

HOUSE No. 4889

The Commonwealth of Massachusetts

**SO MUCH OF THE MESSAGE
FROM
HIS EXCELLENCY THE GOVERNOR
RETURNING THE ENGROSSED BILL RELATIVE TO ECONOMIC
DEVELOPMENT IN THE COMMONWEALTH
(SEE HOUSE, NO. 4732, amended)
AS RELATES TO SECTIONS 20 AND 62 RETURNED
WITH DISAPPROVAL
UNDER THE PROVISIONS OF
SECTION 5 OF ARTICLE LXIII
AND SECTIONS RETURNED WITH
RECOMMENDATIONS OF AMENDMENTS
UNDER THE PROVISIONS OF ARTICLE LVI
OF THE AMENDMENTS TO THE CONSTITUTION.**

August 10, 2018.

The Commonwealth of Massachusetts



CHARLES D. BAKER
GOVERNOR

KARYN POLITO
LIEUTENANT GOVERNOR

EXECUTIVE DEPARTMENT
STATE HOUSE • BOSTON 02133
(617) 725-4000

August 10, 2018.

To the Honorable Senate and House of Representatives:

Pursuant to Section 5 of Article LXIII, as amended by Article XC, Section 4 of the Amendments to the Constitution, I am today signing House Bill 4732, “An Act Relative to Economic Development in the Commonwealth,” and returning certain portions to you for reconsideration.

The capital authorizations in this legislation are vital to the continued success of our administration’s economic development plan. In particular, I am grateful to the Legislature for authorizing an additional \$250 million for the MassWorks program. MassWorks empowers municipal governments to build vital infrastructure needed for housing and job growth. Additionally, the authorization of \$75 million for the Workforce Skills Capital Grants and the establishment of the Apprenticeship Tax Credit will strengthen our economy and enrich our talent pipeline for years to come. I am proud of the partnerships our administration has built with cities and towns across the Commonwealth and am pleased that we will be able to continue investing in our communities, our innovation economy and our people through these and other programs funded by this legislation.

This legislation also features a number of policy provisions, many proposed by my administration and others added during the legislative process. Of the 72 outside sections presented in this legislation, I am signing 64, vetoing two and amending six.

I am disapproving section 20 of House Bill 4732 because it creates a new cause of action against patent owners in a manner that is not narrowly tailored and is likely to have unintended consequences for Massachusetts residents, companies and educational institutions. While I agree that states have a role to play in deterring bad faith assertions

of patent infringement outside of the context of federal patent litigation, I believe that the Legislature should revisit this topic in a future session and draft a more focused solution to this problem.

I am disapproving section 62 of House Bill 4732 because the special commission it creates is given an expansive mandate that will likely divert resources and attention from our ongoing work to ensure that all Massachusetts communities have access to broadband. We have made significant progress in finding broadband solutions for the 53 communities that were unserved when my Administration took office, but there is much work remaining to be done to implement those solutions. Until that work is complete, it is premature to engage in a discussion about whether the Commonwealth has a role in improving broadband service in communities that already have access.

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth, I am returning sections 15, 18, 57, 63, 65, and 73 with recommendations for amendment. My reasons for doing so and the recommended amendments are set forth in separate letters dated today which are included with this message as Attachments A to D, inclusive.

The remainder of this bill I approve.

Respectfully submitted,

CHARLES D. BAKER,
Governor.

The Commonwealth of Massachusetts



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— ATTACHMENT A —

August 10, 2018.

To the Honorable Senate and House of Representatives:

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth of Massachusetts, I am returning to you for amendment Sections 15, 18 and 73 of House Bill 4732, “An Act Relative to Economic Development in the Commonwealth.”

Sections 15 and 18 repeal the sections of the legislation that create the Apprenticeship Tax Credit Program. Section 73 makes sections 15 and 18 effective on January 1, 2022, only three years after the program goes into effect. I support the periodic review of tax incentive programs to ensure that they are performing effectively. However, a sunset date only three years in the future is insufficient time to make such a determination for this program, which allows taxpayers to claim credits over a period of two years. A period of five tax years is more likely to yield useful information in evaluating the effectiveness of the program.

For this reason, I recommend that the bill be amended by striking out section 15, section 18, and section 73 and replacing them, respectively, with the following language:-

SECTION 15. Subsection (v) of said section 6 of said chapter 62, added by section 14, is hereby repealed.

SECTION 18. Section 38HH of said chapter 63, inserted by section 17, is hereby repealed.

SECTION 73. Sections 15 and 18 shall take effect on January 1, 2024.

Respectfully submitted,

CHARLES D. BAKER,
Governor.

The Commonwealth of Massachusetts



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— ATTACHMENT B —

August 10, 2018.

To the Honorable Senate and House of Representatives:

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth of Massachusetts, I am returning to you for amendment Section 57 of House Bill 4732, “An Act Relative to Economic Development in the Commonwealth.”

Section 57 requires the Department of Transportation to conduct a study to determine the feasibility of increasing the width of a certain portion of Route 2. I agree that traffic congestion is a problem on this portion of Route 2, but the mandate to the Department assumes that widening the roadway is the best solution before establishing the root causes of the problem.

For this reason, I recommend that Section 57 be amended by striking out the section and inserting in place thereof the following:-

Notwithstanding any general or special law to the contrary, the Massachusetts Department of Transportation shall report on factors contributing to and possible means to alleviate traffic congestion on state highway route 2 between the town of Concord and the city of Gardner. The report shall, at a minimum, evaluate the feasibility of improving the rotary in Concord to improve traffic flow, adjustments to traffic light timing on relevant crossroads, and the feasibility of improving access and egress ramps. If an additional travel lane is determined to be a practical and effective means to alleviate congestion, the Department shall evaluate the cost

of adding a lane in either direction, including the cost of relocating crossings and exits and rebuilding existing bridges. The department shall submit the report to the clerks of the house of representatives and the senate and the joint committee on transportation not later than December 31, 2019.

Respectfully submitted,

CHARLES D. BAKER,
Governor.

The Commonwealth of Massachusetts



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— ATTACHMENT C —

August 10, 2018.

To the Honorable Senate and House of Representatives:

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth of Massachusetts, I am returning to you for amendment Section 63 of House Bill 4732, “An Act Relative to Economic Development in the Commonwealth.”

Section 63 establishes a special commission with over three dozen members to study data related to programs that provide joint support for stable housing and to increase economic self-sufficiency, to examine the impacts of cliff effects on households with low incomes and to determine ways to adjust assistance in response to changes in income, including automatic adjustments tied to minimum wage increases. I support the goals of this section. Our administration has already committed substantial public resources and done a significant amount of work exploring these topics. In order to build on the work that we have already done and ensure the study is done in an efficient manner, I suggest that rather than forming a special commission, the Legislature instead assign this task to the Department of Housing and Community Development (DHCD). DHCD has been one of the lead agencies in our administration’s efforts in this area, and is best suited to perform this task.

For these reasons, I recommend that Section 63 be amended by striking out the text and inserting in place thereof the following text:-

SECTION 63. The undersecretary of housing and community development shall, by July 31, 2019, submit to the chairs of the joint committee on children, families and persons with disabilities, the chairs of the joint committee on labor and workforce development and the clerks of the house of representatives and the senate a report on the programs in place and actions that have been taken to date to provide support for stable housing and to increase economic self-sufficiency in the commonwealth. The report shall explain the criteria that have been developed for economic mobility and financial stability programs for families and individuals with extremely low incomes, as defined by the United States Department of Housing and Urban Development, that are offered across the commonwealth. The report shall examine the impacts of cliff effects on households with low incomes and identify ways to adjust assistance in response to changes in income, including automatic adjustments tied to minimum wage increases.

Respectfully submitted,

CHARLES D. BAKER,
Governor.

The Commonwealth of Massachusetts



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— ATTACHMENT D —

August 10, 2018.

To the Honorable Senate and House of Representatives:

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth of Massachusetts, I am returning to you for amendment Section 65 of House Bill 4732, “An Act Relative to Economic Development in the Commonwealth.”

Section 65 creates a seventeen-member industrial mill building revitalization task force to stimulate the re-development, rehabilitation and revitalization of industrial mill buildings and surrounding areas by making a report and recommendations to the Legislature. I agree that we must find ways to repurpose these buildings and areas in ways that support economic development and job growth, or provide much needed additional housing in areas where housing is in short supply. Our administration is actively engaged in implementing programs designed to accomplish these goals. Accordingly, before the Legislature forms a task force to study and report on the issue, I believe the Executive Office of Housing and Economic Development should provide a detailed report to the Legislature on existing efforts in this area.

For these reasons, I recommend that Section 65 be amended by striking out the text and inserting in place thereof the following text:-

SECTION 65. The secretary of housing and economic development shall, not later than August 1, 2019, submit to the chairs of the joint committee on economic development and emerging technologies and the clerks of the house of representatives

and the senate a report on the revitalization, redevelopment and rehabilitation of industrial mill buildings and surrounding areas in the commonwealth. The report shall include: (i) a review of best practices implemented by municipalities to encourage mill redevelopment, including innovative local permitting processes; (ii) a summary of current laws, regulations and public funding programs that are beneficial to the redevelopment of mill buildings and surrounding areas; (iii) other factors that generally make a mill redevelopment project more likely to succeed; and (v) recommendations to change existing laws, regulations or funding programs to further encourage industrial mill redevelopment.

Respectfully submitted,

CHARLES D. BAKER,
Governor.

The actions taken by the Governor are delineated on this excerpt from the original parchment:—

I disapprove Sections 20 and 62.

I return for amendment, pursuant to the authority vested in me by Article 56, as amended by Article 90, Section 3, of the Amendments to the Constitution, Sections 15, 18, 57, 63, 65, and 73. The text of my recommended amendments is set forth in separate letters of this date to the Senate and House of Representatives.

The remainder of this bill I approve.

Approved, August 10, 2018

at o'clock and minutes, .M.

Charles D. Baker
Governor