

# Senate . . . . . No. 2378

Senate, April 6, 2023 -- Majority Report on the Governor's Reorganization Plan No. 1 of 2023 (submitted by the Governor pursuant to Article LXXXVII of the Amendments to the Constitution) An Act to create the executive office of housing and livable communities and to rename the Executive Office of Economic Development. (House, No. 43).

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## The Commonwealth of Massachusetts

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Majority Report

On

The Governor's Reorganization Plan

No. 1 of 2023

(submitted by the Governor pursuant to [Article LXXXVII of the Amendments to the Constitution](#))

An Act to create the executive office of housing and livable communities and to rename the Executive Office of Economic Development.

House, No. 43

## **MAJORITY REPORT**

### ON THE GOVERNOR'S REORGANIZATION PLAN No. 1

House, No. 43 (2023)

An Act to create the executive office of housing and livable communities and to rename the Executive Office of Economic Development.

House, No. 43, filed under the provisions of Article LXXXVII of the Amendments to the Constitution, is the Governor's plan to separate the current Executive Office of Housing and Economic Development (EOHED), and create the Executive Office of Housing and Livable Communities and renames EOHED as the Executive Office of Economic Development.

According to the Governor, in a cover letter submitted with the Reorganization Plan No. 1 (House, No.43) at the time of its filing on March 1, 2023, this legislation creates a new Executive Office of Housing and Livable Communities focused on housing production, housing rehabilitation, housing preservation, housing affordability, fairness and equity in housing opportunity, emergency and transitional housing, and housing stability and security. The Secretary of Housing and Livable Communities will serve in the Governor's cabinet. The bill also renames the current Executive Office of Housing and Economic Development (EOHED) as the Executive Office of Economic Development, which will be led by the re-titled Secretary of Economic Development.

The Governor's reorganization plan is only the first step in what we expect will be a continuing collaboration with the Legislature, municipal officials, and key stakeholders throughout the Commonwealth to increase the production of new housing over the long term. The key provisions of the bill charge the new Secretary of Housing and Livable Communities with developing a full array of additional new housing policies that will expand the supply of affordable, accessible housing across the Commonwealth.

The high points of Reorganization Plan No. 1, as presented to the General Court in House, No. 43, are as follows:

Changes the agency's name from the Executive Office of Housing and Economic Development (EOHED) to the Executive Office of Economic Development.

This language continues to establish the office of planning and research, but the new language includes: the office is subject to appropriation, the office only has to periodically update a statistical and economic profile of the state and its regions versus annually, and that the profile will be made available online instead of only in person. It replaces language that refers to the housing and economic development and replaces it with language that refers to either housing and livable communities or economic development or both. Establishes the executive office of housing and livable communities and its duties. Replaces language that surrounds housing and economic development with either language that refers to housing and livable communities or economic development or both. Creates a new section in Chapter 7 that establishes an infrastructure cost council that shall develop consensus demographic projections for the commonwealth and the projections shall be used as the basis for developing infrastructure cost projections for publicly-owned and privately-owned infrastructure. Replaces language that surrounds housing and economic development with either language that refers to housing and livable communities or economic development or both. Refers to the Massachusetts

office of business development. Section 63 removes subsection (h) which under MOBD's purpose was to provide affordable broadband to MA. Section 64 removes subsection that refers to broadband development. Section 65 changes language around EDIP's goals to be more expansive and focus on promoting economic growth. Sections 66 and 67 strike language surrounding housing and economic development and replace it with language around economic development. Section 69 removes "5 regional office" and section 70 removes language that the "ombudsman shall establish an advisory group representing business interests to advise and inform on the impact of regulations on various business and industry sectors and on the cost of doing business in the commonwealth." establishes that the rail-trail construction grants are subject to appropriation. make changes so that it refers to MOBD and not economic development. Replaces language that surrounds housing and economic development with either language that refers to housing and livable communities or economic development or both.

Eliminates the Massachusetts sports partnership. Replaces language that surrounds housing and economic development with language that refers economic development. Gives the executive director more authority within the international trade office and the commission is replaced with the executive director to evaluate the continuing impacts on state law and regulations of international trade police and agreements, etc. This section replaces language that surrounds housing and economic development with language that refers to economic development. It makes a change so that it refers to MOBD and not economic development.

It creates an employment assistance and training program designed to enlarge and improve the skills of the work force, especially those within urban areas containing sections of substantial poverty by MOBD. Replaces language that surrounds housing and economic development with either language that refers to housing and livable communities or economic development or both. Removes this language from MassWorks program. Replaces language that surrounds housing and economic development with either language that refers to housing and livable communities or economic development or both.

Establishes that the executive office of housing and livable communities is the principal office of MA to formulate and carry out state housing policy and its objectives. Section 103 repeals sections 2-4 of Chapter 23B regarding DHCD. Replaces language surrounding department of housing and community development, for example, "director" with language surrounding housing and livable communities, for example "secretary". Includes several more departments under the executive office of housing and livable communities under section 16G1/2. Replaces "department" with executive office when referring to Contracts for non-interest bearing advances to housing authorities; construction of low rent housing projects. Makes section 10A of chapter 23B which refers to Contracts for non-interest bearing advances to housing authorities; construction of low rent housing projects to include: reconstruct, redevelop or replace. Section 110 changes the language so that the proceeds may be used more broadly. Sections 11-15 are repealed which eliminate the Urban job incentive bureau. Replaces language surrounding department of housing and community development, for example, "department" with language surrounding housing and livable communities, for example "executive office". The contracts with sponsors of rental housing projects for financial assistance are no longer subject to a 15 year limit and will be for areas that are located in a housing development area or the project is a low and moderate income rental housing project and that 25% of the units in the project will be occupied by those with low incomes. This creates a HousingWorks infrastructure program within the executive office of housing

and livable communities. These sections replace language that surrounds housing and economic development with language that refers to housing and livable communities or economic development or both. This section facilitates the transfer of employees, proceedings, rules and regulations, property and legal obligations and functions of state governor to either the executive office of economic development or the executive office of housing and livable communities. It also states that transferring employees to either executive office will continue employment and benefits. Employees will continue with their bargaining agreements. Orders, advisories, findings, rules and regulations shall continue until revised or cancelled by the transferee agency. All existing contracts, leases, and obligations of the transferor agency shall continue in effect but shall be assumed by the transferee agency.

This act shall take effect 30 days following enactment.

As this bill was filed pursuant to the provisions of Article LXXXVII of the Amendments to the Constitution, it cannot be amended and must be accepted or rejected as presented.

1. The Joint Committee Joint Committee on State Administration and Regulatory Oversight, to whom was referred Reorganization Plan No. 1 (House, No. 43) of her Excellency the Governor, reports recommending that the Plan ought to be approved.
2. During the Committee's March 28<sup>th</sup> public hearing on House, No. 43, members took testimony.
3. In light of these attestations, the Committee recommended during public executive session that House, No. 43 ought to be approved.

We, the undersigned members of the Joint Committee Joint Committee on State Administration and Regulatory Oversight, House, No. 43 ought to be approved.

**Senate**

Nick Collins

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Joan B. Lovely

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Liz Miranda

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Marc R. Pacheco

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John C. Velis

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**House**

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