

HOUSE No. 5538

The Commonwealth of Massachusetts

PRESENTED BY:

Manny Cruz

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 authorizing the city of Salem to increase the short-term rental community impact fee for the purpose of school and municipal facilities.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Manny Cruz</i>	<i>7th Essex</i>	<i>6/22/2026</i>

HOUSE No. 5538

By Representative Cruz of Salem, a petition (accompanied by bill, House, No. 5538) of Manny Cruz (with the approval of the mayor and city council) that the city of Salem be authorized to increase the short-term rental community impact fee in said city for the purpose of school and municipal facilities. Revenue. [Local Approval Received.]

The Commonwealth of Massachusetts

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

An Act authorizing the city of Salem to increase the short-term rental community impact fee for the purpose of school and municipal facilities.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Notwithstanding section 3D of chapter 64G of the General Laws or any
2 other general or special law to the contrary, the City of Salem is hereby authorized to impose a
3 community impact fee on professionally managed units and owner-adjacent units used for short-
4 term rentals at a rate not to exceed 6 per cent of the total amount of rent for each occupancy.

5 SECTION 2. The additional revenue attributable to the 3 percentage point increase
6 authorized by section 1, representing the difference between a community impact fee imposed at
7 the rate of 3 per cent and a community impact fee imposed at a rate up to 6 per cent, shall be
8 deposited into the special revenue fund established by the City of Salem.

9 Amounts deposited into said fund shall be used solely for the planning, design,
10 acquisition, construction, reconstruction, renovation, repair, improvement, furnishing, equipping,
11 maintenance, and extraordinary maintenance of school or municipal buildings and facilities of

12 the City of Salem, including, but not limited to, the payment of debt service on bonds or notes
13 issued for such purposes.

14 Nothing in this act shall be construed to limit, impair, or otherwise affect the eligibility or
15 authority of the City of Salem to apply for, receive, or expend grants, reimbursements, or other
16 financial assistance from the Massachusetts School Building Authority or any other federal,
17 state, or local source for the purposes described in this section.

18 Any balance remaining in the fund at the end of a fiscal year shall not revert to the
19 general fund and shall remain available for expenditure for the purposes set forth in this section.

20 SECTION 3. This act shall take effect upon its passage.