HOUSE DOCKET, NO. 5767 FILED ON: 3/17/2026

HOUSE . . . . . No. 5436

The Commonwealth of Massachusetts

PRESENTED BY:

Michael S. Day

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 establishing MassQuantum.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Michael S. Day	*31st Middlesex*	*3/17/2026*

HOUSE DOCKET, NO. 5767 FILED ON: 3/17/2026

HOUSE . . . . . No. 5436

By Representative Day of Stoneham, a petition (subject to Joint Rules 12 and 9) of Michael S. Day for legislation to establish quantum investment and tax incentive programs for certain quantum science research, development, manufacturing or commercialization. Revenue.

The Commonwealth of Massachusetts

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

An Act establishing MassQuantum.

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. The General Laws are hereby amended by inserting after chapter 23N the following chapter:-

CHAPTER 23O

Massachusetts Quantum Center

Section 1 . As used in this chapter, the following words shall, unless the context clearly requires otherwise, have the following meanings:—

"Affiliate", any business which directly or indirectly controls or is controlled by or is under direct or indirect common control of another business including, but not limited to, any business with which a business is merged or consolidated, or which purchases all or substantially all of the assets of a business.

"Board", the board of directors of the Massachusetts Quantum Center.

"Center", the Massachusetts Quantum Center established by section 2.

"Certification proposal", a written proposal submitted by a quantum computing company for approval as a certified quantum company pursuant to section 4.

"Certified quantum company", a company that has been certified by the center for participation in the commonwealth quantum investment program and the quantum tax incentive program, established by section 4.

"Company", a business corporation, partnership, firm, unincorporated association or other entity engaged or proposing to engage in economic activity within the commonwealth, and any affiliate thereof, which is, or the members of which are, subject to taxation under chapter 62, 63, 64H or 64I.

"Department", the department of revenue established pursuant to section 1 of chapter 14.

"Eligible new job", a new job that shall not replace an existing job in the commonwealth and which may be a retained job; provided, however, that "eligible new job" may be further defined by rules, regulations or guidelines promulgated by the center pursuant to section 4; provided further, that an "eligible new job" shall be deemed to have been created in the commonwealth on the first day for which Massachusetts personal income tax withholding is required in connection with the compensation paid to an employee of a quantum company or the first day for which Massachusetts estimated tax payments are payable by a partner of a partnership constituting a quantum sciences company.

"Enterprise", a small business, as defined in chapters 23A or 40F, which has its principal place of business in the commonwealth and is, or proposes to be, engaged in research and development or manufacturing in the quantum industry.

"Equity investment", (a) a share in a quantum company certified pursuant to section 4, whether or not transferable or denominated stock, or similar security; (b) interest of a limited partner in a limited partnership; or (c) warrant or right, other than a right to convert, to purchase, sell or subscribe to a share, security or interest of a kind specified in clauses (a) or (b); provided, however, that when making an equity investment in an enterprise pursuant to section 4, the center shall receive not less than 3 per cent of the equity in said enterprise.

"Independent research institution", a nonprofit research organization that holds tax-exempt status granted under section 501(c)(3) of the Internal Revenue Code and shall be organized and operated exclusively for scientific or educational purposes.

"New state revenue", revenue derived from a quantum company by the creation of any eligible new jobs or by new commercial activity that would otherwise not have taken place in the commonwealth or as may be defined by any rules or regulations promulgated by the center pursuant to section 4.

"Permanent full-time employee", an individual who: (i) is in an employment relationship which, at its inception, does not have a termination date which is a date certain or which is determined with reference to the completion of some specified scope of work; (ii) works a minimum number of weekly hours as the center may specify by rule, regulation or guideline; and (iii) receives employee benefits at least equal to those provided to other full-time employees of the employer, which shall be a quantum sciences company.

"Person", a natural person, corporation, association, partnership or other legal entity.

"Program", the commonwealth quantum sciences investment program established by section 4.

"Professional investor", a bank, bank holding company, savings institution, trust company, insurance company, investment company registered under the federal Investment Company Act of 1940, pension or profit-sharing trust or other financial institution or institutional buyer, licensee under the federal Small Business Investment Act of 1958 or any person, partnership or other entity of whose resources a substantial amount shall be dedicated to investing in securities or debt instruments and whose net worth exceeds $250,000.

"Qualified security", a note, stock, treasury stock bond, debenture, evidence of indebtedness, certificate of interest or participation in a profit-sharing agreement, preorganization certificate or subscription, transferable share, investment contract, certificate of deposit for a security, certificate of interest or participation in a patent or application therefor, or in royalty or other payments under such a patent or application; in general, any interest or instrument security, so-called, or any certificate for, receipt for, guarantee of, or option, warrant or right to subscribe to or purchase any of the foregoing; and debt of and partnership interest in, as a general or limited partner, any general or limited liability partnership organized under the laws of the commonwealth, and debt of and membership interest in any limited liability company organized under the laws of the commonwealth.

"Quantum science", means the use of the laws of quantum physics for the storage, transmission, manipulation, computing, or measurement of information.

"Quantum company", a business corporation, partnership, firm, unincorporated association or other entity engaged in quantum science research, development, manufacturing or commercialization in the commonwealth, and any affiliate thereof, which is, or the members of which are, subject to taxation under chapter 62, 63, 64H or 64I.

"Real estate project", real property where, after a quantum sciences company is certified, construction or renovation shall be initiated which, when completed, shall result in an increase in the assessed value of the real property of at least 100 per cent over its assessed value as of the date of certification; provided, however, that if a real estate facility is a business incubator facility and is designated as a certified quantum sciences company pursuant to section 4, each business which executes a binding lease for space in that facility after the date on which the construction or renovation activity begins shall be eligible for separate designation as a certified quantum sciences company.

"Revenue", receipts, fees, rentals or other payments or income received or to be received on account of obligations to the center including, but not limited to, income on account of the leasing, mortgaging, sale or other disposition of a project or proceeds of a loan made by the center in connection with any project, and amounts in reserves or held in other funds or accounts established in connection with the issuance of bonds and the proceeds of any investments thereof, proceeds of foreclosure and any other fees, charges or other income received or receivable by the center.

"Seed capital", financing that is provided for the development, refinement and commercialization of a product or process and other working capital needs.

"Taxpayer", a certified quantum sciences company or person subject to the taxes imposed by chapter 62, 63, 64H or 64I.

Section 2. (a) There is hereby created a body politic and corporate to be known as the Massachusetts Quantum Center. The center is hereby constituted a public instrumentality and the exercise by the center of the powers conferred by this chapter shall be considered to be the performance of an essential governmental function.

The center is hereby placed in the executive office of economic development but shall not be subject to the supervision, or control of said office, or of any board, bureau, department, or other center of the commonwealth, except as specifically provided in this chapter.

(b) The center shall be governed and its corporate powers exercised by a board of commissioners consisting of 5 commissioners : One of whom shall be the Secretary of the Executive Office of Technology Services and Security or their designee, one of whom shall be the Secretary of Economic Development who shall serve as Chair of the Commission, one of whom shall be an industry leader appointed by the Speaker of the House from a list of three provided by the New England Venture Capital Association, each of whom shall have direct experience serving as an officer of a quantum computing focused start up corporation based in the Commonwealth of Massachusetts, one of whom shall be an industry leader appointed by the Senate President from a list of three provided by the Associated Industries of Massachusetts, each of whom shall have direct experience serving as an officer of a Fortune 500 corporation which has invested significantly in quantum computing, and one of whom shall be an academic leader in the field of Quantum computing chosen by the Governor from a list of three provided by the President of the University of Massachusetts in collaboration with the Executive Director

of the Association of Independent Colleges and Universities of Massachusetts. Each appointed member shall serve a term of 5 years. Any person appointed to fill a vacancy in the office of an appointed commissioner of the board shall be appointed in a like manner and shall serve for only the unexpired term of such commissioner. Any commissioner shall be eligible for reappointment. Appointing authorities may remove their appointees for any reason or no reason at all.

(c) Three commissioners shall constitute a quorum and the affirmative vote of a majority of commissioners present at a duly called meeting if a quorum is present shall be necessary for any action to be taken by the board. Any action required or permitted to be taken at a meeting of the commissioners may be taken without a meeting if all of the commissioners' consent in writing to such action and such written consent is filed with the records of the minutes of the meetings of the board. Such consent shall be treated for all purposes as a vote at a meeting. Each commissioner shall make full disclosure, under subsection (d), of their financial interest, if any, in matters before the board by notifying the state ethics commission, in writing, and shall abstain from voting on any matter before the board in which they have a financial interest, unless otherwise permissible under chapter 268A.

The members of the commission shall receive an annual renumeration in an amount equal to one quarter of the salary of the Secretary of Administration and Finance. Each member shall be entitled to reimbursement for their actual and necessary expenses incurred in the performance of his official duties.

(d) The provisions of chapter 268A shall apply to all ex-officio commissioners or their designees and employees of the center. The provisions of chapter 268A shall apply to all other commissioners of the center, except that the center may purchase from, sell to, borrow from, loan

to, contract with or otherwise deal with any person in which any commissioner of the center is in any way interested or involved; provided, however, that such interest or involvement is disclosed in advance to the members of the board and recorded in the minutes of the board; and provided, further, that no commissioner having such an interest or involvement may participate in any decision of the board relating to such person. Employment by the commonwealth or service in any agency thereof shall not be deemed to be such an interest or involvement.

(e) The Board shall have the power to appoint and employ an Executive Director, and to fix compensation and conditions of employment. The Executive Director shall be the chief executive, administrative and operational officer of the center and shall direct and supervise administrative affairs and the general management of the center. The Executive Director shall appoint and employ a chief financial and accounting officer and may, subject to the general supervision of the board, employ other employees, consultants, agents, including legal counsel, and advisors, and shall attend meetings of the board. The chief financial and accounting officer of the center shall be in charge of its funds, books of account and accounting records. No funds shall be transferred by the center without the approval of the board and the signatures of the chief financial and accounting officer and the treasurer, as appointed by the board pursuant to subsection (g).

(f) Neither the center nor any of its officers, agents, employees, consultants or advisors shall be subject to the provisions of sections 9A, 45, 46 and 52 of chapter 30, or to chapter 31, or to chapter 200 of the acts of 1976.

(g) The board shall bi-annually elect 1 of its members as treasurer and 1 of its members as secretary. The secretary shall keep a record of the proceedings of the board and shall be

custodian of all books, documents, and papers filed by the board and of its minute book and seal. The secretary shall cause copies to be made of all minutes and other records and documents of the center and shall certify that such copies are true copies, and all persons dealing with the center may rely upon such certification.

(h) All officers and employees of the center having access to its cash or negotiable securities shall give bond to the center at its expense in such amounts and with such surety as the board may prescribe. The persons required to give bond may be included in one or more blanket or scheduled bonds.

(i) Neither members of the center nor any person executing bonds or policies of insurance shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof. The board of commissioners may purchase liability insurance for board members, officers and employees and may indemnify said persons against claims of others.

(j) The center shall continue as long as it shall have bonds or insurance policies or guarantee commitments outstanding and until its existence is terminated by law. Upon the termination of the existence of the center, all right, title and interest in and to all of its assets and all of its obligations, duties, covenants, agreements and obligations shall vest in and be possessed, performed and assumed by the commonwealth.

(k) Any action of the center may take effect immediately and need not be published or posted unless otherwise provided by law. The center shall be subject to all other provisions of said chapter 30A, and records pertaining to the administration of the authority shall be subject to section 42 of chapter 30 and section 10 of chapter 66 . All moneys of the center shall be

considered to be public funds for purposes of chapter 12A . The operations of the center shall be subject to chapter 268A and chapter 268B and all other operational or administrative standards or requirements to the same extent as the office of the state treasurer.

(l) Any documentary materials or data whatsoever made or received by any member or employee of the center and consisting of, or to the extent that such materials or data consist of, trade secrets or commercial or financial information regarding the operation of any business conducted by an applicant for any form of assistance which the center is empowered to render or regarding the competitive position of such applicant in a particular field of endeavor, shall not be deemed public records of the center and specifically shall not be subject to the provisions of section 10 of chapter 66 . Any discussion or consideration of such trade secrets or commercial or financial information may be held by the board in executive sessions closed to the public, but the purpose of any such executive session shall be set forth in the official minutes of the center and no business which is not directly related to such purpose shall be transacted nor shall any vote be taken during such executive session.

Section 3. The center shall have all powers necessary or convenient to carry out and effectuate its purposes, including, without limiting the generality of the foregoing, the powers:

(1) to adopt and amend bylaws, regulations and procedures for the governance of its affairs and the conduct of its business without regard to chapter 30A ;

(2) to establish standards requiring that any grant, loan or other appropriation of funds pursuant to this chapter be subject to an intellectual property agreement between the center and the recipient person; provided said intellectual property agreements balance the opportunity for the commonwealth to benefit from the patents, royalties, and licenses with the need to ensure

that essential quantum science research is not unreasonably hindered by the intellectual property agreements;

(3) to adopt an official seal for the functional name MassQuantum;

(4) to maintain offices at places within the commonwealth as it may determine and to conduct meetings of the center in accordance with the by-laws of the authority and the second paragraph of section 59 of chapter 156B;

(5) to sue and be sued, to prosecute and defend actions relating to its properties and affairs, and to be liable in tort in the same manner as a private person; provided however, that the center is not authorized to become a debtor under the United States Bankruptcy Code;

(6) to appoint officers and employees and to engage consultants, agents and advisors;

(7) to enter into contracts and agreements and execute all instruments necessary or convenient thereto for accomplishing the purposes of this chapter; such contracts and agreements may include, without limiting the foregoing, construction agreements, purchase or acquisition agreements, loan or lease agreements, partnership agreements including limited partnership agreements, joint ventures, participation agreements, service agreements with quantum entities, nanotechnology entities, photo generative entities, educational or other financial institutions or intermediaries, and agreements with one or more persons for the servicing of loans made by the center including the receipt by such servicer of payments made by a user under a financing document; provided, however, that the center shall contract with another public authority for the performance by that authority of core administrative functions, as determined by the secretary of economic development which may include, but shall not be limited to, human resources, financial management, information technology, legal, procurement and asset management, to

minimize the administrative costs and expenses of the center. Any such payments shall constitute trust funds to be held and applied solely as provided in such agreement for the servicing of loans, shall constitute pledged funds of the center and shall be entitled to the same protection when received by a person for the servicing of loans, without the need for filing and recording of the servicing agreement under the provisions of chapter 106 or otherwise except in the records of the center, as is afforded to funds received by an issuer and pledged to a trustee under section 14 of chapter 40D.

(8) to acquire real and personal property, or any interest in real or personal property, by gift, purchase, transfer, foreclosure, lease or otherwise including rights or easements; to hold, sell, assign, lease, encumber, mortgage or otherwise dispose of any real or personal property, or any interest therein, or mortgage any interest owned by it or under its control, custody or in its possession; to release or relinquish any right, title, claim, lien, interest, easement or demand however acquired, including any equity or right of redemption in property foreclosed by it; to take assignments of leases and rentals, proceed with foreclosure actions, or take any other actions necessary or incidental to the performance of its corporate purposes;

(9) to invest any funds held in reserves or sinking funds, or the Massachusetts Quantum Investment Fund, or any funds not required for immediate disbursement, in such investments as may be provided in any financing document relating to the use of such funds, or, if not so provided, as the board may determine;

(10) to review and recommend changes in laws, rules, programs, and policies of the state and its agencies and subdivisions to further the enhancement of quantum industry financing, infrastructure and development within the commonwealth;

(11) to appear in its own behalf before boards, commissions, departments or other agencies of municipal, state or federal government;

(12) to obtain insurance;

(13) to apply for and accept subventions, grants, loans, advances and contributions from any source of money, property, labor or other things of value, to be held, used and applied for its corporate purposes, provided however, that the center shall not accept funding from any source, including any federal agency, if the receipt of said funding would limit the center's ability to promote all forms of quantum research or growth of that industry in the Commonwealth;

(14) to borrow money in order to implement the purposes of this chapter and, without limiting the generality of the foregoing, to augment the means of securing financing authorized by law for or otherwise available to public bodies and other users;

(15) to lend money to and to acquire or hold obligations issued by public bodies or other users at such prices and in such manner as the center shall deem advisable and sell such bonds acquired or held by it at prices without relation to cost and in such manner as the center shall deem advisable and to secure its own issues of bonds with such obligations held by it;

(16) to act as the central entity and coordinating organization of quantum initiatives on behalf of the commonwealth and to work in collaboration with governmental entities, bodies, centers, institutes and facilities and promote all areas of quantum research and innovation to advance the commonwealth's interests and investments in quantum industries;

(17) to promulgate a code of ethics to address collaborative state and business research activities; provided, further, that said code of ethics shall include recommendations, and

proposed legislation if necessary, addressing the issue of exclusive licensing agreements for intellectual property developed using state funds between state-funded colleges and universities and private companies and institutions. Said code shall be forwarded to the clerks of the house and senate who shall forward the same to the joint committee on economic development and emerging technologies.

(18) to enter into agreements with public and private entities that deal primarily with quantum science, nanotechnology, and related technology fields in order to distribute and provide leveraging of monies or services for the purposes of furthering scientific research in the commonwealth, aiding in the promotion the quality of quantum of residents, fostering jobs in quantum industries, and promoting overall economic growth within the commonwealth by fostering collaboration and investments in quantum sciences in the commonwealth;

(19) to provide and pay for such advisory services and technical assistance as may be necessary or desired to carry out the purposes of this chapter;

(20) to establish and collect such fees and charges as the center without further appropriation shall determine to be reasonable; and to receive and apply revenues from fees and charges to the purposes of the center or allotment by the commonwealth or any political subdivision thereof;

(21) to make loans to any person for the acquisition, construction, alteration, or any combination thereof, or other financing of a project, including but not limited to loans to lending institutions under terms and conditions requiring the proceeds of such loans to be used by such lending institutions for the making of loans to users for qualified projects;

(22) to disburse, appropriate, grant, loan or allocate funds for the purposes of investing in quantum industries and emerging technologies, as directed in this chapter;

(23) to provide assistance to local entities, local authorities, public bodies and private corporations for the purposes of maximizing opportunities for the expansion of quantum industries and advanced technologies in the commonwealth and attracting new quantum entities and advanced technology investments to Massachusetts, fostering new innovative research applications to the commonwealth and creating new manufacturing and development initiatives in the commonwealth;

(24) to prepare, publish and distribute, with or without charge, as the center may determine, such studies, reports and bulletins and other material as the Center deems appropriate;

(25) to exercise any other powers of a corporation organized under chapter 156B; and

(26) to engage accountants, architects, attorneys, engineers, planners, real estate experts and other consultants as may be necessary in its judgment to carry out the purposes of this act and fix their compensation;

(27) to take any actions necessary or convenient to the exercise of any power or the discharge of any duty provided for by this act;

(28) enter into agreements or other transactions with any person, including without limitation any public entity or other governmental instrumentality or agency in connection with its powers and duties under this chapter;

(29) to institute and administer the Massachusetts Quantum Investment Fund, established pursuant to section 4 for the purposes of making appropriations, allocations, grants or loans to

leverage development and investments in quantum science. The center shall implement an application and grant process for these purposes.

(30) to operate as a licensed small business investment corporation pursuant to the provisions of the Small Business Investment Act of 1958, 15 U.S.C. section 661 et seq., as amended; provided, however, that as an alternative, the board may establish a subsidiary corporation to operate as a licensed small business investment corporation pursuant to said Small Business Investment Act of 1958, 15 U.S.C. section 661 et seq., and to make investments in qualified securities of enterprises through such subsidiary;

(31) to track and report to the general court on federal initiatives that have an impact on quantum science companies doing business in the commonwealth; and

(32) to create award programs to acknowledge successful companies, public and private institutions and programs in industry-specific areas, as determined by the center.

(33) to facilitate the growth of the industry by matching industrial needs with local site specific opportunities by: establishing a directory of commercial spaces across the Commonwealth which meet a variety of industrial use cases; serving as a central, individualized clearinghouse on behalf of state and local government for firms seeking to expand, move within or relocate to the Commonwealth.

Section 4. (a) There shall be established a commonwealth quantum investment program which shall be administered by the center. The purpose of the program shall be to expand quantum sciences-related employment opportunities in the commonwealth by supporting and stimulating research and development, manufacturing and commercialization in quantum

industries. Quantum sciences companies certified pursuant to subsection (b) shall be eligible for participation in the program.

(b) The center may, upon a majority vote of the board, certify a quantum company as a certified quantum company upon: (i) the timely receipt, as determined by the center, of a certification proposal supported by independently verifiable information, signed under the pains and penalties of perjury by a person expressly authorized to contract on behalf of the quantum company and which shall include, but not be limited to: (A) an estimate of the projected new state revenue the company expects to generate during the period for which the company seeks certification, together with a plan, including precise goals and objectives, by which the company proposes to achieve the projected new state revenue, including for each tax year, an estimate of new commercial revenue that the commonwealth would not otherwise have received, an estimate of the number of permanent full-time employees to be hired or retained, an estimate of the year in which the company expects to hire or retain the employees, an estimate of the projected average salaries of said employees, an estimate of the projected taxable income pursuant to chapter 62 or 63 generated by said employees and an estimate of the methods by which the company shall obtain new employees and pursue a diverse workforce; (B) documentation of an agreement, if any, between the company and banking institutions with which the company shall have agreed to establish accounts and by which the banking institutions shall have agreed to commit a specified percentage of the funds deposited in the accounts for loans made thereby to companies under the small business capital access program established pursuant to section 57 of chapter 23A; and (C) if appropriate, documentation that the company has received approval for a certified project, pursuant to section 3F of chapter 23A; and (ii) findings made by the center, based on the certification proposal, documents submitted therewith and any additional

investigation by the center, and incorporated in its approval, that: (A) the company shall meet all statutory requirements and any other criteria that the center may prescribe including, but not limited to criteria in the following areas: whether the company has sufficient business contacts with the commonwealth as evidenced by its business activity within the commonwealth including, but not limited to, the number of full-time employees employed in the commonwealth; the company's potential to further technological advancements; the company's potential to offer a breakthrough medical treatment for a particular disease, or medical condition; the company's potential for leveraging additional funding or attracting additional resources to the commonwealth; the company's potential to promote quantum sciences manufacturing in the commonwealth; and evidence of potential royalty income and contractual means to recapture such income for the purposes of this chapter, as the center considers appropriate; and (B) a certified quantum sciences company shall meet the new state revenue and employment growth projections, as specified in the certification proposal, over the period for which it receives benefits.

(c) A certified quantum sciences company may, upon a majority vote of the board, be eligible for the following benefits which shall be awarded by the board on a competitive basis: (1) benefits from the quantum sciences tax incentive program established by subsection (d); (2) grants, loans or other investments from the Massachusetts Quantum Investment Fund established by section 5; (3) equity investments from the Small Business Equity Investment Fund established by section 6; (4) assistance from the center to obtain designation as a certified project as defined in section 3A of chapter 23A; (5) assistance from the center in accessing economic incentive programs within the Massachusetts office of business development, including access to the technical, human, financial, training, educational and site-finding resources necessary to expand

or locate in the commonwealth; (6) assistance from the center in obtaining federal grants; (7) assistance from the center in facilitating clinical trials; (8) preference for funding for quantum science job training programs; or (19) preference for pre-permitted industrial land as identified by the Massachusetts Development Finance Agency.

(d) There shall be established a quantum tax incentive program. The center, in consultation with the department, may annually authorize incentives, including incentives carried forward or refunded pursuant to subsections (m), (n) and (r) of section 6 of chapter 62, paragraph 17 of section 30 of chapter 63, the second time it appears, section 31M of said chapter 63, the second time it appears, paragraph 6 of subsection (f) of section 38 of said chapter 63, subsection (j) of section 38M of said chapter 63, section 38U of said chapter 63, section 38V of said chapter 63, section 38W of said chapter 63, section 38CC of said chapter 63, the second paragraph of subsection (c) of section 42B of said chapter 63 and subsection (xx) of section 6 of chapter 64H in a cumulative amount, including the current year cost of incentives allowed in previous years, that shall not exceed $500,000,000 annually. The center may, in consultation with the department, limit any incentive to a specific dollar amount or time duration or in any other manner deemed appropriate by the department; provided, however, that the department shall only allocate any such incentives among commonwealth certified quantum sciences companies pursuant to subsection (b) and shall award such tax incentives pursuant to subsection (c).

The center shall provide an estimate to the secretary of administration and finance of the tax cost of extending benefits to a proposed project before certification, as approved by the commissioner of revenue, based on reasonable projections of project activities and costs. Tax incentives shall not be available to a certified quantum sciences company unless expressly granted by the secretary of administration and finance in writing.

(e)(1) Certification granted pursuant to subsection (b) shall be valid for 5 years starting with the tax year in which certification is granted. Each certified quantum sciences company shall file an annual report with the center detailing whether it has met the specific targets established in the proposal pursuant to subclause (A) of clause (i) of subsection (b).

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

(3) Under this subsection, revocation shall take effect on the first day of the tax year in which the center determines that a material variance commenced. The commissioner of revenue shall, as of the effective date of the revocation, disallow any credits, exemptions or other tax benefits allowed by the original certification of tax benefits under this section. The department shall issue regulations to recapture the value of any credits, exemptions or other tax benefits

allowed by the certification under this section; provided, however, that the recapture provisions in subsection (m) of section 6 of chapter 62 and section 38U of chapter 63 shall apply. If the original certification allowed sales and use tax exemptions pursuant to subsection (xx) of section 6 of chapter 64H, the purchaser shall accrue use tax as of the date of revocation on a portion of the sales price on which exemption was claimed that is proportionate to the remaining useful quantum of the property.

(4) Nothing in this subsection shall limit any legal remedies available to the commonwealth against any certified quantum sciences company.

(f) Capital funding may be revoked only by the center after an independent investigation and determination that representations made by the company in its certification proposal are materially at variance with the conduct of the company after certification; provided, further, that a quantum sciences company generating less than 70 per cent of the projected new state revenue in the certification proposal shall be deemed to contain a material variance for the purposes of a revocation determination. If the center does not revoke certification despite said material variance, the center shall provide its reasons for the decision in writing to the secretary of administration and finance, the commissioner of revenue and the clerks of the house of representatives and the senate, who shall forward the same to the house and senate committees on ways and means, the joint committee on bonding, capital expenditures and state assets and the joint committee on economic development and emerging technologies. A notice of revocation under this subsection shall specify the date on which the revocation is effective, which shall be the date of the notice or the date on which the center determined that the material variance commenced. The secretary of administration and finance shall, as of the effective date of the revocation, disallow any loans, grants or other benefits allowed by the original certification

under this section. The department may issue regulations to recapture any grants or loans allowed by the certification under this section.

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

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

Section 5. (a) There shall be established and placed within the center a fund to be known as the Massachusetts Quantum Investment Fund, hereinafter in this section referred to as the fund, to be held by the center separate and apart from its other funds, to finance the activities of the center. The fund shall be credited any appropriations, bond proceeds or other monies authorized by the general court and specifically designated to be credited thereto, such additional funds as are subject to the direction and control of the center, any pension funds, federal grants or loans, royalties or private investment capital which may properly be applied in furtherance of the objectives of the fund, any proceeds from the sale of qualified investments secured or held by the fund, any fees and charges imposed relative to the making of qualified investments as defined by the center, secured or held by the fund and any other monies which may be available to the center for the purposes of the fund from any other source or sources. Any revenues, deposits, receipts, or funds received through the receipt of royalties, interest, dividends, or the sale of equity instruments shall be deposited in the fund, and shall be available to the center for the

purposes described in this section, without further appropriation. All available moneys in the fund that are unexpended at the end of each fiscal year shall not revert to the General Fund and shall be available for expenditure in the subsequent fiscal year.

(b) The center shall invest and reinvest the fund and the income thereof only as follows: (1) making qualified investments pursuant to subsection (c); (2) defraying the ordinary and necessary expenses of administration and operation associated with the center; provided, however, that said administrative and operational expenses shall not exceed 15 per cent of the maximum amount authorized to be expended from the fund in a fiscal year; (3) investing any funds not required for immediate disbursement in the purchase of such securities as may be lawful investments for fiduciaries in the commonwealth; (4) paying binding obligations associated with such qualified investments which shall be secured by the fund as the same become payable; and (5) paying principal or interest on qualified investments secured by the fund or paying any redemption premium required to be paid when such qualified investments shall be redeemed prior to maturity; provided, however, that monies in the fund shall not be withdrawn at any time in such an amount as would reduce the amount of the fund to less than the minimum requirement thereof established by the board, except for the purpose of paying binding obligations associated with qualified investments which shall be secured by the fund as the same become payable.

(c) The fund shall be held and applied by the center, subject to the approval of the board, to make qualified investments, grants, research and other funding and loans designed to advance the following public purposes for the quantum sciences in the commonwealth: (1) to stimulate increased financing for the expansion of research and development by leveraging private financing for highly productive state-of-the-art research and development facilities, equipment

and instrumentation and by providing financing related thereto including, but not limited to, financing for the construction or expansion of such new facilities; (2) to make targeted investments, including research funding, proof of concept funding and funding for the development of devices, drugs or therapeutics and to promote manufacturing activities for new or existing advanced technologies and quantum research; (3) to make matching grants to colleges, universities, independent research institutions, nonprofit entities, public instrumentalities, companies and other entities in connection with support from the federal government, industry and other grant-funding sources related to the expansion of research and development and to increase and strengthen economic development, employment opportunities and commercial and industrial sectors in the field of quantum; (4) to provide bridge financing to colleges, universities, independent research institutions, nonprofit entities, public instrumentalities, companies and other entities for the receipt of grants as described in clause (3) awarded or to be awarded by the federal government, industry or other sources; (5) to provide fellowships, co-ops, high school internships, for which additional consideration shall be given to minority students at schools where at least 80 per cent of the student population is eligible for free or reduced lunch, college internships, for which additional consideration shall be given to minority students enrolled full-time or part-time at a community college, loans and grants; (6) to provide workforce training grants to prepare individuals for quantum careers; (7) to provide funding for development, coordination and marketing of higher education programs; (8) to make qualified grants to certified quantum companies for site remediation, preparation and ancillary infrastructure improvement projects; and (9) to otherwise further the public purposes set forth herein; provided further, that the center shall file an annual report, not later than December 1, with the house and senate committees on ways and means detailing the following: (i) the total

funds expended on high school internships; (ii) the total funds expended on college internships; (iii) the number of students participating in the internship programs from each high school, school district, college and university in the commonwealth; (iv) the percentage of high school internships awarded to minority students attending schools where at least 80 per cent of the student population is eligible for free or reduced lunch; (v) the percentage of college internships awarded to minority students enrolled full-time or part-time at a community college; (vi) the racial and ethnic composition of the high school and college internship programs; and (vii) an analysis of the impact of the college internship program on the ability of its participants to enter the full-time job market in the quantum science industries after graduation.

(d) Proceeds of the fund may be used by the center to fund quantum sciences initiatives including: (1) international trade initiatives; (2) qualified grants to graduate level and doctoral students and post-doctoral fellows for living expenses from the Higher Education Grant Fund established by section 8; (3) equity investments from the Small Business Equity Investment Fund established by section 7; (4) joint academic and industrial research and development and commercial business exchanges between the commonwealth and Israel, in collaboration with the Massachusetts international trade council; (5) the Massachusetts Technology Transfer Center, established by section 12 of chapter 40G to fund activities that facilitate the transfer of technology from the commonwealth's research institutions to the commonwealth's quantum industries, for productive use by such industries and to make targeted investments in proof of concept funding for emerging technologies; (6) the Massachusetts Science, Technology Engineering, and Mathematics Grant Fund, established by section 2MMM of chapter 29; or (7) a program to promote the research and development of plant-made pharmaceuticals and industrial products through field trials, in collaboration with the department of agricultural resources.

(e) The center shall make no such qualified investment pursuant to clause (1) of subsection (b) unless: (1) said investment has been approved by a majority vote of the board; (2) the recipient is a certified quantum sciences company pursuant to section 5 or a project or initiative listed in subsection (d); (3) the center finds, to the extent possible, that a definite benefit to the commonwealth's economy may reasonably be expected from said qualified investment; provided, further, that in evaluating a request or application for funding, the center shall consider the following: (i) the appropriateness of the project; (ii) whether the project has significant potential to expand employment; (iii) the project's potential to enhance technological advancements; (iv) the project's potential to lead to a breakthrough medical treatment for a particular disease or medical condition; (v) the project's potential for leveraging additional funding or attracting resources to the commonwealth; (vi) the project's potential to promote manufacturing in the commonwealth; and (vii) evidence of potential royalty income and contractual means to recapture such income for the purposes of this chapter, as the center considers appropriate; (4) to the extent said investment is a capital investment made pursuant to clause (8) of subsection (c), the investment has been approved by the secretary of the executive office of administration and finance upon request of the center; provided, however, that said request shall be submitted to the secretary in writing and shall, include but not be limited to: (i) a description of the project or program to be funded; (ii) the economic benefits to the commonwealth which can reasonably be expected from said project or program; (iii) a copy of the proposed contract or other document executing the transaction between the center and the recipient of the funds; (iv) a description of the contractual or other legal remedies available to the center upon non-performance of the contract or other document executing the transaction by the recipient including, but not limited to, any provisions for restitution or reimbursement of the

funds granted, loaned or otherwise invested in or with the recipient; and (v) any other information as the secretary may determine; and (5) said qualified investment conforms with the rules approved by the board.

Said rules shall set the terms and conditions for investments which shall constitute qualified investments including, but not limited to, loans, guarantees, loan insurance or reinsurance, equity investments, grants awarded pursuant to clause (3) of subsection (c), other financing or credit enhancing devices, as established by the center directly or on its own behalf or in conjunction with other public instrumentalities, or private institutions or the federal government. Said rules shall provide that qualified investments made pursuant to clauses (1) and (2) of said subsection (c) shall involve a transaction with the participation of at least 1 at-risk private party.

Said rules shall establish the terms, procedures, standards and conditions which the center shall employ to identify qualified applications, process applications, make investment determinations, safeguard the fund, advance the objective of increasing employment opportunities, oversee the progress of qualified investments and secure the participation of other public instrumentalities, private institutions or the federal government in such qualified investments. Said rules shall provide for negotiated intellectual property agreements between the center and a qualified investment recipient which shall include the terms and conditions by which the fund's support may be reduced or withdrawn.

(f) The center may solicit investments by private institutions or investors in the activities of the fund and may reach agreements with such private institutions or investors regarding the terms of any such investments including, but not limited to, the rights of such investors to

participate in the income or appropriation of the fund. To further the objective of securing investments by private institutions or investors in the activities of the fund pursuant to the preceding sentence, the center may develop a proposal creating a separate investment entity which shall permit the commingling of the fund's resources with the maximum participation by such private institutions or investors in a manner consistent with the public purpose of the fund and under the terms and conditions established to protect and preserve the assets of the fund.

(g) Copies of the approved rules, and any modifications, shall be submitted to the clerks of the house of representatives and the senate, who shall forward the same to the house and senate committees on ways and means and the joint committee on economic development and emerging technologies.

(h) Qualified investment transactions made by the center pursuant to this section shall not, except as specified in this chapter, be subject to chapter 175, or any successor thereto, and shall be payable solely from the Massachusetts Quantum Investment Fund established by this section and shall not constitute a debt or pledge of the full faith and credit of the commonwealth, the center or any subdivision of the commonwealth.

(i) The center shall not make expenditure from or commitment of the assets of the fund including, but not limited to, the making of qualified investments secured by the fund, if following the making of said qualified investment, the amount of the fund shall be less than the minimum requirement established by the board.

Section 6. (a) There shall be established and placed within the center a fund to be known as the Small Business Equity Investment Fund, hereinafter in this section referred to as the fund, to be held by the center separate and apart from its other funds. The fund shall be credited any

appropriations, bond proceeds or other monies authorized by the general court and specifically designated to be credited thereto, such additional funds as are subject to the direction and control of the center, any pension funds, federal grants or loans, royalties or private investment capital which may properly be applied in furtherance of the objectives of the fund, any proceeds from the sale of qualified investments secured or held by the fund, any fees and charges imposed relative to the making of qualified investments as defined by the center, secured or held by the fund and any other monies which may be available to the center for the purposes of the fund from any other source or sources. Any revenues, deposits, receipts, or funds received through the receipt of royalties, interest, dividends, or the sale of equity instruments shall be deposited in the fund, and shall be available to the center for the purposes described in this section, without further appropriation. All available moneys in the fund that are unexpended at the end of each fiscal year shall not revert to the General Fund and shall be available for expenditure in the subsequent fiscal year.

(b) The center shall invest and reinvest the fund and the income thereof only as follows: (1) making qualified equity investments pursuant to subsection (c); (2) investing funds not required for immediate disbursement in the purchase of such securities as may be lawful investments for fiduciaries in the commonwealth; (3) paying binding obligations associated with such qualified investments which shall be secured by the fund as the same become payable; and (4) paying principal or interest on qualified investments secured by the fund or paying any redemption premium required to be paid when such qualified investments shall be redeemed prior to maturity; provided, however, that monies in the fund shall not be withdrawn at any time in such an amount as would reduce the amount of the fund to less than the minimum requirement

thereof established by the board, except for the purpose of paying binding obligations associated with qualified investments which shall be secured by the fund as the same become payable.

(c) The fund shall be held and applied by the center to make qualified equity investments in enterprises seeking to raise seed capital; provided, however, that said qualified equity investments shall not exceed $6,000,000 in any 1 enterprise. The center shall not make such qualified equity investments unless: (1) said investment has been approved by a majority vote of the board; (2) the recipient is a quantum sciences company certified pursuant to section 5; and (3) the center finds, to the extent possible, that a definite benefit to the commonwealth's economy may reasonably be expected from said qualified investment. In evaluating a request or application for funding, the center shall consider whether: (i) the proceeds of the equity investment shall only be used to cover the seed capital needs of the enterprise except as hereinafter authorized; (ii) the enterprise has a reasonable chance of success; (iii) the center's participation is necessary to the success of the enterprise because funding for the enterprise is unavailable in the traditional capital markets or contingent upon matching funds, or because funding has been offered on terms that would substantially hinder the success of the enterprise; (iv) the enterprise has reasonable potential to create a substantial amount of primary employment in the commonwealth; (v) the enterprise's principals have made or are prepared to make a substantial financial and time commitment to the enterprise; (vi) the securities to be purchased shall be qualified securities; (vii) there shall be a reasonable possibility that the center shall, at a minimum, recoup its initial investment; (viii) binding commitments have been made to the center by the enterprise for adequate reporting of financial data to the center, which shall include a requirement for an annual or other periodic audit of the books of the enterprise, and for such control on the part of the center as the board shall consider prudent over the management of the

enterprise, to protect the investment of the center including the board's right to access, without limitation, financial and other records of the enterprise; and (ix) a reasonable effort has been made to find a professional investor to invest in the enterprise and such effort was unsuccessful; and (4) said qualified equity investment conforms with the rules approved by the board.

Said rules shall establish the terms, procedures, standards and conditions which the center shall employ to identify qualified applications, process applications, make investment determinations, safeguard the fund, advance the objective of increasing employment opportunities, oversee the progress of qualified equity investments and secure the participation of other public instrumentalities, private institutions or the federal government in such qualified equity investments. Said rules shall provide that each recipient of a qualified investment shall be required to pay a fee as a condition of such receipt, and said fee may take the form of points, an interest rate premium or a contribution of warrants or other forms of equity or consideration to the fund. Said rules shall provide for negotiated agreements between the center and each recipient of a qualified investment regarding the terms and conditions by which the fund's support thereof could be reduced or withdrawn.

(d) The center may solicit investments by private institutions or investors in the activities of the fund and may reach agreements with such private institutions or investors regarding the terms of such investments including, but not limited to, the rights of such investors to participate in the income or appropriation of the fund. To further the objective of securing investments by private institutions or investors in the activities of the fund pursuant to the preceding sentence, the center may develop a proposal relative to the creation of a separate investment entity which shall permit the commingling of the fund's resources with the maximum participation by such

private institutions or investors consistent with the public purpose of the fund and under the terms and conditions established to protect and preserve the assets of the fund.

(e) Copies of the approved rules, and any modifications thereto, shall be submitted to the clerks of the house of representatives and the senate, who shall forward the same to the house and senate committees on ways and means and the joint committee on economic development and emerging technologies.

(f) Qualified equity investment transactions made by the center pursuant to this section shall not, except as specified in this chapter, be subject to chapter 175, or any successor thereto, and shall be payable solely from the Small Business Equity Investment Fund established by this section and shall not constitute a debt or pledge of the full faith and credit of the commonwealth, the center or any subdivision of the commonwealth.

(g) The center shall not make expenditure from or commitment of the assets of the fund including, but not limited to, the making of qualified investments secured by the fund, if following the making of said qualified investment, the amount of the fund shall be less than the minimum requirement established by the board.

Section 7. (a) There shall be established and placed within the center a fund to be known as the Higher Education Grant Fund, hereinafter in this section referred to as the fund, to be held by the center separate and apart from its other funds. The fund shall be credited any appropriations, bond proceeds or other monies authorized by the general court and specifically designated to be credited thereto, such additional funds as are subject to the direction and control of the center, any pension funds, federal grants or loans, royalties or private investment capital which may properly be applied in furtherance of the objectives of the fund, any proceeds from

the sale of qualified investments secured or held by the fund, any fees and charges imposed relative to the making of qualified investments as defined by the center, secured or held by the fund and any other monies which may be available to the center for the purposes of the fund from any other source or sources. Any revenues, deposits, receipts, or funds received through the receipt of royalties, interest, dividends, or the sale of equity instruments shall be deposited in the fund, and shall be available to the center for the purposes described in this section, without further appropriation. All available moneys in the fund that are unexpended at the end of each fiscal year shall not revert to the General Fund and shall be available for expenditure in the subsequent fiscal year.

(b) The center shall invest and reinvest the fund and the income thereof only as follows: (1) making qualified grants pursuant to subsection (c); (2) investing funds not required for immediate disbursement in the purchase of such securities as may be lawful investments for fiduciaries in the commonwealth; (3) paying binding obligations associated with such qualified investments which shall be secured by the fund as the same become payable; and (4) paying principal or interest on qualified investments secured by the fund or paying any redemption premium required to be paid when such qualified investments shall be redeemed prior to maturity; provided, however, that monies in the fund shall not be withdrawn at any time in such an amount as would reduce the amount of the fund to less than the minimum requirement thereof established by the center, except for the purpose of paying binding obligations associated with qualified investments which shall be secured by the fund as the same become payable.

(c) The fund shall be held and applied by the center to make qualified grants to graduate level and doctoral students and post-doctoral fellows studying or employed in quantum science for living expenses; provided, however, that the center shall make no such qualified grants unless

said grant has been approved by a majority vote of the board. Grants awarded from the fund shall, in addition to any restrictions adopted by the center, shall be awarded in $10,000 increments not to exceed $30,000 annually per recipient and further restrictions include: (1) recipients shall be enrolled in a graduate or doctorate level program or shall be working as postdoctoral fellows at a college, university, independent research institution or an academic medical center in the commonwealth; (2) recipients shall be commonwealth residents; and (3) the annual total household income of a recipient shall not exceed 300 per cent of the federal poverty level. The center shall make no such qualified grants pursuant to said clause (1) of said subsection (b) unless such qualified grant conforms with rules approved by the board.

Said rules shall establish the terms and conditions for grants which constitute qualified grants and shall establish the terms, procedures, standards and conditions which the center shall employ to identify qualified applications, process applications, make grant determinations, safeguard the fund, oversee the progress of qualified grants and secure the participation of other public instrumentalities, private institutions or the federal government in such qualified grants.

(d) The center may solicit investments by private institutions or investors in the activities of the fund and may reach agreements with such private institutions or investors regarding the terms of any such investments including, but not limited to, the rights of such investors to participate in the income or appropriation of the fund. To further the objective of securing investments by private institutions or investors in the activities of the fund pursuant to the preceding sentence, the center may develop a proposal creating a separate investment entity which shall permit the commingling of the fund's resources with the maximum participation by such private institutions or investors in a manner consistent with the public purpose of the fund and under the terms and conditions established to protect and preserve the assets of the fund.

(e) Copies of the approved rules, and any modifications thereto, shall be submitted to the clerks of the house of representatives and the senate, who shall forward the same to the house and senate committees on ways and means and the joint committee on economic development and emerging technologies.

(f) Qualified grants and investment transactions made by the center pursuant to the provisions of this section shall not, except as specified in this chapter, be subject to the provisions of chapter 175, or any successor thereto, and shall be payable solely from the Higher Education Grant Fund, established by this section and shall not constitute a debt or pledge of the full faith and credit of the commonwealth, the center or any subdivision of the commonwealth.

(g) The center shall not make expenditure from or commitment of the assets of the fund including, but not limited to, the making of qualified investments secured by the fund, if following the making of said qualified investment, the amount of the fund shall be less than the minimum requirement established by the board.

Section 8. (a) There shall be established and placed within the center the Massachusetts Small Business Matching Grant Fund, hereinafter referred to in this section as the fund, to be held by the center separate and apart from its other funds. The fund shall be credited any appropriations, bond proceeds or other monies authorized by the general court and specifically designated to be credited thereto, such additional funds as are subject to the direction and control of the center, any pension funds, federal grants or loans, royalties or private investment capital which may properly be applied in furtherance of the objectives of the fund, any proceeds from the sale of qualified investments secured or held by the fund, any fees and charges imposed relative to the making of qualified investments as defined by the center, secured or held by the

fund and any other monies which may be available to the center for the purposes of the fund from any other source or sources. Any revenues, deposits, receipts, or funds received through the receipt of royalties, interest, dividends, or the sale of equity instruments shall be deposited in the fund, and shall be available to the center for the purposes described in this section, without further appropriation. All available moneys in the fund that are unexpended at the end of each fiscal year shall not revert to the General Fund and shall be available for expenditure in the subsequent fiscal year.

(b) The center shall invest and reinvest the fund and the income thereof only as follows: (1) making qualified grants pursuant to subsection (c); (2) investing any funds not required for immediate disbursement in the purchase of such securities as may be lawful investments for fiduciaries in the commonwealth; (3) paying binding obligations associated with such qualified investments which shall be secured by the fund as the same become payable; and (4) paying principal or interest on qualified investments secured by the fund or paying any redemption premium required to be paid when such qualified investments shall be redeemed prior to maturity; provided, however, that monies in the fund shall not be withdrawn at any time in such an amount as would reduce the amount of the fund to less than the minimum requirement thereof established by the center, except for the purpose of paying binding obligations associated with qualified investments which shall be secured by the fund as the same become payable.

(c) Notwithstanding any provision of this chapter to the contrary, a company need not be a certified quantum company, as established in section 4, to be eligible for matching grants pursuant to this section. The fund shall be held and applied by the center to make qualified loans, grants or other investments to stimulate increased financing for quantum sciences and high technology research and development, manufacturing and commercialization in the

commonwealth by matching grants to public agencies, independent research institutions, nonprofits or to quantum sciences or high technology companies to increase and strengthen the commonwealth's economic development, employment opportunities and commercial and industrial sectors. The fund shall provide matching grants to commonwealth-based quantum sciences or high technology companies that receive small business innovation research or small business technology transfer grants from the Small Business Administration, pursuant to 15 U.S.C. section 638, to assist companies that have developed new commercialization-ready technologies to reach production and create manufacturing jobs in the commonwealth. Said matching grants shall be used to create manufacturing jobs and may be used for, without limitation, the creation of, and capital improvements for, production facilities, workforce training, product marketing and purchasing infrastructure for product manufacturing. Said matching grants shall be distributed to eligible companies that have commercialization-ready technologies developed with assistance from the Small Business Administration in the form of $1 in matching funds for every $1 granted from the small business innovation research phase IIB grants, phase III grants and the commercialization pilot project established by 15 U.S.C. section 638. Said matching grants shall be awarded in consultation with the Small Business Association of New England. No such grant to any company shall exceed $5,000,000 annually and the center shall make no such qualified loan, grant or other investment unless: (1) said loan, grant or investment has been approved by a majority vote of the board; (2) the center finds that, to the extent possible, a definite benefit to the commonwealth's economy may reasonably be expected from said qualified loan, grant or investment; provided, however, that in evaluating a request or application for funding, the center shall consider whether: (i) the loan, grant or investment shall stimulate increased financing for quantum sciences and high technology research and

development, manufacturing and commercialization; (ii) the enterprise has a reasonable chance of success; (iii) center participation is necessary; (iv) the enterprise has the reasonable potential to create a substantial amount of new employment in the commonwealth; (v) the principals of the enterprise have made or are prepared to make a substantial financial and time commitment to the enterprise; (vi) binding commitments have been made to the center by the enterprise for adequate reporting of financial data to the center, which shall include a requirement for an annual or other periodic audit of the books of the enterprise, and for such control on the part of the center as the board shall consider prudent over the management of the company to protect the investment of the center including the board's right to access, without limitation, financial and other records of the enterprise; and (vii) a reasonable effort has been made to find a professional investor to invest in the enterprise and whether such effort was unsuccessful; and (3) said loan, grant or other investment conforms with rules approved by the board.

Said rules shall define quantum sciences technology and high technology for purposes hereof; provided, however, that such definition shall include companies engaging in research and development, commercialization or manufacturing in the commonwealth. Said rules shall establish the terms and conditions for investments which constitute qualified investments, and may include, but not be limited to, loans, guarantees, loan insurance or reinsurance, equity investments or other financing or credit enhancing devices, as made by the center directly or on its own behalf or in conjunction with other public instrumentalities, private institutions or the federal government. Said rules shall establish the terms, procedures, standards and conditions which the center shall employ to identify qualified applications, process applications, make investment determinations, safeguard the fund, advance the objective of increasing employment opportunities for the citizens of the commonwealth, oversee the progress of qualified

investments and secure the participation of other public instrumentalities, private institutions or the federal government in such qualified investments. Said rules shall provide that each recipient of a qualified investment shall be required to pay a fee as a condition of such receipt, and said fee may take the form of points, an interest rate premium or a contribution of warrants or other forms of equity or consideration to the fund. Said rules shall provide for negotiated agreements between the center and each recipient of a qualified investment regarding the terms and conditions by which the fund's support thereof could be reduced or withdrawn.

(d) The center may solicit investments by private institutions or investors in the activities of the fund and may reach agreements with such private institutions or investors regarding the terms of any such investments including, but not limited to, the rights of such investors to participate in the income or appropriation of the fund. To further the objective of securing investments by private institutions or investors in the activities of the fund pursuant to the preceding sentence, the center may develop a proposal relative to the creation of a separate investment entity which shall permit the commingling of the fund's resources with the maximum participation by such private institutions or investors consistent with the public purpose of the fund and under the terms and conditions established to protect and preserve the assets of the fund; provided, however, that if the creation or operation of such a separate entity would require additional or clarifying amendments to the enabling act of the center, said proposal shall include proposed statutory language with regard thereto. Any additional clarifying amendments to the enabling act shall be submitted by the center to the clerks of the house of representatives and the senate, who shall forward the same to the house and senate committees on ways and means and the joint committee on economic development and emerging technologies.

(e) Copies of the approved rules, and any modifications thereto, shall be submitted to the clerks of the house of representatives and the senate, who shall forward the same to the house and senate committees on ways and means and the joint committee on economic development and emerging technologies.

(f) Qualified investment transactions made by the center pursuant to the provisions of this section shall not, except as specified in this chapter, be subject to the provisions of chapter 175, or any successor thereto, and shall be payable solely from the Massachusetts Small Business Matching Grant Fund, established by this section and shall not constitute a debt or pledge of the full faith and credit of the commonwealth, the center or any subdivision of the commonwealth.

(g) The center shall not make expenditure from or commitment of the assets of the fund including, but not limited to, the making of qualified investments secured by the fund, if following the making of said qualified investment, the amount of the fund shall be less than the minimum requirement established by the board.

(h) The center shall develop a plan ensuring that fund disbursements made pursuant to this section shall be distributed throughout all regions of the commonwealth.

Section 9. (a) There shall be established and placed within the center a fund to be known as the Massachusetts Quantum Sciences Education Fund, hereinafter in this section referred to as the fund, to be held by the center separate and apart from its other funds. The fund shall be credited any appropriations, bond proceeds or other monies authorized by the general court and specifically designated to be credited thereto, such additional funds as are subject to the direction and control of the center, any pension funds, federal grants or loans, royalties or private investment capital which may properly be applied in furtherance of the objectives of the fund,

any proceeds from the sale of qualified investments secured or held by the fund, any fees and charges imposed relative to the making of qualified investments as defined by the center, secured or held by the fund and any other monies which may be available to the center for the purposes of the fund from any other source or sources. Any revenues, deposits, receipts, or funds received through the receipt of royalties, interest, dividends, or the sale of equity instruments shall be deposited in the fund, and shall be available to the center for the purposes described in this section, without further appropriation. All available moneys in the fund that are unexpended at the end of each fiscal year shall not revert to the General Fund and shall be available for expenditure in the subsequent fiscal year.

(b) The center shall invest and reinvest the fund and the income thereof only as follows: (1) making qualified grants pursuant to subsection (c); (2) investing any funds not required for immediate disbursement in the purchase of such securities as may be lawful investments for fiduciaries in the commonwealth; (3) paying binding obligations associated with such qualified investments which shall be secured by the fund as the same become payable; and (4) paying principal or interest on qualified investments secured by the fund or paying any redemption premium required to be paid when such qualified investments shall be redeemed prior to maturity; provided, however, that monies in the fund shall not be withdrawn at any time in such an amount as would reduce the amount of the fund to less than the minimum requirement thereof established by the center, except for the purpose of paying binding obligations associated with qualified investments which are secured by the fund as the same become payable.

(c) The fund shall be held and applied by the center to make qualified grants to secondary, vocational and technical schools for purchasing or leasing necessary equipment to train students in quantum sciences technology and research; provided, however, that the center

shall make no such qualified grants unless: (1) said grant has been approved by a majority vote of the board; (2) the grant recipient shall be a secondary or vocational technical school; provided, however, that if funds remain after consideration of grant applications submitted by secondary or vocational technical schools, the center may make qualified grants to community colleges established by chapter 15A or any other general or special law; (3) the grant recipient has identified and properly trained instructors to use the equipment to be purchased or leased; and (4) said qualified grants conform with the rules approved by the board.

Said rules shall set the terms and conditions for grants which constitute qualified grants and shall set forth the terms, procedures, standards and conditions which the center shall employ to identify qualified applications, process applications, make investment determinations, safeguard the fund, advance the objective of increasing employment opportunities for the citizens of the commonwealth, oversee the progress of qualified grants, and secure the participation of other public instrumentalities, private institutions or the federal government in such qualified grants.

(d) The center may solicit investments by private institutions or investors in the activities of the fund and may reach agreements with such private institutions or investors regarding the terms of any such investments including, but not limited to, the rights of such investors to participate in the income or appropriation of the fund. To further the objective of securing investments by private institutions or investors in the activities of the fund as established in the preceding sentence, the center may develop a proposal relative to the creation of a separate investment entity which shall permit the commingling of the fund's resources with the maximum participation by such private institutions or investors in a manner consistent with the public

purpose of the fund and under terms and conditions established to protect and preserve the assets of the fund.

(e) Copies of the approved rules, and any modifications thereto, shall be submitted to the clerks of the house of representatives and the senate and shall forward the same to the house and senate committees on ways and means and the joint committee on economic development and emerging technologies.

(f) Qualified grants and investment transactions made by the center pursuant to the provisions of this section shall not, except as specified in this chapter, be subject to the provisions of chapter 175, or any successor thereto, and shall be payable solely from the Massachusetts Quantum Sciences Education Fund, established by this section and shall not constitute a debt or pledge of the full faith and credit of the commonwealth, the center or any subdivision of the commonwealth.

(g) The center shall not make expenditure from or commitment of the assets of the fund including, but not limited to, the making of qualified investments secured by the fund, if following the making of said qualified investment, the amount of the fund shall be less than the minimum requirement established by the board.

Section 10. There shall be a 19–member advisory board to be appointed by the governor, the Speaker of the House of Representatives and the Senate President to advise the center. The members shall include: Six appointed by the Speaker of the House including a leader or their designee of a large corporation with significant investments in quantum computing, which may include data center infrastructure, a leader or their designee of a medium or small quantum start up corporation based in the Commonwealth, an academic who focuses on quantum research, a

sitting House Member, a Massachusetts resident who has made capital investments in Quantum start-ups, a leader in workforce development; six appointed by the President of the Senate including a leader or their designee of a large corporation with significant investments in quantum computing, which may include data center infrastructure, a leader or their designee of a medium or small quantum start up corporation based in the Commonwealth, an academic who focuses on quantum research, a sitting member of the Senate, an intellectual property attorney who practices in the Commonwealth, a leader in environmental advocacy; one appointed by the Governor who shall be selected by a list of three offered by the Massachusetts Municipal Association; the administrator of MassWorks as provided for in Section 63 of Chapter 23A or their designee; the President of MassDevelopment or their designee; the Secretary of Labor and Workforce Development or their designee; the President of the Commonwealth Corporation or their designee; the Secretary of Education or their designee; and the Executive Director of the Massachusetts Water Resources Authority or their designee.

Each member of the advisory board shall serve a term of two years, provided any non-ex-officio member may be removed for any reason or no reason at all by their appointing authority, and any member whose term has expired shall be eligible for reappointment without limit.

Members of the advisory board shall serve without compensation, provided, however, they may seek reimbursement for expenses incurred pursuant to board work.

The Executive Office of Economic Development shall be responsible for facilitating the clerical, administrative and reimbursement needs of the Commission.

Service on the advisory board shall not be construed as employment by Massachusetts Quantum Center or the Commonwealth, and no benefits or pension eligibility shall issue as a result of such service.

The advisory board shall meet at least four times each government fiscal year. The advisory board may meet more frequently, and no limit shall be imposed, except one created by the council itself, on the ability of subdivisions of the council to meet. The advisory board shall provide sector specific insights, assist with program design and evaluation and enhance the networking capacity of the agency.

The advisory board shall not be a state agency for the purposes of chapter 268A and shall not be subject to section 11A1/2 of chapter 30A or chapter 66.

Section 11. The center shall develop a comprehensive, internet-based quantum sciences sector database for the organization of all relevant information, as determined by the center, related to the quantum sciences sector in the commonwealth. Access to said database shall be limited at the discretion of the center's president. Any documentary materials or data received by the center from any entity, private or public, for the express purpose of adding information to the quantum science database shall be exempt from section 10 of chapter 66 and the board may hold any discussion or consideration of database materials in executive session closed to the public, notwithstanding the provisions of section 11A1/2 of chapter 30A, but the purpose of any such executive session shall be set forth in the official minutes of the center and business not directly related to such purpose shall not be transacted nor shall any vote be taken during such executive session.

Section 12. (a) The exercise of the powers granted by this chapter shall be for the benefit of the people of the commonwealth and for the improvement of their living conditions; and as the operation of the center shall constitute the performance of essential governmental functions, the center shall not be required to pay any taxes or assessments, except as otherwise provided by this chapter, and the notes or bonds issued under this chapter, their transfer and the income therefrom, including any profit made on the sale thereof, at all times shall be free from taxation by and within the commonwealth.

(b) The lands and tangible personal property of the center shall be deemed to be public property used for essential public and governmental purposes and shall be exempt from taxation and from betterments and special assessments.

Section 13. The center shall annually complete a detailed report setting forth its operations and accomplishments; its receipts and expenditures during such fiscal year; its assets and liabilities at the end of its fiscal year; the anticipated return on investment to the commonwealth from the investment of funds administered by the center during such fiscal year; a complete report detailing all companies classified as a certified quantum sciences company; a complete list of grants awarded by the center; a list of other funding activities; reports of patents or products resulting from funded activities; the status of construction of any real estate project resulting from certification, including whether construction is on-time and on-budget; and a tracking of job creation as a result of funded projects. The center shall annually submit the report to the governor, the secretary of administration and finance, the state comptroller and the clerks of the house of representatives and senate, who shall forward the same to the house and senate committee on ways and means and the joint committee on economic development and emerging

technologies on or before October 1. The report shall be posted on the internet in a manner accessible to the public.

Section 14. (1)(a) Notwithstanding the provisions of chapter 32, or of any general or special law to the contrary, the center shall establish 1 or more optional retirement programs that qualify under section 401, 408 or 457 of the Internal Revenue Code, as may be amended from time to time, or contracts providing retirement and death benefits may be purchased by employees of the center who elect to participate in the program. The benefits offered to employees of the center in such optional retirement program shall be provided through such custodial accounts or individual or group annuity contracts, which may be fixed or variable in nature, or a combination thereof; provided, that at all times, those annuity contracts issued by licensed insurers under the optional retirement program shall provide the minimum values and guarantees required by the laws governing such contracts in the commonwealth; and provided, further, that the benefits shall be payable only to employees of the center in the program or their beneficiaries, and such benefits shall be paid only by the selected providers in accordance with the terms of the custodial accounts, annuity contracts or certificates providing coverage to the employee of the center; and provided, further, that such optional retirement program shall not allow an employee of the center to withdraw contributions while an active participant in the center's optional retirement program.

(b) The center shall select at least 2 but no more than 4 providers for the optional retirement program and enter into contracts with them in accordance with the laws governing the procurement of services for executive agencies of the commonwealth, provided, further, that the selected providers shall be authorized to conduct business within the commonwealth, and each and every provider or issuer of annuity contracts under the optional retirement program which is

a quantum insurance company shall hold a certificate of authority to do quantum insurance business in the commonwealth, maintain the minimum required capital and surplus required for quantum insurance companies under the laws of the commonwealth, be a member of the commonwealth's quantum association and be a member of the quantum associations in any and all jurisdictions where required by law with similar retirement programs funded in whole or in part through the provider's annuities in which employees of the center participating in the optional retirement program may participate upon transfer of employment; and provided, further, that said board shall coordinate the transfer of funds and information between payroll centers, the selected providers and employees of the center participating in the plan.

(2)(a) Participation in the optional retirement program provided by this section shall be limited to employees of the center who are otherwise eligible for membership in the state employees' retirement system as established under the provisions of chapter 32.

(b) Elections to participate in the optional retirement program shall be made as follows:

(i) Any eligible employee of the center who is initially appointed on or after the effective date of the optional retirement program may elect in writing to participate in the optional retirement program within 90 days of the effective date of the appointment. Any such election shall be effective as of the effective date of appointment. If an eligible employee of the center fails to make an election as provided in this paragraph, such employee shall become a member of the state employees' retirement system established under the provisions of said chapter 32.

(ii) Any eligible employee of the center who is a member of any retirement system established by the provisions of said chapter 32 on the effective date of the optional retirement program but who has less than 10 years of creditable service on the effective date of the optional

retirement program may elect in writing to participate in the optional retirement program within 90 days after the effective date of the optional retirement program. Any such election shall become effective on the first day of the next pay period following such election, and shall constitute a waiver of all retirement benefits to which the individual may be entitled as an employee under any retirement system established under the provisions of said chapter 32.

(iii) Any employee of the center who is a member of any retirement system established by the provisions of said chapter 32 but who has less than 10 years of creditable service on the date such employee becomes eligible to participate in the optional retirement program may elect in writing to participate in such optional retirement program within 90 days of the date said employee becomes eligible. Any such election shall become effective on the first day of the next pay period following such election, and shall constitute a waiver of all retirement benefits to which the individual may be entitled as an employee under any retirement system established by the provisions of said chapter 32.

(iv) Any eligible employee of the center electing to participate in the optional retirement program shall be ineligible for membership in the state employees' retirement system while he remains continuously employed by the center; provided, that the election by an eligible employee to participate in the optional retirement program shall be irrevocable while the employee continues to meet the eligibility requirements; provided, however, that if an employee becomes ineligible to continue in the optional retirement program, the employee shall thereafter participate in the state employees' retirement system established in accordance with the provisions of said chapter 32.

(3)(a) Any eligible employee of the center electing to participate in the optional retirement program shall not be required to make contributions to the state employee's retirement system but shall contribute to the optional retirement program an amount equal to the contribution which would have been required had such employee been a member of the state employees' retirement system.

(b) For each eligible employee of the center electing to participate in the optional retirement program, the center shall contribute an amount equal to 5 per cent of each employee's regular compensation, as defined in section 1 of chapter 32, to the optional retirement program and a plan established to provide quantum and disability benefits to all participants in the program; provided, however, that not more than 1 per cent of said contribution shall be made to the plan established to provide said quantum and disability benefits; provided, further, that the balance of said contribution shall be remitted to the appropriate provider for application to the participating employee's contract or custodial account, less any monthly fees established by the board in order to cover the reasonably necessary direct costs incurred by the board in establishing and administering the plan.

(c) If any eligible employee of the center is a member of any retirement system established by the provisions of said chapter 32 at the time such employee elects to participate in the optional retirement program, the employee may direct that the amount of the accumulated total deductions, and any interest to which the employee would be entitled under said chapter 32 if the employee withdrew from the system, credited to such employee's account in such retirement system be transferred directly to such employee's account in the optional retirement program. Any such transfer shall be made in the form of a direct trustee-to-trustee transfer in compliance with the requirements of subchapter D of chapter 1 of the Internal Revenue Code.

(d) The funds accumulated under the optional retirement program shall be exempt from taxation. The rights of a participant to a custodial account, an annuity, the annuity contracts or certificates providing coverage to participants, and all right in and to the funds accumulated under the custodial accounts, annuity contracts or certificates shall be exempt from taxation, including income taxes levied under the provisions of said chapter 62. No assignment of any right in or to any funds or annuities under the optional retirement program shall be valid except such assignment as may be made for the purpose of making restitution in the case of dereliction from duty by any participant as established in section 15 of said chapter 32 if such assignment does not violate the restrictions of the Internal Revenue Code; provided that nothing in this section shall prevent a participant's custodial account or annuity from being attached, taken on execution, assigned, or subject to other process to satisfy a support order under chapters 208, 209, or 273 if such order constitutes a qualified domestic relations order under the terms of the Internal Revenue Code.

(e) Any eligible employee of the center enrolled in the optional retirement program who retires and wishes to retain his group insurance coverage as provided in chapter 32A, or retires and wishes to enroll in group insurance coverage pursuant to said chapter 32A, may do so in the same manner, and subject to the same limitations and requirements as an active employee member of the state employees' retirement system. Any eligible employee of the center enrolled in the optional retirement program who retains or enrolls in the group insurance coverage upon retirement shall be deemed to have authorized his optional retirement program plan provider to deduct from the retired employees account, on a monthly basis, and forward to the group insurance commission, an amount equal to the retired employee's share of the premium as set by said chapter 32A and each annual appropriation act. Each optional retirement program plan

provider shall be required to deduct and forward said premium amounts, as determined by the group insurance commission, to the group insurance commission in advance of the month for which the premium is due and in a manner as may be prescribed by the group insurance commission. For group insurance commission purposes employees who were members of the state retirement system when they became eligible to participate in the optional retirement program, and who then enrolled in the optional retirement program, may add their time in the state retirement system to their time in the optional retirement program in determining years of creditable service.

(f) No contribution shall be made under any provision of this section in excess of, or on the basis of compensation in excess of, any limitation that may be imposed pursuant to federal law including, but not limited to, the limitations in 26 U.S.C. sections 401(a)(17), 402(g), 403(b) and 415, to the extent such limitations apply. The center may adopt rules and regulations as it deems necessary to carry out the purposes of this section including, but not limited to, rules or regulations establishing such limitations only when it determines that such limitations are necessary to comply with applicable provisions of the Internal Revenue Code.

Section 15. The center shall be subject to section 16G of chapter 6A and section 56 of chapter 23A.

SECTION 2. The Massachusetts Technology Collaborative shall cause to be conducted a study of the current status of quantum science industries in the Commonwealth. Said study shall provide the Commissioners established in section 2 of Chapter 23O with clear analysis regarding the major stakeholders in industry, government and academia, the approach of other states and nations, areas for collaboration, growth and development. The Massachusetts Technology

Collaborative shall cause said study to be filed with the governor and the Clerks of the House and Senate.

SECTION 3. Section 70 of Chapter 23A of the General Laws as appearing in the Official 2022 Edition, as amended by Chapter 238 of the Acts of 2024 is hereby further amended by striking said section and inserting therof:-

Section 70. (a) The terms defined in paragraph (zz) of section 6 of chapter 64H shall apply to this section unless the context clearly requires otherwise.

(b) The secretary of the executive office of economic development, in consultation with the commissioner of revenue, shall determine qualifications for qualified quantum corporations and data centers, to qualify for a sales and use tax exemption pursuant to paragraph (zz) of section 6 of chapter 64H.

(c) To apply for the sales and use tax exemption pursuant to paragraph (zz) of section 6 of chapter 64H, the owner or operator of a data center or quantum corporation shall submit to the secretary of economic development an application on a form prescribed by the commissioner of revenue that shall include:

(i) the name, address and telephone number of the owner or operator;

(ii) the address of the site where the qualified data center or quantum corporation is or will be located, including, but not limited to, information sufficient to identify the facility composing the data center or quantum corporation facility, and the expected commercial operations date of each data center or quantum corporation building that will be located at the data center or quantum corporation facility;

(iii) the anticipated aggregate square feet of the qualified data center or quantum corporation for which the sales and use tax exemption is being sought; provided, that in determining whether the facility has the required square footage, the total square footage of the data center or quantum corporation facility shall include the space that houses the computer information technology equipment, quantum equipment, networking, data processing or data storage, including, but not limited to, servers and routers and the following spaces that support the operation of enterprise information technology equipment including, but not limited to, office space, meeting space, loading dock space and mechanical and other support facilities;

(iv) the anticipated investment associated with the qualified data center or quantum corporation for which the sales and use tax exemption is being sought;

(v) the anticipated number of jobs that the data center or quantum corporation will create and maintain within 1 year, 5 years and 10 years of operations after certification; and

(vi) an affirmation, signed by an authorized executive representing the owner or operator, that the data center or quantum corporation is expected to satisfy the certification requirements in this section as a qualified data center or quantum corporation.

(d)(1) Within 60 days after receiving a completed application, the secretary of economic development shall review the application submitted by the owner or operator of a data center or quantum corporation and certify the data center or quantum corporation as a certified qualified data center or quantum corporation if the data center meets all requirements of this section.

(2) The secretary shall issue a written certification that the data center or quantum corporation qualifies for the sales and use tax exemption or provide written reasons for its denial and an opportunity for the applicant to cure any deficiencies.

(3) Failure to approve or deny the application within 60 days after the date the owner or operator submits the application to the secretary shall constitute approval of the qualified data center or quantum corporation and the secretary shall issue written certification to the owner or operator within 14 days.

(4) The certification shall provide the following information related to each data center or quantum corporation:

(i) the effective date of the certification;

(ii) the total square footage of the qualified data center or quantum corporation;

(iii) the total amount of land costs, construction costs, refurbishment costs and eligible data center or quantum equipment; and

(iv) the beginning and ending dates of the sales and use tax exemption for the first data center or quantum building, which shall begin on the effective date of the certification and be valid for qualification period, and for a qualified data center or quantum corporation that is comprised of more than 1 data center building, the expected commercial operations dates and expected qualification periods for subsequent data center buildings expected to be located at the qualified data center or quantum corporation.

(5) The secretary shall send a copy of the certification to the commissioner of revenue.

(e) The effective date of the certification shall be the date on which the application was submitted to the secretary or a prospective date stated in the application that does not exceed 5 years after the date on which the application was submitted; provided, that the certification shall be valid through the qualification period.

(f) The secretary and commissioner shall review the certification after 10 years.

(g)(1) For the purposes of this section, the term “material noncompliance” shall mean the failure of a qualified data center or quantum corporation to substantially achieve the investment requirements and minimum number of jobs pursuant to paragraph (zz) of section 6 of chapter 64H.

(2) The secretary may revoke the certification of a qualified data center or quantum corporation after an investigation by the executive office of economic development, in consultation with the department of revenue, and a written determination that the qualified data center or quantum corporation is in material noncompliance with this section, paragraph (zz) of section 6 of chapter 64H or the certification.

(3) Revocation shall take effect on the first day of the tax year in which the executive office of economic development determines the qualified data center to be in material noncompliance. The commissioner of revenue shall, as of the effective date of the revocation, disallow any credits, exemptions or other tax benefits allowed by the original certification of tax benefits pursuant to paragraph (zz) of section 6 of chapter 64H.

(h) Each qualified data center or quantum corporation shall file a report with the secretary and commissioner prior to the end of the tenth year of the qualification period detailing whether it has met the specific investment requirements pursuant to paragraph (zz) of section 6 of chapter 64H.

(i) The secretary, in consultation with the commissioner of revenue, shall promulgate regulations and shall issue instructions or forms necessary for the implementation of this section.