

# SENATE . . . . . No. 2559

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## The Commonwealth of Massachusetts

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

SENATE, January 18, 2024.

The committee on Environment and Natural Resources to whom was referred the petition (accompanied by bill, Senate, No. 495) of Anne M. Gobi, Ryan C. Fattman, Brian M. Ashe, Angelo J. Puppolo, Jr. and other members of the General Court for legislation relative to crumbling concrete foundations, reports the accompanying bill (Senate, No. 2559).

For the committee,  
Rebecca L. Rausch

**SENATE . . . . . No. 2559**

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**The Commonwealth of Massachusetts**

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

An Act relative to crumbling concrete foundations.

*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. Section 3B of chapter 7 of the General Laws is hereby amended by  
2 inserting after the words “twenty-one A” the following words:- , section sixteen of chapter  
3 twenty-one B.

4           SECTION 2. Section 97 of chapter 13 of the General Laws is hereby amended by  
5 inserting at the end thereof the following words:-

6           Said board shall require all licensed home inspectors who perform an inspection on a  
7 residential home for the purpose of a sale or lease of the home to provide the potential buyer or  
8 lessee information regarding the possible presence of pyrite or pyrrhotite in the concrete  
9 foundation, prepared by the crumbling concrete relief agency established by section 2 of chapter  
10 23B.

11           SECTION 3. Section 2 of chapter 21B of the General Laws is hereby amended by  
12 inserting the following words:-

13           “Aggregate”, granular materials such as gravel, sand and crushed rock that are combined  
14 for a particular purpose

15           “Certified geologist”, a professional geologist certified by the American Institute of  
16 Professional Geologists.

17           SECTION 4. Said chapter 21B is hereby further amended by adding the following new  
18 section:-

19           Section 16. (a) Any person seeking to mine, expand, excavate or otherwise operate a  
20 quarry for the purpose of producing aggregate concrete for sale or use in foundations, structural  
21 elements, or infrastructure such as roadways and bridges shall submit to the commissioner and  
22 the state geologist an application for a license to conduct such quarry activity. Each license  
23 application shall consist of: (i) a description of the geographic location of the quarry; (ii) a quarry  
24 operations plan, including without limitation mining, processing, storage, and quality control  
25 methods; (iii) a geological source report, consistent with the provisions of paragraph (b) of this  
26 section; and (iv) the results of aggregate testing for the presence of pyrite or pyrrhotite,  
27 consistent with the provisions of paragraph (c) of this section. Each license application shall be  
28 accompanied by a fee in an amount to be determined by the commissioner. Fees received by the  
29 department under this section shall be used to implement the provisions of this section, provided  
30 that any surplus fee receipts shall be deposited into the crumbling concrete assistance fund  
31 established in section 2RRRRR of chapter 29.

32           (b) The geological source report required by this section shall be prepared by a certified  
33 geologist in a form and manner prescribed by the commissioner, in consultation with the state  
34 geologist and a representative nominated by the Massachusetts Concrete and Aggregate

35 Producers, and shall include, without limitation: (i) a description of the characteristics of the  
36 aggregate to be excavated at the subject quarry; (ii) a description of the products to be produced  
37 by such quarry; (iii) a copy of the results of an inspection of face material and geologic log  
38 analysis conducted within the preceding 60 days; and (iv) analyses of grab or core samples.

39 (c) Aggregate testing to identify the presence of pyrite or pyrrhotite required by this  
40 section shall include, without limitation, a total sulfur test to measure total sulfur content in a  
41 representative sample. Aggregate testing shall be performed by a certified geologist in  
42 accordance with applicable standards established by ASTM International or alternate standards  
43 to be determined by the commissioner in consultation with the state geologist.

44 (d) The commissioner or their designee shall review each license application submitted  
45 pursuant to this section and notify each applicant whether or not the license has been approved,  
46 as well as any conditions of operation, if applicable. If the license is denied, the notification shall  
47 include the reason or reasons for denial. A license granted under this section shall be valid for  
48 one year from the date of approval; provided, however, that a geological source report prepared  
49 in accordance with paragraph (b) of this section shall be acceptable for a period of four years  
50 from the date of preparation; and provided further, that aggregate test results demonstrating a  
51 total sulfur content of less than one-tenth percent-by-mass shall be acceptable for a period of four  
52 years from the date of testing. No license shall be approved under this section if the total sulfur  
53 content is equal to or greater one percent-by-mass. If the total sulfur content is equal to or greater  
54 than one-tenth percent-by-mass but less than one percent-by-mass, the license shall be denied  
55 unless the state geologist, in their sole discretion, recommends approval to the commissioner  
56 consistent with applicable ASTM International standards. The state geologist may require  
57 additional testing or information to justify an approval recommendation.

58 (e) A person owning or operating a quarry subject to licensure pursuant to this section  
59 shall maintain all records relevant to such licensure and quarry operation, including without  
60 limitation a record of the aggregate source in concrete batches, for a period of not less than 30  
61 years.

62 (f) A person owning or operating a quarry without a license as required by this section  
63 shall be: (i) liable in perpetuity for property damage resulting from or related to the use or sale of  
64 such aggregate product; and (ii) subject to a civil penalty in an amount to be determined by the  
65 commissioner, not to exceed \$500,000 in each instance. Amounts collected under this paragraph  
66 shall be deposited into the crumbling concrete assistance fund established in section 2RRRRR of  
67 chapter 29.

68 (g) A contractor who uses aggregate concrete produced in violation of this section shall  
69 be liable in perpetuity for property damage resulting from or related to the use or sale of such  
70 aggregate product, unless the violation was intentionally concealed from the contractor.

71 (h) The commissioner, in consultation with the state geologist, shall catalogue and  
72 maintain the quarry data collected under this section.

73 (i) Nothing in this section shall prohibit a municipality of the Commonwealth from  
74 requiring permits for quarry operation or excavation. Municipalities may establish pyrite and  
75 pyrrhotite presence restrictions more stringent than those set forth in this section.

76 (j) Nothing in this section shall affect the operations of quarries producing aggregate for  
77 purposes other than those described in paragraph (a).

78 (k) The department in consultation with the state geologist shall promulgate regulations  
79 to implement the provisions of this section.

80 SECTION 5. Section 2 of chapter 23B of the General Laws is hereby amended by  
81 inserting at the end thereof the following new paragraph:-

82 (c) There shall also be within the department a crumbling concrete relief agency  
83 to provide assistance to owners of residential real property with concrete foundations that have  
84 deteriorated due to the presence of pyrite or pyrrhotite. The agency shall be overseen by  
85 an executive director who reports to the undersecretary. The executive director shall have the  
86 authority to hire staff sufficient to meet the requirements and obligations of the agency. The  
87 agency shall, without limitation: (a) provide information to the public regarding structurally  
88 sound concrete and the dangers of pyrite and pyrrhotite; (b) publish a list of quarries licensed  
89 pursuant to section 16 of chapter 21B and a searchable electronic database of all quarries  
90 applying for such licensure, including aggregate and other testing results; and (c) administer the  
91 crumbling concrete assistance fund established in section 2RRRRR of chapter 29, including  
92 establishing eligibility requirements and implementing a process for impacted homeowners to  
93 secure foundation repair and replacement funding from the fund. A decision on a request from an  
94 impacted homeowner for such financial assistance shall be provided in writing to the homeowner  
95 and shall include the information relied upon and the basis for such decision, including the  
96 relevant eligibility and underwriting criteria. An impacted homeowner may request a review of  
97 any decision by the agency relating to such homeowner not later than 30 days after the decision.  
98 A final determination on such a request for review shall be provided in writing to the homeowner  
99 not later than 30 days after receipt of the homeowner's request, unless an extension is agreed to  
100 by the homeowner.

101 SECTION 6. Chapter 29 of the General Laws is hereby amended by inserting after  
102 section 2QQQQQ the following section:-

103 Section 2RRRRR. (a) There shall be a Crumbling Concrete Assistance Fund. The fund  
104 shall be expended to provide financial assistance to owners of residential real property for the  
105 repair or replacement of concrete foundations of such property that have deteriorated due to the  
106 presence of pyrite or pyrrhotite and to minimize any negative economic impacts on  
107 municipalities in which such property are located. The crumbling concrete relief agency  
108 established by section 2 of chapter 23B shall administer the fund and shall make expenditures  
109 from the fund, without further appropriation. The agency shall seek to maximize available federal  
110 reimbursements for money spent from the fund.

111 The fund shall consist of: (i) revenue from appropriations or other money authorized by  
112 the general court and specifically designated to be credited to the fund; (ii) interest earned on  
113 such revenues; (iii) funds from public and private sources, including but not limited to gifts,  
114 grants, donations, and settlements received by the commonwealth that are specifically designated  
115 to be credited to the fund; (iv) federal funds paid to the commonwealth under paragraph (b) of  
116 this section; (v) monies paid to the commonwealth under paragraph (c) of this section; (vi)  
117 monies paid to the commonwealth under paragraph (d) of this section; and (vi) monies paid to the  
118 commonwealth under paragraph (f) of section 16 of chapter 21B. Any bond proceeds deposited  
119 into the fund shall be kept separate from any and all other funds deposited into the fund. Any  
120 balance in the fund at the close of a fiscal year shall be available for expenditure in subsequent  
121 fiscal years and shall not be transferred to any other fund or revert to the General Fund.

122 (b) The crumbling concrete relief agency established by section 2 of chapter 23B may  
123 apply for, receive and deposit any federal funds, including but not limited to funds made  
124 available by the United States Department of Housing and Urban Development Section 108  
125 Loan Guarantee program, into the fund established by this section.

126 (c) Any entity licensed and engaged in the provision of homeowners insurance that has  
127 denied or rejected claims for repair or replacement of foundations due to the presence of pyrite or  
128 pyrrhotite at any time during the period beginning January 1, 2000, and continuing through  
129 December 31, 2023, inclusive, shall be required to pay to the department of revenue an amount  
130 equal to the total estimated or actual cost of repair or replacement, adjusted for inflation as  
131 applicable, in each instance of a denial. No later than November 30, 2024, the attorney general  
132 shall determine which insurers are subject to the provisions of this paragraph, including through  
133 collection and review of claims denial and related documentation from impacted homeowners,  
134 and shall provide a list of subject insurers to the department of revenue, the senate and house  
135 committees on ways and means, the joint committee on environment and natural resources, and  
136 the joint committee on state administration and regulatory oversight no later than December 31,  
137 2024. The department of revenue shall notify subject insurers of penalties owed in writing no  
138 later than March 30, 2025. Penalties owed under this paragraph shall be paid on or before June  
139 30, 2025. Penalties collected under this paragraph shall be deposited into the fund established by  
140 this section. An entity failing to pay a penalty a penalty owed under this paragraph shall have its  
141 license revoked and shall not be eligible for a new or renewed license for a period of five years.

142 (d) Annually not later than May 1, the commissioner of revenue shall assess any  
143 entity licensed and engaged in the provision of homeowners insurance in the commonwealth an  
144 amount not less than 3 per cent of the entity's net profits from the provision of homeowners

145 insurance in the commonwealth during the immediately preceding tax year. Penalties collected  
146 under this paragraph shall be deposited into the fund established by this section.

147 (e) Amounts issued from the fund to impacted homeowners for the repair or replacement  
148 of concrete foundations that have deteriorated due to the presence of pyrrhotite shall be exempt  
149 from taxation under chapter 62.

150 (f) Annually not later than June 1, the crumbling concrete relief agency shall report on the  
151 activities of the fund from the previous calendar year to the senate and house committees on ways  
152 and means and the joint committee on environment and natural resources.

153 (g) The crumbling concrete relief agency shall promulgate regulations or issue other  
154 guidance for the expenditure of the funds under this section.

155 SECTION 7. Chapter 59 of the General Laws is hereby amended by inserting after  
156 section 59A the following section:-

157 Section 59B. (a) Notwithstanding any general or special law to the contrary, an owner of  
158 real property in the commonwealth may apply for a residential property tax abatement due to the  
159 presence of pyrite or pyrrhotite minerals in the foundation. The presence of pyrite or pyrrhotite  
160 shall be established by: (i) not less than 2 core samples from the foundation proving the presence  
161 of pyrite or pyrrhotite; or (ii) a certified visual inspection conducted by a professional civil  
162 engineer. The owner shall also provide a certified estimate of the cost to repair or replace the  
163 foundation. Upon receipt of such documentation, a municipal board of assessors or equivalent  
164 entity shall determine a value per square foot of the foundation and percentage of functional  
165 obsolescence. If an abatement is sought on multiple properties within a municipality the board of  
166 assessors may determine a general value per square foot of foundation and percentage of

167 functional obsolescence to be used for all properties within said municipality. The board of  
168 assessors shall use the value and percentage to calculate the reduction in assessment for each  
169 affected property. Such reductions shall be effective until the foundation is repaired or replaced.

170 SECTION 8. Chapter 143 of the General Laws is hereby amended by adding the  
171 following section:-

172 Section 110. Notwithstanding any general or special law to the contrary, fees for building  
173 permits for work associated with crumbling concrete foundations replacement shall be waived. In  
174 order to qualify for the waiver of fees, the applicant shall provide written documentation  
175 showing that pyrite or pyrrhotite minerals are present in the foundation to be replaced. Nothing  
176 in this section shall waive any of the permit application requirements, including, but not limited  
177 to, holding public hearings, associated with a permit application. A determination to waive fees is  
178 not a guarantee of the issuance of a permit.

179 SECTION 9. Within 2 months of passage of this act, active quarries subject to licensure  
180 under the provisions of section 4 of this act shall either submit a complete license application or  
181 obtain interim approval from the state geologist to continue operations for a period of not more  
182 than six months. Interim operations approvals shall not be renewed.