

The Commonwealth of Massachusetts

PRESENTED BY:

Bud L. Williams

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act the Commonwealth housing, economic, education and equity in recovery and reconstruction.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Bud L. Williams	11th Hampden	1/14/2023

By Representative Williams of Springfield, a petition (accompanied by bill, House, No. 3131) of Bud L. Williams relative to housing, economic, education and equity in recovery and reconstruction in the Commonwealth. State Administration and Regulatory Oversight.

[SIMILAR MATTER FILED IN PREVIOUS SESSION SEE HOUSE, NO. 3248 OF 2021-2022.]

The Commonwealth of Alassachusetts

In the One Hundred and Ninety-Third General Court (2023-2024)

An Act the Commonwealth housing, economic, education and equity in recovery and reconstruction.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to address stark racial, social, and economic disparities, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public health.

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

SECTION 1. Whereas Black and Latino residents of the Commonwealth have been impacted in ways disproportionate to their respective numbers in the population; and, the disparate impacts of the coronavirus pandemic of 2020 has revealed in stark ways existing social and economic disparities, which Black and Latino residents have endured for far too long; it is the intention of the general court, during the recovery from the pandemic and after, to take meaningful actions to redress said disparities and the social and economic determinants that are at the root of them. To achieve the purposes as stated in this section and sections 2 through 8,

8	inclusive, this Act shall be known as the Commonwealth Housing, Economic, Education and
9	Equity in Recovery and Reconstruction Act or the CHEEERR ACT.
10	SECTION 2. As used in sections 2 through 13, inclusive, the following words shall,
11	unless the context clearly requires otherwise, have the following meanings:
12	"Agencies", non-profit organizations located and operating within disparately impacted
13	communities with whom the commission may enter into contracts pursuant to section 9 for the
14	operation of corps projects.
15	"Commission", the commonwealth corps commission established pursuant to section
16	"Bureau", the Massachusetts Bureau on Social and Economic Equity in Recovery and
17	Reconstruction established pursuant to section 3.
18	"Corps", the commonwealth housing, economic, education and equity in recovery and
19	reconstruction service corps or CHEEERRS corps established pursuant to section 11.
20	"Corps members", individuals who commit to no more than 24 months of full or part-
21	time service in the commonwealth service corps pursuant to section 12.
22	"Corps projects", programs established pursuant to this act to satisfy unmet community
23	needs.
24	"Disparately impacted community", shall mean (a) a defined geographic area in which
25	Black and Latino residents whose rate of infection for the coronavirus exceeds their
26	proportionate share of the population of said geographic area as of May 1, 2020; or, (b) a
27	medically underserved community or (c) low and moderate income community; or, (c) an
28	educationally disadvantaged community;

29 "Educationally disadvantaged community", shall mean a local school district in which the 30 percentage of children attending school in the district eligible for free or reduced cost lunches 31 under eligibility guidelines promulgated by the federal government under 42 USC 1758 exceeds 32 the forty percent;

33 "Low and moderate income community", a geographic area, within a city or town,
34 consisting of either (a) three or more contiguous census tracts or (b) a zip code or (c) a
35 neighborhood, in which either: (1) a majority of the households are low and moderate income
36 households as defined herein; or (2) the unemployment rate is at least 20 per cent higher than the
37 annual statewide average unemployment rate where such statewide unemployment rate is less
38 than or equal to 5 per cent; provided that, if the annual statewide average unemployment rate is
39 greater than 5 per cent, the community's unemployment rate need only be 10 per cent higher;

40 "Low and moderate income households", households which have incomes that do not
41 exceed 80 per cent of the median income for the area, with adjustments made for smaller and
42 larger families, as such median shall be determined from time to time by the Secretary of
43 Housing and Urban Development pursuant to 42 USC section 1437(a)(B)(2);

44 "Medically underserved community", shall have the same meaning as used pursuant to
45 section 799B of the Public Health Service Act (42 U.S.C. 295p); and,

46 "Small business", shall mean a business (i) owned or controlled by a Black or Latino
47 individual or individuals (ii) whose annual net revenue is less than \$5,000,000 and (iii) located in
48 a low or moderate income community.

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49 "Unmet community needs", needs including, but not limited to, those pertaining to
50 education, public health, public safety, the environment and other human needs in underserved
51 populations in disparately impacted communities in the commonwealth.

52 SECTION 3. (a) There shall be a Massachusetts bureau on social and economic equity in 53 recovery and reconstruction, in this section and in sections 4 through 15, inclusive, called the 54 bureau. Said bureau shall consist of an administrator and an advisory council, as described in 55 section 15. The administrator shall be appointed by the governor pursuant to paragraph (b), shall 56 serve a term of five years, and shall be removed only for cause. Notwithstanding the foregoing, 57 the administrator shall be eligible for reappointment to an additional five-year term.

58 (b) The administrator shall be appointed by the governor and shall serve a term of five 59 years; provided that in making said appointment, the governor shall choose the administrator 60 from a list of three candidates presented to the governor from a committee, consisting of seven 61 individuals comprised as follows: one member appointed to be appointed by the governor, two 62 members to be appointed by the speaker of the house of representatives, one member to be 63 appointed by the minority leader of the house of representatives, two members to be appointed 64 by the senate president, and one member to be appointed by the senate minority leader; provided 65 further, that said all said appointments shall be made within thirty days of passage of this Act.

66 (c) The position of administrator shall be classified in accordance with section forty-five 67 of chapter thirty, and the salary shall be determined in accordance with section forty-six C of 68 said chapter thirty. The administrator shall devote his or her full time during business hours to 69 the duties of the office. 70 (d) The administrator shall, with the advice of the advisory council, have sole charge of 71 the supervision and administration of the office. The administrator may, subject to fiscal 72 resources available to support the operations of the bureau, employ and remove such assistant 73 administrators and other employees and consultants as administrator may deem necessary to 74 enable the performance of the functions of the bureau; provided that not more than ten percent of 75 said resources shall be expended on staff in any fiscal year. The provisions of chapter thirty-one 76 and section nine A of chapter thirty shall not apply to the administrator or to such assistant 77 administrators and consultants as may be appointed. In making such appointments, the 78 administrator shall hire individuals who reflect the racial, ethnic and gender make-up of 79 disparately impacted communities.

80 SECTION 4. Subject to the advice of the advisory council, the administrator may apply 81 for and accept on behalf of the commonwealth any federal, local or private grants of money or 82 property, whether real or personal, from any source, whether public or private, bequests, gifts or 83 contributions to aid in the financing of any of the programs or policies of the bureau. Such funds 84 shall be received by the state treasurer on behalf of the commonwealth and deposited in a 85 separate account and shall be expended under the direction of the administrator.

86 SECTION 5. The bureau, in fulfillment of its purposes, shall have the following duties87 and functions:

(a) to administer and manage the Commonwealth Health, Economic, Education, and
Equity Recovery and Reconstruction Fund, established pursuant to section 2DDDDD of chapter
29, and to effectuate the purposes of the bureau as outlined in this section and in sections 4
through 14, inclusive.

(b) to identify, analyze, evaluate and monitor public policies, programs, services and
regulations promulgated by state agencies (i) in response to recovery efforts pursued in response
to the Covid-19 pandemic and (ii) in the course of state agency activity; provided that a
particular focus shall be on the affect said policies, programs, services or regulations may have
or are likely to have on persons residing in disparately impacted communities. In addition, the
bureau shall have the following specific functions:

98 (i) to identify and recommend to the secretary of housing and community development 99 and to the director of the department of business and technology sources of state, federal and 100 private funds which are available to mitigate, or can be used to mitigate, the disparate access to 101 capital and technical assistance available to small businesses owned or operated by individuals 102 who reside in disparately impacted communities; (ii) to identify and recommend to the 103 undersecretary for housing and community development and public instrumentalities with the 104 department of housing and community development sources of state, federal and private funds 105 which are available to mitigate, or can be used to mitigate, the disparate access to affordable and 106 adequate housing on the part of individuals and households who reside in disparately impacted 107 communities; (iii) to identify and recommend to the commissioner of public health sources of 108 state, federal and private funds which are appropriated or otherwise are available to mitigate, or 109 can be directed to mitigate, existing and emerging disparate incidences of illness and disease 110 experienced by individuals and households who reside in disparately impacted communities; 111 provided that in mitigating such incidences, the commissioner of public health shall expend said 112 monies in a manner proportionate to the prevalence of said diseases and illnesses among racial 113 and ethnic minorities; provided further, that the administrator may consult with the office of 114 health equity as necessary and appropriate to effect the purposes of this subsection; (iv) to

identify and recommend to the commissioner of elementary and secondary education sources of state, federal and private funds which are appropriated or otherwise available to mitigate, or can be utilized to mitigate, disparate access to and outcomes in educational instruction and programs experienced by students attending schools in disparately impacted communities;

119 (c) to set aside an amount not less than fifty million dollars to implement innovative and 120 strategic re-entry programs targeted to returning citizens, as such term is defined in section ; 121 provided, that in implementing said innovative and strategic re-entry programs, the bureau is 122 hereby authorized to enter into grants, not to exceed five hundred thousand per annum, with 123 nonprofit organizations with a demonstrated track record of assisting returning citizens in 124 integrating back into the community; provided further, that the bureau is hereby authorized to 125 undertake, solely or in conjunction with state agencies, public instrumentalities, municipalities in 126 which disparately impacted communities are located or nonprofits located in disparately 127 impacted communities the following activities:

(i) the development and implementation of family resource and reunification centers innumerous quadrants of a disparately impacted community;

(ii) the development and implementation of community-led or neighborhood based, longterm substance use treatment services dispersed in numerous locations throughout a disparately
impacted community;

(iii) the development and implementation of community-led counseling servicesdispersed in locations throughout a disparately impacted community;

(iv) the development and implementation of transitional to permanent housing forreturning citizens; and,

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(v) the development and implementation of community-led post incarceration support to
replace parole and probation In fulfillment of paragraphs (a) and (b), the bureau is hereby
authorized to contract with or provide grant funding to individuals, organizations, corporations,
associations or nonprofit organizations located in disparately impacted communities to carry out
the purpose and functions of the bureau. In fulfillment of paragraphs (a), (b) and (c), the
administrator shall establish and promulgate public guidelines to govern contracts and grants.

SECTION 6. In order to fulfill the functions of the bureau such information as the
administrator may require from any department, division, board, bureau, commission or agency
shall be made available without delay, upon written request, to any said department, division,
board, bureau, commission, or agency of the commonwealth.

SECTION 7. (a) The Commonwealth Health, Economic, Education, and Equity in
Recovery and Reconstruction Fund, established pursuant to section DDDDD of chapter 29, shall
be within the bureau. The administrator shall oversee the management and activities of the fund
either directly or through the appointment of a fund director, to be appointed by the
administrator. The bureau, with the advice of the secretary of administration and finance, shall
adopt guidelines to implement the fund.

(b) The amounts credited to the fund shall be used to support (i) the activities of the bureau as outlined in sections 3 through 14, inclusive and (ii) new and innovative strategies and efforts to redress disparities in health, economic and educational outcomes by individuals and households residing in disparately impacted communities and may be expended, without further appropriation. To maximize the mitigation of disparate impacts across the policy and program areas, including but not limited to health, economics and education, the administrator may expends such amounts are necessary; provided that the administrator shall not expend, annually,
any more than twenty percent of the amount transferred from the Commonwealth Stabilization
Fund pursuant to section DDDDD of chapter 29.

(c) Annually, not later than October 1, the administrator shall report to the clerks of the
house of representatives and senate and the house and senate committees on ways and means on
the fund's activity. The report shall include, but not be limited to: (i) the source and amount of
funds received; (ii) the amounts distributed and the purpose of expenditures from the fund; (iii)
any grants provided to stakeholder organizations; and (iv) anticipated revenue and expenditure
projections for the next year.

168 SECTION 8. There shall be a designated small business stabilization and support fund 169 within the bureau. The fund shall be administered and managed by a fund director, who shall be 170 appointed by the administrator. The administrator shall adopt guidelines that are necessary to 171 implement the purposes of the fund. The administrator may consult with state agencies, public 172 instrumentalities, community development financial institutions, and other such organizations as 173 the administrator shall deem appropriate in the development of said guidelines. The fund shall be 174 initially capitalized by a transfer of three hundred million dollars from the CCHEERS fund. 175 Money in or received for the fund may be deposited with and invested by an institution 176 designated by the bureau and paid as the fund director shall direct. A return on an investment 177 received by the fund shall be deposited and held for the use and benefit of the fund. The bureau 178 may make payments from a deposit account for use under this section. The bureau shall use the 179 fund to make grants, forgivable loans, low-interest loans or a combination thereof to support the 180 ongoing operations of small businesses located in disparately impacted communities. In 181 determining whether to make a grant, forgivable loan, low-interest loan or a combination thereof,

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182 the bureau shall consider whether the action: (i) supports the economic stabilization or expansion 183 of small business; or (ii) promotes the retention or creation of jobs by the small business; (iii) 184 promotes employment opportunities for residents of disparately impacted communities; or, (iv) 185 supports the creation or expansion of a businesses whose success would promote further 186 economic development activity within the disparately impacted community and enhances the 187 quality of life of residents of a disparately impacted community. The bureau shall ensure that not 188 more than fifty million dollars are expended each year to support the making of grants, 189 forgivable loans, low-interest loans or a combination thereof. The maximum amount of any 190 grant, forgivable loan, low-interest loan or combination thereof shall not exceed one million 191 dollars. The bureau shall include an annual summary of activities as part of the report due 192 annually pursuant to paragraph (c) of section 7. The summary shall include each grant, loan, 193 forgivable loan, low-interest loan or combination thereof made during the preceding calendar 194 year and an assessment of the impact each grant, loan, forgivable loan, low-interest loan or 195 combination thereof.

SECTION 9. (a) There is established a special fund called the incarceration to
incorporation entrepreneurship fund, which shall be a segregated fund within the designated
small business stabilization and support fund, and which shall be administered by a deputy fund
director to be appointed by the administrator.

(b) The incarceration to incorporation entrepreneurship fund shall initially be capitalized
by a transfer of fifty million dollars from the designated small business stabilization and support
fund; provided, that the following sources of funds may be deposited into the incarceration to
incorporation entrepreneurship fund: (1) any funds appropriated by the legislature for the

204	purposes of this section and section 10; (2) donations from the public; (3) donations from private
205	entities; and (4) any funds provided through a sponsorship agreement.
206	(c) Monies in the incarceration to incorporation entrepreneurship fund shall be used to
207	implement, operate, and administer the incarceration to incorporation entrepreneurship program
208	established pursuant to section 10.
209	SECTION 10. (a) There is established within the bureau an incarceration to incorporation
210	entrepreneurship program, herein after "the program," a business development program for
211	returning citizens, which shall be operated by the bureau and whose functions are to:
212	(1) provide technical assistance and business development training to returning citizens
213	who are seeking to operate or are already operating a business enterprise to be located within a
214	disparately impacted community; provided that said technical assistance and business
215	development training shall include, but not be limited to, the following:
216	(A) Accounting;
217	(B) Finance;
218	(C) Business management;
219	(D) Business planning;
220	(E) Budgeting;
221	(F) Marketing;
222	(G) Business law;

223	(H) Accessing startup capital, and other business startup topics as identified by the U.S.
224	small business administration and certified community development financial institutions;
225	(I) Estimating if the business enterprise is engaged in the construction industry; and,
226	(J) Technology training;
227	(2) provide micro-investments, in the form of grants, in an amount not to exceed fifty
228	thousand dollars, to assist returning citizens in the development and operation of a business
229	enterprise to be located within a disparately impacted community;
230	(3) provide ongoing mentorship and support; and
231	(4) Provide monthly networking meetings with business leaders, such as:
232	(A) business owners;
233	(B) representatives of financial institutions;
234	(B) angel investors; and
235	(C) heads of venture capital and investment firms; and
236	(b) For the purposes of implementing this section, the bureau shall confer with other
237	agencies, organizations, and individuals, including but not limited to, (1) the office of small
238	business and entrepreneurship, (2) the small business development center, (3) the Black
239	economic council of Massachusetts, (4) the Hispanic chamber of commerce, (5) the Latino
240	chamber of commerce, (6) the greater new england minority supplier development council, (7)
241	the center for women and enterprise, and any other relevant agency or organization that the
242	bureau consider necessary to meet the objectives of this section.

(c) For the purposes of this section, the term "returning citizen" means an individual who
is within six months of release, or has been released, from a local jail, county house of
corrections or a department of corrections facility and who resides in a disparately impacted
community.

247 (d) The bureau shall include an annual summary of activities as part of the report due 248 annually pursuant to paragraph (c) of section 7. The summary shall include: (1) the number of 249 businesses formed and launched by program participants; (a) The number of businesses formed 250 by program participants that have sustained operations through the production of the annual 251 summary, (3) the number of business enterprises owned and operated by returning citizens and 252 whom the program has provided technical assistance and business development training, and (4) 253 any other information the bureau deems pertinent to evaluating the program; provided that 254 program participants may expressly authorize that their anonymity be preserved in the annual 255 summary.

SECTION 11. (a) There shall be a commonwealth housing, economic, education and equity in recovery and reconstruction service corps to be composed of a limited number of carefully selected men and women, not younger than 17 years of age and not older than 26 years of age, recruited from disparately impacted communities, to be made available for a limited time for projects directed toward satisfying unmet community needs.

(b) The corps shall be governed by a commission, which shall be within the bureau,
consisting of the administrator of the bureau and 14 members to be appointed by the governor; 1
of whom shall be a member of the Massachusetts Municipal Association; 1 of whom shall be a
member of the Massachusetts AFL-CIO; 2 of whom shall be members chosen from two local

265	chapters of the National Association for the Advancement of Colored Persons, 2 of whom shall
266	be members chosen from local affiliates of the National Urban League, 1 of whom shall be a
267	member chosen from a Community Health Centers, 1 of whom shall be a member chosen by the
268	Massachusetts Senior Action Council, 2 of whom shall be members chosen by the Massachusetts
269	Association for Community Action, 2 of whom shall be members chosen from two community
270	development corporations, and 2 of whom shall be individuals with expertise in the educational,
271	training, and development needs of youth, particularly disadvantaged youth; Each member shall
272	serve for a term of 3 years and shall serve without compensation. A person appointed to fill a
273	vacancy in the office of a member of the board shall be appointed in a like manner and shall
274	serve for only the unexpired term of such member. A member shall be eligible for
275	reappointment. A chairman of the commission shall be elected annually from the membership.
276	The bureau shall provide administrative support to the commission as requested.
277	(c) The duties of the commission shall include, but not be limited to: (i) contracting with
278	agencies to administer service projects to address unmet community needs by recruiting corps
279	members; (ii) reviewing and approving the commonwealth corps plan and annual updates
280	prepared by each agency; and reviewing each agency's performance in carrying out its
281	responsibilities pursuant to this act. Each agency the commission contracts with shall be a
282	nonprofit organization incorporated pursuant to the provisions of chapter 180 of the General
283	Laws for the operation of corps projects.
284	SECTION 12. (a) Corps members shall be residents of disparately impacted communities
285	who are not younger than 17 years of age and not older than 26 years of age. Corps members

shall be the responsibility of each contracted agency. Corps members shall undertake meaningful

service projects addressing unmet community needs in areas including, but not limited to, the
environment, education, health and basic human services and may serve full or part-time; but,
members having direct contact with minor children or vulnerable adults shall be required to pass
a background check.

(b) Each contracted agency shall, to the extent practicable, ensure that corps members are
placed in corps projects that match their interests, skills and abilities. The contracted agency may
prescribe additional standards and procedures in consultation with the commission. Each
contracted agency may enroll individuals who choose to defer a stipend to serve as a corps
member. Each contracted agency shall seek to enroll individuals who are economically,
ethnically, socially, physically or educationally diverse.

(c) A corps member shall not be subject to chapter 31 or section 9A of chapter 30 of the
General Laws. Corps members shall not be considered to be an employee of the commonwealth
entitled to the benefit of chapter 152 of the General Laws, nor shall a corps member be
considered to be an employee of the commonwealth for any other purpose.

301 SECTION 13. (a) Each contracted agency shall, without limitation and subject to a duly 302 executed contract with the commission, administer the corps and in so doing shall: (1) provide 303 the personnel necessary to satisfy its obligations pursuant to the contract with the commission;

304 (2) function as or recruit corps sponsors; (3) compensate each corps member via a stipend
305 that has the value equivalent to fifteen dollar per hour worked, whether a corps member performs
306 on a full-time or part-time basis, (4) initiate studies and analyses of proposed and implemented
307 service and volunteer projects, which will aid in addressing local problems; (5) recommend
308 expansion of corps opportunities to address all unmet community needs; (6) identify the criteria

it will use to recruit individuals to serve as corps members (7) establish procedures for matching
and placing corps members with corps projects; and (8) establish personnel policies and
procedures for corps members.

312 (b) In entering into a contract with an agency, the commission shall give projects meeting 313 the following criteria preference: (1) projects addressing a well-established unmet community 314 need or unmet community needs; (2) projects articulating measurable goals, including an 315 assessment of the impact on the corps members and on the targeted community; (3) projects not 316 using corps members to replace previously budgeted positions or to reduce overtime, hours of 317 work or opportunities for advancement for employees or members of corps sponsors; and (4) 318 direct service projects that give corps members opportunities to provide direct services 319 addressing unmet community needs including, but not limited to, tutoring or mentoring, 320 providing health care education, providing services to individuals, families, seniors, homeless 321 populations, enhancing historic, cultural, and natural resources of the commonwealth, engaging 322 in environmental restoration projects, or enhancing emergency preparedness and response.

323 SECTION 14. There shall be a Commonwealth Housing, Economic, Education and 324 Equity in Recovery and Reconstruction Service Corps Fund within the bureau. The fund shall be 325 administered and managed by a fund director, who shall be appointed by the administrator. The 326 fund shall be established and utilized to support the work of the commission and to support the 327 costs of contracts entered into by the commission with agencies for the purposes of section 11 328 through 13, inclusive. The fund shall be initially capitalized by a transfer of one hundred million 329 dollars from the CCHEERS fund. Money in or received for the fund may be deposited with and 330 invested by an institution designated by the bureau and paid as the fund director shall direct. A

return on an investment received by the fund shall be deposited and held for the use and benefitof the fund.

333 SECTION 15. The advisory council of the bureau shall consist of fifteen persons 334 qualified by training, experience, or demonstrated interest in the health, economic and 335 educational inequities or disparities, to be appointed by the governor as follows:--- five for a 336 term of three years, five for a term of two years, and five for a term of one year. Upon expiration 337 of the term of any appointive member, said member's successor shall be appointed in like 338 manner for a term of three years. The governor shall in like manner fill any vacancy for the 339 remainder of the unexpired term. Said members of the advisory council shall elect a person to 340 serve as chair and the advisory council shall meet at least quarterly. Members shall serve without 341 compensation, but may be reimbursed for expenses necessarily incurred in the performance of 342 their duties. If any member is absent from two regularly scheduled quarterly meetings in any one 343 calendar year, said member shall be determined to have vacated the member's appointment to 344 the council. The chair of the council shall forthwith notify the governor that such vacancy exists. 345 Said advisory council shall advise the administrator on any matter within the jurisdiction of said 346 bureau and shall advise the administrator in establishing priorities for bureau activities; and 347 annually review the programs, budgets and policies of the bureau.

348 SECTION 16. Chapter 29 of the General Laws is hereby amended by inserting after
349 Section 2CCCCC the following new section:

350 Section 2DDDDD. There shall be established and set up on the books of the
351 commonwealth a separate fund to be known as the Commonwealth Covid-19 Health Economic
352 Education Equity in Recovery Fund. The fund shall be credited with: (i) a transfer, to be made by

the Comptroller, of eight hundred and fifty million dollars from the Commonwealth Stabilization Fund, (ii) revenue from appropriations or other money authorized by the general court and specifically designated to be credited to the fund; (iii) interest earned on such revenues; and (iv) funds from public and private sources such as gifts, grants and donations to further civics and history education and professional development. Amounts credited to the fund shall not be subject to further appropriation and any money remaining in the fund at the end of a fiscal year shall not revert to the General Fund.

360 SECTION 17. Notwithstanding and general or special law to the contrary, this act shall361 take effect immediately.