

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

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***Susan L. Moran***

*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 relative to fusion investment and research for sustainable technology to be known as the  
FIRST Act.

PETITION OF:

NAME:

*Susan L. Moran*

DISTRICT/ADDRESS:

*Plymouth and Barnstable*

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

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By Ms. Moran, a petition (accompanied by bill) (subject to Joint Rule 12) of Susan L. Moran for legislation relative to fusion investment and research for sustainable technology. Revenue.

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**The Commonwealth of Massachusetts**

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

An Act relative to fusion investment and research for sustainable technology to be known as the FIRST Act.

*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. The General Laws are hereby amended by inserting, after chapter 28A, the  
2 following chapter:-

3           Chapter 28B. MASSACHUSETTS FUSION ENERGY COUNCIL

4           Section 1. Definitions

5           As used in this section the following words shall, unless the context clearly requires  
6 otherwise, have the following meanings:

7           “Fusion energy”, energy generated when nuclei from light atoms, such as hydrogen,  
8 combine to form a single heavier one, such as helium.

9           “Fund”, the Fusion Energy Development Fund.

10          “Council” the Fusion Energy Council.

11 “Department”, the Department of Revenue.

12 Section 2. Massachusetts Fusion Energy Council; powers and duties

13 (a) There is hereby established a Massachusetts Fusion Energy Council. The Council is  
14 hereby placed in the executive office of economic development but shall not be subject to the  
15 supervision, or control of said office, or of any board, bureau, department, or other center of the  
16 commonwealth, except as specifically provided in this chapter.

17 (b) The duties of the fund shall include, but shall not be limited to:

18 (i) administering the fusion energy tax incentive program;

19 (ii) administering the fusion energy development fund;

20 (iii) administering the fusion energy scholarship fund in partnership with the Department  
21 of Higher Education;

22 (iv) applying for relevant federal and state funding opportunities.

23 (c) The Council shall be governed and its powers exercised by 10 members: 1 of whom  
24 shall be the secretary of economic development or a designee; 1 of whom shall be the secretary  
25 of energy and environmental affairs or a designee; 1 of whom shall be the commissioner of  
26 revenue or a designee; 1 of whom shall be the chief executive officer of the Massachusetts clean  
27 energy center or a designee; 1 of whom shall be the chair of the commonwealth utilities  
28 commission or a designee; 1 of whom shall be a representative of the fusion energy industry; 1  
29 of whom shall be appointed by the senate president; 1 of whom shall be appointed by the speaker  
30 of the house of representatives; 2 of whom shall be appointed by the governor and shall be  
31 representatives of nonprofit organizations in the commonwealth focused on clean energy

32 proliferation. Each appointed member shall serve a term of 3 years. The secretary of economic  
33 development and the secretary of energy and environmental affairs, or their designees, shall  
34 serve as co-presidents of the council.

35 (d) 8 members shall constitute a quorum and the affirmative vote of a majority of  
36 members present at a duly called meeting if a quorum is present shall be necessary for any action  
37 to be taken by the council. Any action required or permitted to be taken at a meeting of the  
38 council may be taken without a meeting if all of the members' consent in writing to such action  
39 and such written consent is filed with the records of the minutes of the meetings of the council.  
40 Such consent shall be treated for all purposes as a vote at a meeting.

41 (e) The members of the board shall serve without compensation, but each member shall  
42 be entitled to reimbursement for his actual and necessary expenses incurred in the performance  
43 of his official duties.

#### 44 Section 3. Certified fusion energy companies

45 (a) A certified fusion energy company shall:

46 (i) in its mission statement, include the goal of generating fusion energy for the purpose  
47 of providing energy to external consumers; or

48 (ii) produce materials critical to the production of fusion energy as more than 50% of its  
49 annual production.

50 (b) The council may, upon a majority vote, certify a company that meets the criteria  
51 specified in subsection (a) as a certified fusion energy company upon: (i) the timely receipt, as  
52 determined by the council, of a certification proposal supported by independently verifiable

53 information, signed under the pains and penalties of perjury by a person expressly authorized to  
54 contract on behalf of the fusion energy company and which shall include, but not be limited to:  
55 (A) an estimate of the projected new state revenue the fusion energy company expects to  
56 generate during the period for which the company seeks certification, together with a plan,  
57 including precise goals and objectives, by which the fusion energy company proposes to achieve  
58 the projected new state revenue, including for each tax year, an estimate of new commercial  
59 revenue that the commonwealth would not otherwise have received, an estimate of the number of  
60 permanent full-time employees to be hired or retained, an estimate of the year in which the  
61 company expects to hire or retain the employees, an estimate of the projected average salaries of  
62 said employees, an estimate of the projected taxable income pursuant to chapter 62 or 63  
63 generated by said employees and an estimate of the methods by which the company shall obtain  
64 new employees and pursue a diverse workforce; (B) documentation of an agreement, if any,  
65 between the fusion energy company and banking institutions with which the fusion energy  
66 company shall have agreed to establish accounts and by which the banking institutions shall have  
67 agreed to commit a specified percentage of the funds deposited in the accounts for loans made  
68 thereby to companies under the small business capital access program established pursuant to  
69 section 57 of chapter 23A; and (C) if appropriate, documentation that the fusion energy company  
70 has received approval for a certified project, pursuant to section 3F of chapter 23A; and (ii)  
71 findings made by the council, based on the certification proposal, documents submitted therewith  
72 and any additional investigation by the council, and incorporated in its approval, that: (A) the  
73 fusion energy company shall meet all statutory requirements and any other criteria that the  
74 council may prescribe including, but not limited to criteria in the following areas: whether the  
75 fusion energy company has sufficient business contacts with the commonwealth as evidenced by

76 its business activity within the commonwealth including, but not limited to, the number of full-  
77 time employees employed in the commonwealth; the fusion energy company's potential to  
78 further technological advancements in renewable energy; the fusion energy company's potential  
79 for leveraging additional funding or attracting additional resources to the commonwealth; the  
80 fusion energy company's potential to promote related manufacturing in the commonwealth; and  
81 evidence of potential royalty income and contractual means to recapture such income for the  
82 purposes of this chapter, as the council considers appropriate; and (B) a certified fusion energy  
83 company shall meet the new state revenue and employment growth projections, as specified in  
84 the certification proposal, over the period for which it receives benefits.

85 (c) A certified fusion energy company may, upon a majority vote of the council, be  
86 eligible for the benefits from the fusion energy tax incentive program established by subsection  
87 (c).

88 (d) There shall be established a fusion energy tax incentive program. The council may, in  
89 consultation with the department, annually authorize incentives, including incentives carried  
90 forward or refunded pursuant to subsections (dd) and (ee) of section 6 of chapter 62 and sections  
91 38NN, 38OO and 38PP of chapter 63 in a cumulative amount, including the current year cost of  
92 incentives allowed in previous years, that shall not exceed \$10,000,000 annually. The council  
93 may, in consultation with the department, limit any incentive to a specific dollar amount or time  
94 duration or in any other manner deemed appropriate by the department; provided, however, that  
95 the department shall only allocate any such incentives among commonwealth certified fusion  
96 energy companies pursuant to subsection (b) and shall award such tax incentives pursuant to  
97 subsection (c).

98 (e) The council shall provide an estimate to the secretary of administration and finance of  
99 the tax cost of extending benefits to a proposed project before certification, as approved by the  
100 commissioner of revenue, based on reasonable projections of project activities and costs. Tax  
101 incentives shall not be available to a certified fusion energy company unless expressly granted by  
102 the secretary of administration and finance in writing.

103 (f)(1) Certification granted pursuant to subsection (b) shall be valid for 5 years starting  
104 with the tax year in which certification is granted. Each certified fusion energy company shall  
105 file an annual report with the council detailing whether it has met the specific targets established  
106 in the proposal.

107 (2) The certification of a fusion energy company may be revoked by the council after an  
108 independent investigation and determination that representations made by the certified fusion  
109 energy company in its certification proposal are materially at variance with the conduct of the  
110 fusion energy company after receiving certification; provided, however, that the council shall  
111 review the certified fusion energy company at least annually; provided, further, that a project  
112 with an actual return on investment that is less than 70 per cent of the return on investment  
113 projected in the certification proposal shall be deemed to contain a material variance for a  
114 revocation determination. If the council determines not to revoke certification upon a finding that  
115 the actual return on investment for the project is less than 70 per cent, the council shall provide  
116 its reasons for the decision in writing to the secretary of administration and finance, the  
117 commissioner of revenue and the clerks of the house of representatives and the senate, who shall  
118 forward the same to the house and senate committees on ways and means, the joint committee on  
119 revenue and the joint committee on economic development and emerging technologies. The  
120 council shall post these reasons on the internet for public access.

121 (3) Under this subsection, revocation shall take effect on the first day of the tax year in  
122 which the council determines that a material variance commenced. The commissioner of revenue  
123 shall, as of the effective date of the revocation, disallow any credits, exemptions or other tax  
124 benefits allowed by the original certification of tax benefits under this section. The department  
125 shall issue regulations to recapture the value of any credits, exemptions or other tax benefits  
126 allowed by the certification under this section. If the original certification allowed sales and use  
127 tax exemptions pursuant to subsection (xx) of section 6 of chapter 64H, the purchaser shall  
128 accrue use tax as of the date of revocation on a portion of the sales price on which exemption  
129 was claimed that is proportionate to the remaining useful life of the property.

130 (4) Nothing in this subsection shall limit any legal remedies available to the  
131 commonwealth against any certified fusion energy company.

132 (g) The center shall revoke the certification of a fusion energy company when  
133 independent investigations conducted in 2 consecutive years determine that representations made  
134 by the fusion energy company in its project proposal are deemed materially at variance, pursuant  
135 to paragraph (2) of subsection (e) or subsection (f).

136 (h) The council, in consultation with the executive office of administration and finance  
137 and the executive office of housing and economic development, shall promulgate rules,  
138 regulations or guidelines necessary to carry out the provisions of this section.

#### 139 Section 4. Fusion Energy Development Fund

140 There shall be a Fusion Energy Development fund which shall be administered by the  
141 council. The objective of the fund shall be to attract qualified fusion energy companies to the  
142 commonwealth. Notwithstanding any general or special laws to the contrary, the following



143 amounts shall be credited to the fund: any appropriations, grants, gifts or other monies authorized  
144 by the general court or other parties and specifically designated to be credited to the fund, and  
145 any income derived from the investment of amounts credited to the fund. All amounts credited to  
146 the fund shall be used without further appropriation to accomplish the objective of the fund. No  
147 expenditure from the fund shall cause the fund to be in deficiency at the close of a fiscal year.  
148 Monies deposited in the fund that are unexpended at the end of the fiscal year shall not revert to  
149 the General Fund and shall be available for expenditure in the subsequent year.

150           Section 5. Fusion Energy Scholarship Fund

151           There shall be a Fusion Energy Development fund which shall be administered by the  
152 council and the department of higher education. The objective of the fund shall be provide  
153 funding for the fusion energy scholarship program. Notwithstanding any general or special laws  
154 to the contrary, the following amounts shall be credited to the fund: any appropriations, grants,  
155 gifts or other monies authorized by the general court or other parties and specifically designated  
156 to be credited to the fund, and any income derived from the investment of amounts credited to  
157 the fund. All amounts credited to the fund shall be used without further appropriation to  
158 accomplish the objective of the fund. No expenditure from the fund shall cause the fund to be in  
159 deficiency at the close of a fiscal year. Monies deposited in the fund that are unexpended at the  
160 end of the fiscal year shall not revert to the General Fund and shall be available for expenditure  
161 in the subsequent year.

162           SECTION 2. Section 6 of chapter 62 of the General Laws, as so appearing, is hereby  
163 amended by inserting after subsection (cc), the following subsections:-

164 (dd)(1) As used in this subsection and subsection (ee), the following words shall, unless  
165 the context clearly requires otherwise, have the following meanings:

166 “Fusion energy”, energy generated when nuclei from light atoms, such as hydrogen,  
167 combine to form a single heavier one, such as helium.

168 “Fund”, the Fusion Energy Development Fund.

169 “Council” the Fusion Energy Council.

170 “Department”, the Department of Revenue.

171 (2) A taxpayer may, to the extent authorized pursuant to the fusion energy tax incentive  
172 program established by section 2 of chapter 28B, take a credit against the taxes imposed by this  
173 chapter in an amount equal to 10 per cent of the cost of qualifying property acquired,  
174 constructed, reconstructed or erected during the taxable year and used exclusively in the  
175 commonwealth.

176 Qualifying property shall be tangible personal property and other tangible property  
177 including buildings and structural components of buildings acquired by purchase, as defined by  
178 section 179(d) of the Internal Revenue Code, as amended and in effect for the taxable year, but  
179 not including property that is taxable under chapter 60A; provided, however, that such property  
180 shall be depreciable under section 167 of the Internal Revenue Code and have a useful life of 4  
181 years or more. With respect to property which is disposed of or ceases to be in qualified use prior  
182 to the end of the taxable year in which the credit is to be taken, the amount of the credit shall be  
183 that portion of the credit provided for in this paragraph which represents the ratio which the  
184 months of qualified use bear to the months of useful life. If property on which credit has been

185 taken is disposed of or ceases to be in qualified use prior to the end of its useful life, the  
186 difference between the credit taken and the credit allowed for actual use must be added back as  
187 additional taxes due in the year of disposition; provided, however, if such property is disposed of  
188 or ceases to be in qualified use after it has been in qualified use for more than twelve consecutive  
189 years, it shall not be necessary to add back the credit, as provided in this paragraph. The amount  
190 of credit allowed for actual use shall be determined by multiplying the original credit by the ratio  
191 which the months of qualified use bear to the months of useful life. For the purposes of this  
192 paragraph, useful life of property shall be the same as that used by the corporation for  
193 depreciation purposes when computing federal income tax liability.

194 A taxpayer taking a credit allowed under this subsection may not take the credit allowed  
195 by subsection (g) except to such extent, not to exceed 2 per cent of the cost of any qualifying  
196 property, as may be provided in a certification pursuant to said section 5 of chapter 23I.

197 Nothing in this section shall limit the authority of the commissioner to make adjustments  
198 to a taxpayer's liability upon audit or limit any other legal remedies available to the  
199 commissioner or the commonwealth against said taxpayer.

200 (3) Any taxpayer entitled to a credit under this section for any taxable year may carry  
201 over and apply to its tax for any 1 or more of the next succeeding 10 taxable years, the portion,  
202 as reduced from year to year, of those credits which exceed the tax for the taxable year.

203 (4) The commissioner shall promulgate regulations necessary for the administration of  
204 this subsection; provided, further, that said regulations may provide the adjustment of  
205 intercompany prices and elimination of intercompany transactions to ensure that all amounts  
206 upon which the credit is based reasonably reflect fair market value; and provided, further, that

207 said regulations shall include provisions to prevent the generation of multiple credits with respect  
208 to the same property.

209 (5) If a credit allowed under this subsection, or such credit as may be allowed under  
210 subsection (g) as limited in this subsection, exceeds the tax otherwise due under chapter 62, 90  
211 per cent of the balance of such credit may, at the option of the taxpayer, be refundable to the  
212 taxpayer for the taxable year in which qualified property giving rise to that credit is placed in  
213 service. If such credit balance is refunded to the taxpayer, then the credit carryover provisions of  
214 paragraph (3), and paragraph (2) of subsection (g), shall not apply.

215 (ee)(1) A taxpayer may, to the extent authorized pursuant to the fusion energy tax  
216 incentive program established by section 2 of chapter 28B, be allowed a refundable jobs credit  
217 against the tax liability imposed under this chapter in an amount determined by the  
218 Massachusetts Fusion Energy Council in consultation with the department.

219 (2) A taxpayer taking a credit under this subsection shall commit to the creation of a  
220 minimum of 50 net new permanent full-time positions in the commonwealth.

221 (3) A credit allowed under this subsection shall reduce the liability of the taxpayer under  
222 this chapter for the taxable year. If a credit claimed under this subsection by a taxpayer exceeds  
223 the taxpayer's liability as otherwise determined under this chapter for the taxable year, 90 per  
224 cent of such excess credit shall be refundable to the taxpayer. Excess credit amounts shall not be  
225 carried forward to other taxable years.

226 SECTION 3. Chapter 63 of the General Laws, as so appearing, is hereby amended by  
227 inserting after section 38MM, the following sections:-

228 Section 38NN. Credit for cost of qualifying property; fusion energy

229 (a) As used in this section and in section 38OO and 38PP the following words shall,  
230 unless the context clearly requires otherwise, have the following meanings:

231 “Fusion energy”, energy generated when nuclei from light atoms, such as hydrogen,  
232 combine to form a single heavier one, such as helium.

233 “Fund”, the Fusion Energy Development Fund.

234 “Council” the Fusion Energy Council.

235 “Department”, the Department of Revenue.

236 (b) A taxpayer may, to the extent authorized pursuant to the fusion energy tax incentive  
237 program established by section 2 of chapter 28B, take a credit against the taxes imposed by this  
238 chapter in an amount equal to 10 per cent of the cost of qualifying property acquired,  
239 constructed, reconstructed or erected during the taxable year and used exclusively in the  
240 commonwealth.

241 Qualifying property shall be tangible personal property and other tangible property  
242 including buildings and structural components of buildings acquired by purchase, as defined  
243 under section 179(d) of the Code, as amended, and in effect for the taxable year, but not  
244 including property that is taxable under chapter 60A; provided, however, that such property shall  
245 be depreciable under section 167 of the Code and shall have a useful life of 4 years or more.

246 With respect to property which is disposed of or ceases to be in qualified use prior to the  
247 end of the taxable year in which the credit is to be taken, the amount of the credit shall be that  
248 portion of the credit provided for in this paragraph which represents the ratio which the months

249 of qualified use bear to the months of useful life. If property on which credit has been taken is  
250 disposed of or ceases to be in qualified use prior to the end of its useful life, the difference  
251 between the credit taken and the credit allowed for actual use must be added back as additional  
252 taxes due in the year of disposition; provided, however, if such property is disposed of or ceases  
253 to be in qualified use after it has been in qualified use for more than twelve consecutive years, it  
254 shall not be necessary to add back the credit, as provided in this paragraph. The amount of credit  
255 allowed for actual use shall be determined by multiplying the original credit by the ratio which  
256 the months of qualified use bear to the months of useful life. For the purposes of this paragraph,  
257 useful life of property shall be the same as that used by the corporation for depreciation purposes  
258 when computing federal income tax liability.

259         The credit allowed under this section may be taken by an eligible corporation; provided,  
260 however, that neither credit allowed by section 31A nor section 31H is taken by such  
261 corporation; and provided, further, that the credit allowed by section 38N shall not be taken  
262 except to such extent, not to exceed 2 per cent of the cost of any qualifying property.

263         Nothing in this section shall limit the authority of the commissioner to make adjustments  
264 to a taxpayer's liability upon audit or limit any other legal remedies available to the  
265 commissioner or the commonwealth against said taxpayer.

266         (c) The credit allowed by this section shall not be subject to section 32C.

267         (d) If a taxpayer that is subject to a minimum excise under this chapter, the amount of the  
268 credit allowed by this section shall not reduce the excise to an amount less than such minimum  
269 excise.

270 (e) A taxpayer entitled to a credit under this section for any taxable year may carry over  
271 and apply to its excise for any 1 or more of the next succeeding 10 taxable years, the portion, as  
272 reduced from year to year, of those credits which were not allowed by subsection (c) or which  
273 exceed the excise for the taxable year.

274 (f) For corporations filing a combined return of income under section 32B, a credit  
275 generated by an individual member corporation under this section shall first be applied against  
276 the separately determined excise attributable to that member, subject to the limitations of  
277 subsection (d). A member corporation with an excess credit may apply its excess credit against  
278 the excise of another group member, to the extent that such other member corporation may use  
279 additional credits under the limitation of paragraph (d). Unused, unexpired credits generated by  
280 member corporations shall be carried over from year to year by the individual corporation that  
281 generated the credit.

282 (g) The commissioner shall promulgate regulations necessary to implement this section.  
283 Said regulations may provide for the adjustment of intercompany prices and elimination of  
284 intercompany transactions to ensure that all amounts upon which the credit is based reasonably  
285 reflect fair market value and shall include provisions to prevent the generation of multiple credits  
286 with respect to the same property.

287 (h) If a credit allowed to a taxpayer under this section, or such credit as may be allowed  
288 under section 38N of this chapter as limited in this subsection, exceeds the excise otherwise due  
289 under this chapter, 90 per cent of the balance of such credit may, at the option of the taxpayer, be  
290 refundable to the taxpayer for the taxable year in which qualified property giving rise to that

291 credit is placed in service. If such credit balance is refunded to the taxpayer, the credit carryover  
292 provisions of subsection (e) and said section 38N shall not apply.

293 Section 38OO. Credit for qualified research expenses; fusion energy

294 (a) A taxpayer may, to the extent authorized pursuant to the fusion energy tax incentive  
295 program established by section 2 of chapter 28B, be allowed a credit against its excise due under  
296 this chapter equal to the sum of 10 per cent of the excess, if any, of the qualified research  
297 expenses for the taxable year, over the base amount, and 15 per cent of the basic research  
298 payments determined pursuant to section 41(e)(1)(A) of the Internal Revenue Code. The terms  
299 "qualified research expenses", "base amount", "qualified organization base period amount", "basic  
300 research" and any other terms affecting the calculation of the credit shall, unless the context  
301 otherwise requires or unless otherwise stated in this section, have the same meanings as under  
302 said section 41 of said Code.

303 In determining the amount of the credit allowable under this section, the commissioner of  
304 revenue may aggregate the activities of all corporations that are members of a controlled group  
305 of corporations, as defined by 41(f)(1)(A) of said Code, and may aggregate the activities of all  
306 entities, whether or not incorporated, that are under common control, as defined in section  
307 41(f)(1)(B) of said Code.

308 (b) For purposes of section 30, the deduction from gross income that may be taken with  
309 respect to any expenditures qualifying for a credit under said section 41 of said Code shall be  
310 based upon its cost less the credit allowable under this section; provided, however, that section  
311 280C(c) of said Code shall not apply.



312 (c) The credit allowed hereunder for any taxable year shall not reduce the excise to less  
313 than the amount due under subsection (b) of section 32, subsection (b) of section 39, section 67  
314 or under any other general or special law.

315 (d) The credit allowed under this section shall be limited to 100 per cent of a  
316 corporation's first \$25,000 of excise, as determined before the allowance of any credits, plus 75  
317 per cent of the corporation's excise, as so determined in excess of \$25,000. The commissioner of  
318 revenue shall promulgate regulations similar to those authorized under section 38(c)(2)(B) of the  
319 Internal Revenue Code for purposes of apportioning the \$25,000 amount among members of a  
320 controlled group. Nothing in this section shall alter section 32C, as it affects other credits under  
321 this chapter.

322 (e) If a corporation files a combined return of income under section 32B, a credit  
323 generated by an individual member corporation under this section shall first be applied against  
324 the excise attributable to that company under sections 32 or 39, subject to the limitations of  
325 subsections (d) and (e). A member corporation with an excess research and development credit  
326 may apply its excess credit against the excise of another group member if such other member  
327 corporation may use additional credits under the limitations of said subsections (d) and (e).  
328 Unused, unexpired credits generated by a member corporation shall be carried over from year to  
329 year by the individual corporation that generated the credit and shall not be refundable. Nothing  
330 in this section shall alter subsection (h) of section 31A.

331 (g) A corporation entitled to a credit under this section for any taxable year may carry  
332 over and apply to its excise for any of the next succeeding 15 taxable years that portion, as  
333 reduced from year to year, of its credit which exceeds its excise for the taxable year. A

334 corporation may carry over and apply to its excise for any subsequent taxable year that portion,  
335 as reduced from year to year, of those credits which were not allowed by subsection (f).

336 (h) The commissioner of revenue shall promulgate regulations necessary to carry out this  
337 section.

338 Section 38PP. (a) A taxpayer may, to the extent authorized pursuant to the fusion energy  
339 tax incentive program established by section 2 of chapter 28B, be allowed a refundable jobs  
340 credit against the tax liability imposed under this chapter in an amount determined by the  
341 Massachusetts Fusion Energy Council in consultation with the department.

342 (b) A taxpayer taking a credit under this section shall commit to the creation of a  
343 minimum of 50 net new permanent full-time positions in the commonwealth.

344 (c) A credit allowed under this section shall reduce the liability of the taxpayer under this  
345 chapter for the taxable year. If a credit claimed under this section by a taxpayer exceeds the  
346 taxpayer's liability as otherwise determined under this chapter for the taxable year, 90 per cent of  
347 such excess credit shall be refundable to the taxpayer. Excess credit amounts shall not be carried  
348 forward to other taxable years.

349 SECTION 4. Chapter 15A of the General Laws, as appearing in the 2022 Official  
350 Edition, is hereby amended by inserting, after section 16, the following new section:-

351 Section 17. Fusion Energy Scholarship Program

352 There shall be a Fusion Energy Scholarship Program to provide scholarships for graduate  
353 students and postdoctoral researchers studying or conducting research in the commonwealth in  
354 the fields of plasma physics and fusion energy science to cover the entire cost of tuition and fees

355 for one year other than the first each to qualified recipients enrolled in or employed by an  
356 institution of higher education in the commonwealth. The scholarships will be available to  
357 residents of the Commonwealth in need of financial assistance whose family income is less than  
358 the median family income in Massachusetts.

359           The Department of Higher Education, in partnership with the Fusion Energy Council,  
360 shall establish guidelines governing said program, which shall include but not be limited to  
361 eligibility requirements, selection criteria (such as acceptable grades and an academic plan for  
362 timely degree completion), and other guidelines designed to help meet the department's goals,  
363 such as increasing overall student success and graduation rates, and lowering achievement gaps  
364 for high-risk students; provided, further, that no student shall be eligible to receive a scholarship  
365 from this program more than one time.

366           Funds for this program shall be drawn from the fusion energy scholarship fund and any  
367 amounts appropriated for the program. If funds for this program are insufficient to cover costs of  
368 qualified applicants, the department shall hold a lottery for available scholarships. The funds for  
369 the program are meant to supplement and not supplant existing scholarship funds; funds for this  
370 program shall not be derived from existing financial aid programs the Commonwealth  
371 administers.

372           The Department of Higher Education, along with the fusion energy council, shall provide  
373 the Joint Committee of Higher Education and the Joint Committee on Economic Development  
374 and Emerging Technologies a report analyzing the usage, achievements and costs of this  
375 program, together with recommendations for its future, no later than 120 days following the  
376 program's first year of operation.

377           SECTION 5. The Massachusetts Clean Energy Technology Center and the Massachusetts  
378 Fusion Energy Council shall collaborate to identify a public institution of higher education in  
379 which to establish a research center focused on plasma science and fusion energy. The Center  
380 and the Council shall collaborate with the selected institution to identify funding opportunities.