

SENATE No. 1958

The Commonwealth of Massachusetts

PRESENTED BY:

Sal N. DiDomenico

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 the micro business employee training and workforce development program.

PETITION OF:

NAME:

Sal N. DiDomenico

DISTRICT/ADDRESS:

Middlesex and Suffolk

SENATE No. 1958

By Mr. DiDomenico, a petition (accompanied by bill, Senate, No. 1958) of Sal N. DiDomenico for legislation to establish a tax incentive program for micro businesses to hire formerly incarcerated individuals and individuals receiving transitional benefits. Revenue.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 2811 OF 2023-2024.]

The Commonwealth of Massachusetts

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

An Act establishing the micro business employee training and workforce development program.

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

1 SECTION 1. Section 6 of chapter 62 of the General Laws is hereby further amended by
2 adding the following subsection:-

3 (dd) (1) For purposes of this subsection, “formerly incarcerated individual” shall mean an
4 individual discharged from a correctional facility, house of correction, prison or jail within the
5 last 5 years.

6 (2) An employer that is not a business corporation subject to the excise under 63, shall be
7 allowed a credit equal to \$2,000 for each formerly incarcerated individual or individual receiving
8 transitional assistance under chapter 18, hired by the employer, against the tax liability imposed
9 by this chapter.

10 (3) To be eligible for a credit under this subsection: (i) the employer's primary place of
11 employment shall be in the commonwealth; (ii) the employer shall employ not more than 10
12 employees; (iii) the employer shall report not more than \$250,000 of gross profit in the previous
13 taxable year; and (iv) the primary residence of the formerly incarcerated individual or individual
14 receiving transitional assistance under chapter 18 shall be in the commonwealth.

15 (4) An employer that is eligible for and claims the credit allowed under this subsection in
16 a taxable year with respect to the employment of a formerly incarcerated individual or individual
17 receiving transitional assistance under chapter 18 shall be eligible for the credit in each
18 subsequent taxable year for a period of 10 taxable years, subject to the continued employment of
19 the formerly incarcerated individual from the time of hire.

20 SECTION 2. Chapter 23A of the General Laws is hereby amended by adding the
21 following section:-

22 Section 70. There shall be established a micro business worker development and training
23 program, administered by the executive office of housing and economic development, for the
24 purposes of promoting micro business development and job creation and reducing recidivism.
25 Each employer eligible to receive a credit under subsection (dd) of section 6 of chapter 62 shall
26 receive the following: (i) \$15,000 in the first year of credit eligibility; (ii) \$13,500 in the second
27 year of credit eligibility; (iii) \$12,000 in the third year of credit eligibility; (iv) \$10,500 in the
28 fourth year of credit eligibility; and (v) \$9,000 in the fifth year of credit eligibility.

29 There is hereby established within the executive office of housing and economic
30 development the micro business worker development and training fund which shall be
31 considered an expendable trust fund on the books of the commonwealth and, to which shall be

32 credited not less than 15 per cent of funds appropriated for the council of state governments
33 justice reinvestment reserve, not less than 15 per cent of funds appropriated for the community
34 empowerment and reinvestment grant program, not less than 15 per cent of funds appropriated
35 for the urban agenda economic development grants, not less than 15 per cent of funds
36 appropriated for the demonstration workforce development program, not less than 15 per cent of
37 funds appropriated for re-entry programs at the department of correction, monies authorized by
38 the general court and specifically designated to be credited to said fund and any grants, gifts or
39 any other monies directed to the fund. All monies credited under this section shall remain in said
40 micro business worker development and training fund, not subject to appropriation, to meet the
41 obligations of the program set forth in this section. The executive office of housing and
42 economic development shall not utilize said monies for any purpose other than the micro
43 business worker development and training fund as established herein. Deposits to the fund shall
44 be made in accordance with section 34 of chapter 29 in such manner as will secure the highest
45 interest rate available consistent with the safety of the fund and with the requirement that all
46 amounts on deposit be available for immediate withdrawal at any time. The fund shall be
47 expended only for the purposes of this section at the direction of the executive office of housing
48 and economic development and any unexpended balances shall be redeposited, as herein
49 provided, for future use consistent with this section.