential customer liability; or

1581 (m) a travel agency, or other organization that arranges travel related services; or

1582 (n) a sports team, camp or sponsor thereof; or

1583 (o) a common carrier or operator, owner or lessee of a means of transportation; or

1584 (p) an incorporated or unincorporated association or persons having a common  
1585 interest or calling forms for purposes other than obtaining insurance; or

1586 (q) under a policy or contract issued to a bank, association, financial or other  
1587 institution, vendor, or to a parent holding company, or to the trustee, trustees or agent designated  
1588 by one or more banks, associations, financial or other institutions, or vendors, which shall be  
1589 deemed the policyholder, covering accountholders, debtors, guarantors, or purchasers.

1590 (r) any other risk or class of risks which, in the discretion of the Commissioner, may  
1591 be properly eligible for a general or blanket policy. The discretion of the Commissioner may be  
1592 exercised on an individual risk basis or class of risks, or both. Any general or blanket policy  
1593 which qualifies as creditable coverage pursuant to chapter 111M and is delivered or issued for

1594 delivery in the commonwealth, and any certificate and the schedule of premium charges issued  
1595 in connection with such policy, shall be furnished to the commissioner upon his request. Any  
1596 such policy on which the premiums are paid by the policyholder wholly from the employer's  
1597 funds or funds contributed by him, insuring all eligible employees, shall be deemed a general or  
1598 blanket policy within the meaning of this section. Any such policy on which the premiums are  
1599 paid by the policyholder, either partly from the employer's funds or funds contributed by him  
1600 and partly from funds contributed by the insured employees, or wholly from funds contributed  
1601 by the insured employees, and the benefits of which are offered to all eligible employees, and  
1602 insuring not less than seventy-five per cent of such employees or not less than eight thousand of  
1603 such employees who are principally employed within the commonwealth, or the members of an  
1604 association of such employees if the members so insured constitute not less than seventy-five per  
1605 cent of all eligible employees or not less than eight thousand of such employees who are  
1606 principally employed within the commonwealth, shall be deemed a general or blanket policy  
1607 within the meaning of this section. Any general or blanket policy which does not qualify as  
1608 creditable coverage pursuant to chapter 111M and is delivered or issued for delivery in the  
1609 commonwealth, and any certificate and the schedule of premium charges issued in connection  
1610 with that policy, shall be furnished to the commissioner upon request thereby. Any such policy  
1611 on which the premiums are paid by the policyholder wholly from the employer's funds or funds  
1612 contributed by him, insuring all eligible employees, shall be considered a general or blanket  
1613 policy within the meaning of this section. Any such policy on which the premiums are paid by  
1614 the policyholder, either partly from the employer's funds or funds contributed by him and partly  
1615 from funds contributed by the insured employees, or wholly from funds contributed by the  
1616 insured employees, and the benefits of which are offered to all eligible employees shall be  
1617 considered a general or blanket policy within the meaning of this section. A policy which  
1618 qualifies as creditable coverage pursuant to chapter 111M and on which the premiums are paid  
1619 by the trustees of a fund, established as described in clause (h) of this subdivision, wholly from  
1620 funds contributed by the employer or employers of the employees, or by the union or association,  
1621 or by the union or associations, or by both, or the premiums on which are paid by such trustees  
1622 partly from such funds contributed by the employer or employers of the employees, or by the  
1623 union or unions or association or associations, or both, and partly from funds contributed by the  
1624 insured persons specifically for their insurance, and insuring all employees of the employer or  
1625 employers and/or all the members of the union or unions or association or associations, or all of  
1626 any class or classes thereof determined by conditions pertaining to their employment, or to  
1627 membership in the union or unions, or association or associations, or to both, or a policy issued  
1628 to the trustees of a fund established by one or more employers and one or more such trade unions  
1629 or associations, the premiums on which are paid by such trustees partly from such funds  
1630 contributed by the employers, unions or associations, or both, and partly from funds contributed  
1631 by the insured persons specifically for their insurance, and the benefits of which are offered to all  
1632 eligible persons, and insuring not less than seventy-five per cent of such eligible employees of  
1633 the employer or employers or of such eligible members of the union or unions or association or

1634 associations, who remit funds for premium payments to the trustees, shall also be deemed a  
1635 general or blanket policy within the meaning of this section. A policy which does not qualify as  
1636 creditable coverage pursuant to chapter 111M and on which the premiums are paid by the  
1637 trustees of a fund, established as described in clause (h), wholly from funds contributed by the  
1638 employer or employers of the employees, or by the union or association, or by the unions or  
1639 associations, or by both, or on which the premiums are paid by the trustees partly from funds  
1640 contributed by the employer or employers of the employees, or by the union or unions or  
1641 association or associations, or both, and partly from funds contributed by the insured persons  
1642 specifically for their insurance, and insuring all eligible employees of the employer or employers  
1643 or all the eligible members of the union or unions or association or associations, or all eligible  
1644 employees or members of any class or classes thereof determined by conditions pertaining to  
1645 their employment, or to membership in the union or unions, or association or associations, or to  
1646 both, or such a policy on which the premiums are paid by the trustees partly or wholly from  
1647 funds contributed by the insured persons specifically for their insurance the benefits of which are  
1648 offered to all eligible employees of the employer or employers or all eligible members of the  
1649 union or unions or association or associations, or all eligible employees or members of any class  
1650 or classes thereof determined by conditions pertaining to their employment, or to membership in  
1651 the union or unions, or association or associations, or to both, or such a policy issued to the  
1652 trustees of a fund established by 1 or more employers and 1 or more trade unions or associations,  
1653 the premiums on which are paid by the trustees partly from funds contributed by the employers,  
1654 unions or associations, or both, and partly or wholly from funds contributed by the insured  
1655 persons specifically for their insurance, and the benefits of which are offered to all eligible  
1656 persons, who remit funds for premium payments to the trustees, shall also be considered a  
1657 general or blanket policy within the meaning of this section. In the case of a policy which does  
1658 not qualify as creditable coverage pursuant to chapter 111M and which is issued to a trade union  
1659 or association under clause (g) on which the premiums are to be paid by the trade union or  
1660 association, or the trade union, association and its members jointly, or wholly by its members,  
1661 and the benefits of the policy are offered to all eligible members, shall also be considered a  
1662 general or blanket policy within the meaning of this section. In case of a policy which qualifies  
1663 as creditable coverage pursuant to chapter 111M and is issued to a trade union or association  
1664 under clause (g) of this subdivision on which the premium is to be paid by the trade union or  
1665 association and its members jointly, or by its members, and the benefits of the policy are offered  
1666 to all eligible members, not less than seventy-five per cent or not less than eight thousand of such  
1667 members principally employed within the commonwealth may be so insured. In any general or  
1668 blanket policy issued under clause (a) of this subdivision, the word "employees" may include the  
1669 officers, managers and employees of subsidiary or affiliated corporations, and the individual  
1670 proprietors, partners and employees of affiliated individuals and firms, if the business of the  
1671 employer and of such subsidiary or affiliated corporations, firms or individuals is under common  
1672 control, through stock ownership, contract or otherwise. Any general or blanket policy issued  
1673 under this section may provide that the term "employees" shall include retired employees, former



1674 employees, the partners or individual proprietors, if an employer is a partnership or an individual  
1675 proprietor, and if such partners or proprietors are actively engaged in and devote a substantial  
1676 part of their time to the conduct of the business of the proprietor or partnership; and the trustees  
1677 or their employees, or both, if their duties are principally connected with such trusteeship.

1678 SECTION 55. Section 171 of chapter 240 of the acts of 2010 is hereby amended by  
1679 striking out, in lines 4 and 5, the words “\$50,000,000 and not more than \$100,000,000 in banks  
1680 or financial institutions” and inserting in place thereof the following words:- \$100,000,000 and  
1681 not more than \$150,000,000 in banks, financial institutions or other investment funds

1682 SECTION 56. The Massachusetts technology collaborative, hereinafter referred to as  
1683 “the collaborative,” shall, subject to appropriation, serve as the state agent in support of the  
1684 objectives of the Massachusetts computing attainment network, hereinafter referred to as  
1685 MassCAN; provided, that the primary goal of MassCAN shall be to strengthen the growth and  
1686 vitality of the state’s technology industry and the many technology dependent business sectors  
1687 by implementing a broad-based education and workforce strategy to increase the number of  
1688 Massachusetts students prepared to pursue computing technology careers. In furtherance of this  
1689 goal, MassCAN shall promote an environment where all kindergarten through grade 12 students  
1690 have access to computer science courses that will prepare and inspire them to effectively  
1691 participate and innovate in a computing intensive world; provided, that MassCAN’s actions may  
1692 include, but not be limited to, promoting the development and implementation of educational  
1693 programs, courses and modules for kindergarten through grade 12 students and teachers;  
1694 collaborating with the Massachusetts department of elementary and secondary education in  
1695 developing new voluntary kindergarten through grade 12 computer science standards;  
1696 collaborating with the Massachusetts department of higher education to create computer science  
1697 professional development hubs at universities in each of 8 STEM regional networks; developing  
1698 a school district-based program to assist teachers and administrators with the implementation of  
1699 new computer science courses; developing and maintaining a website to share computer science  
1700 resources and broadly communicate best practices and successes; connecting computer science  
1701 students with industry professionals to enhance students’ understanding of the relevance of their  
1702 educational experience to the workplace and STEM career opportunities; identifying the  
1703 particular needs of school districts with disproportionately high numbers of underrepresented  
1704 minorities; and leveraging non-state sources of funding; and provided further, said activities shall  
1705 be guided by the MassCAN Advisory Board which shall be comprised of representatives of the  
1706 higher education, kindergarten through grade 12 education, business and non-profit  
1707 communities.

1708 SECTION 57. Notwithstanding any general or special law to the contrary, the  
1709 Massachusetts development finance agency established in chapter 23G shall conduct an  
1710 investigation and study of the viability, fiscal impact, potential benefits, statutory and regulatory  
1711 barriers and anticipated results of establishing a Massachusetts designated port area fund in order  
1712 to make loans for the design, construction, repair, renovation, rehabilitation or other capital

1713 improvement of existing commercial and marine industrial infrastructure in designated port  
1714 areas, as defined by 301 CMR 25.02. The Massachusetts development finance agency shall  
1715 expend the funds necessary to conduct this investigation and study. The purpose of the fund is to  
1716 promote and facilitate commercial and marine industrial development in the commonwealth.

1717           The study shall include, but not be limited to: (1) the feasibility of establishing a  
1718 Massachusetts designated port area fund to aid and finance public and privately held commercial  
1719 and marine industrial properties located in designated port areas; (2) an assessment of existing  
1720 designated port area infrastructure; (3) an evaluation of the barriers to growth and development  
1721 in designated port areas; (4) the impact of designated port areas on the commercial fishing  
1722 industry; (5) the formation of a strategic plan to encourage and facilitate future commercial and  
1723 industrial development in designated port areas; (6) the formation of a strategic plan to address  
1724 the issue of wastewater in designated port areas; (7) an examination of the current permissible  
1725 land uses within a designated port area, and whether those uses should be expanded to include  
1726 mixed use commercial maritime activity; (8) an evaluation of potential future benefits to the  
1727 commonwealth and to property owners as a result of additional growth and development in  
1728 designated port areas; and (9) a determination of the amount of funds necessary to adequately  
1729 support the purpose of a Massachusetts designated port area fund.

1730           The Massachusetts development finance agency shall submit its report and  
1731 recommendations, together with drafts of legislation necessary to carry such recommendations  
1732 into effect, to the clerks of the house and senate who shall forward the report to the house and  
1733 senate committees on ways and means and the joint committee on economic development and  
1734 emerging technologies not later than December 31, 2014.

1735           SECTION 58. Notwithstanding and general or special law to the contrary, the executive  
1736 office of housing and economic development shall make an investigation and study into policies  
1737 and procedures needed to further a cohesive economic development strategy in regions  
1738 surrounding gateway municipalities, as defined in section 3A of chapter 23A of the general laws;  
1739 provided that particular attention shall be paid to municipalities that abut such gateway  
1740 municipalities.

1741           The investigation and study shall include, but not be limited to: (1) commonalities that  
1742 exist between the economic development needs of gateway municipalities and those of their  
1743 surrounding communities; (2) whether policies currently available within gateway municipalities  
1744 would effectively address identified economic development needs in their surrounding  
1745 communities; (3) whether such surrounding communities possess economic development needs  
1746 distinct from those of proximate gateway municipalities; (4) policies and procedures to address  
1747 the identified economic development needs of surrounding communities; and (5) policies and  
1748 procedures needed to integrate the economic development needs of gateway municipalities with  
1749 those of their surrounding communities into a single, cohesive strategy for regional economic  
1750 development.

1751           The executive office shall report to the house and senate committees on ways and means  
1752 and the joint committee on economic development and emerging technologies on the results of  
1753 its study, together with drafts of legislation necessary to carry any recommendations into effect,  
1754 by filing the report with the clerks of the senate and house of representatives not later than  
1755 December 31, 2014.

1756           SECTION 59. The executive office of housing and economic development and the office  
1757 of the commonwealth performance, accountability and transparency shall review the  
1758 Massachusetts live theater tax credits established by subsection (t) of section 6 of chapter 62 and  
1759 section 38HH of chapter 63 of the General Laws and report on whether: (i) these tax credits  
1760 achieved the desired outcome and stated public policy purposes; (ii) the tax credits are the most  
1761 cost effective means of achieving the stated public policy purposes; and (iii) the goals of the  
1762 credit can be better fiscally served through other means. The executive office of housing and  
1763 economic development and the office of commonwealth performance, accountability and  
1764 transparency shall file its report, together with any recommendations regarding legislative  
1765 changes to the Massachusetts live theater tax credit tax credits, with the governor, the clerks of  
1766 the house of representatives and senate, the joint committee on revenue, the joint committee on  
1767 economic development and emerging technologies and the house and senate committees on ways  
1768 and means no later than 3 years after the effective date of sections 42 and 50.

1769           SECTION 60. Not later than June 30, 2014, the comptroller shall transfer \$5,000,000  
1770 from the General Fund to the Housing Preservation and Stabilization Trust, established by  
1771 section 60 of chapter 121B of the General Laws.

1772           SECTION 61. Sections 39, 40, 43, and 44 of this act shall be effective for the tax year  
1773 beginning on or after January 1, 2015.

1774           SECTION 62. As of January 1, 2019, Sections 39, 40, 43 and 44 of this act are amended  
1775 by striking out the number “10,000,000” and inserting in its place the number “5,000,000”.

1776           SECTION 63 Sections 41 and 49 of this act shall be effective for the tax year beginning  
1777 on or after January 1, 2015.

1778           SECTION 64. As of January 1, 2019, Sections 41 and 49 of this act is repealed.

1779           SECTION 65. Sections 42 and 50 of this act shall shall be effective for the tax year  
1780 beginning on or after January 1, 2015.

1781           SECTION 66. As of January 1, 2021, Sections 42 and 50 of this act is repealed. No  
1782 credits shall be issued on or after January 1, 2021 unless the production has received initial  
1783 certification under either section 42 or 50 prior to January 1, 2021.