HOUSE DOCKET, NO. 128 FILED ON: 1/6/2025

HOUSE . . . . . No. 3441

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*	*1/6/2025*

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HOUSE . . . . . No. 3441

By Representative Williams of Springfield, a petition (accompanied by bill, House, No. 3441) 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. *3130* OF 2023-2024.]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court
(2025-2026)

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,

inclusive, this Act shall be known as the Commonwealth Housing, Economic, Education and Equity in Recovery and Reconstruction Act or the CHEEERR ACT.

SECTION 2. As used in sections 2 through 13, inclusive, the following words shall, unless the context clearly requires otherwise, have the following meanings:—

"Agencies", non-profit organizations located and operating within disparately impacted communities with whom the commission may enter into contracts pursuant to section 9 for the operation of corps projects.

"Commission", the commonwealth corps commission established pursuant to section

"Bureau", the Massachusetts Bureau on Social and Economic Equity in Recovery and Reconstruction established pursuant to section 3.

"Corps", the commonwealth housing, economic, education and equity in recovery and reconstruction service corps or CHEEERRS corps established pursuant to section 11.

"Corps members", individuals who commit to no more than 24 months of full or part-time service in the commonwealth service corps pursuant to section 12.

"Corps projects", programs established pursuant to this act to satisfy unmet community needs.

"Disparately impacted community", shall mean (a) a defined geographic area in which Black and Latino residents whose rate of infection for the coronavirus exceeds their proportionate share of the population of said geographic area as of May 1, 2020; or, (b) a medically underserved community or (c) low and moderate income community; or, (c) an educationally disadvantaged community;

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

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

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

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

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

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

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

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

(c) The position of administrator shall be classified in accordance with section forty-five of chapter thirty, and the salary shall be determined in accordance with section forty-six C of said chapter thirty. The administrator shall devote his or her full time during business hours to the duties of the office.

(d) The administrator shall, with the advice of the advisory council, have sole charge of the supervision and administration of the office. The administrator may, subject to fiscal resources available to support the operations of the bureau, employ and remove such assistant administrators and other employees and consultants as administrator may deem necessary to enable the performance of the functions of the bureau; provided that not more than ten percent of said resources shall be expended on staff in any fiscal year. The provisions of chapter thirty-one and section nine A of chapter thirty shall not apply to the administrator or to such assistant administrators and consultants as may be appointed. In making such appointments, the administrator shall hire individuals who reflect the racial, ethnic and gender make-up of disparately impacted communities.

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

SECTION 5. The bureau, in fulfillment of its purposes, shall have the following duties 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:

(i) to identify and recommend to the secretary of housing and community development and to the director of the department of business and technology sources of state, federal and private funds which are available to mitigate, or can be used to mitigate, the disparate access to capital and technical assistance available to small businesses owned or operated by individuals who reside in disparately impacted communities; (ii) to identify and recommend to the undersecretary for housing and community development and public instrumentalities with the department of housing and community development sources of state, federal and private funds which are available to mitigate, or can be used to mitigate, the disparate access to affordable and adequate housing on the part of individuals and households who reside in disparately impacted communities; (iii) to identify and recommend to the commissioner of public health sources of state, federal and private funds which are appropriated or otherwise are available to mitigate, or can be directed to mitigate, existing and emerging disparate incidences of illness and disease experienced by individuals and households who reside in disparately impacted communities; provided that in mitigating such incidences, the commissioner of public health shall expend said monies in a manner proportionate to the prevalence of said diseases and illnesses among racial and ethnic minorities; provided further, that the administrator may consult with the office of 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;

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

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

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

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

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

(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.

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

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

purposes of this section and section 10; (2) donations from the public; (3) donations from private entities; and (4) any funds provided through a sponsorship agreement.

(c) Monies in the incarceration to incorporation entrepreneurship fund shall be used to implement, operate, and administer the incarceration to incorporation entrepreneurship program established pursuant to section 10.

SECTION 10. (a) There is established within the bureau an incarceration to incorporation entrepreneurship program, herein after "the program," a business development program for returning citizens, which shall be operated by the bureau and whose functions are to:

(1) provide technical assistance and business development training to returning citizens who are seeking to operate or are already operating a business enterprise to be located within a disparately impacted community; provided that said technical assistance and business development training shall include, but not be limited to, the following:

(A) Accounting;

(B) Finance;

(C) Business management;

(D) Business planning;

(E) Budgeting;

(F) Marketing;

(G) Business law;

(H) Accessing startup capital, and other business startup topics as identified by the U.S. small business administration and certified community development financial institutions;

(I) Estimating if the business enterprise is engaged in the construction industry; and,

(J) Technology training;

(2) provide micro-investments, in the form of grants, in an amount not to exceed fifty thousand dollars, to assist returning citizens in the development and operation of a business enterprise to be located within a disparately impacted community;

(3) provide ongoing mentorship and support; and

(4) Provide monthly networking meetings with business leaders, such as:

(A) business owners;

(B) representatives of financial institutions;

(B) angel investors; and

(C) heads of venture capital and investment firms; and

(b) For the purposes of implementing this section, the bureau shall confer with other agencies, organizations, and individuals, including but not limited to, (1) the office of small business and entrepreneurship, (2) the small business development center, (3) the Black economic council of Massachusetts, (4) the Hispanic chamber of commerce, (5) the Latino chamber of commerce, (6) the greater new england minority supplier development council, (7) the center for women and enterprise, and any other relevant agency or organization that the 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.

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

chapters of the National Association for the Advancement of Colored Persons, 2 of whom shall be members chosen from local affiliates of the National Urban League, 1 of whom shall be a member chosen from a Community Health Centers, 1 of whom shall be a member chosen by the Massachusetts Senior Action Council, 2 of whom shall be members chosen by the Massachusetts Association for Community Action, 2 of whom shall be members chosen from two community development corporations, and 2 of whom shall be individuals with expertise in the educational, training, and development needs of youth, particularly disadvantaged youth; Each member shall serve for a term of 3 years and shall serve without compensation. A person appointed to fill a vacancy in the office of a member of the board shall be appointed in a like manner and shall

serve for only the unexpired term of such member. A member shall be eligible for reappointment. A chairman of the commission shall be elected annually from the membership. The bureau shall provide administrative support to the commission as requested.

(c) The duties of the commission shall include, but not be limited to: (i) contracting with agencies to administer service projects to address unmet community needs by recruiting corps members; (ii) reviewing and approving the commonwealth corps plan and annual updates prepared by each agency; and reviewing each agency's performance in carrying out its responsibilities pursuant to this act. Each agency the commission contracts with shall be a nonprofit organization incorporated pursuant to the provisions of chapter 180 of the General Laws for the operation of corps projects.

SECTION 12. (a) Corps members shall be residents of disparately impacted communities 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.

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

(2) function as or recruit corps sponsors; (3) compensate each corps member via a stipend that has the value equivalent to fifteen dollar per hour worked, whether a corps member performs on a full-time or part-time basis, (4) initiate studies and analyses of proposed and implemented service and volunteer projects, which will aid in addressing local problems; (5) recommend 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.

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

SECTION 14. There shall be a Commonwealth Housing, Economic, Education and Equity in Recovery and Reconstruction Service Corps Fund within the bureau. The fund shall be administered and managed by a fund director, who shall be appointed by the administrator. The fund shall be established and utilized to support the work of the commission and to support the costs of contracts entered into by the commission with agencies for the purposes of section 11 through 13, inclusive. The fund shall be initially capitalized by a transfer of one hundred million dollars from the CCHEERS fund. Money in or received for the fund may be deposited with and 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 benefit of the fund.

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

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

Section 2DDDDD. There shall be established and set up on the books of the commonwealth a separate fund to be known as the Commonwealth Covid-19 Health Economic 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.

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