

# SENATE . . . . . No. 2827

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## The Commonwealth of Massachusetts

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In the One Hundred and Ninety-Fourth General Court  
(2025-2026)  
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SENATE, December 11, 2025.

The committee on Housing to whom was referred the petition (accompanied by bill, Senate, No. 1021) of Pavel M. Payano for legislation to update and modernize appropriations to smart growth zoning and housing production, report the accompanying bill (Senate, No. 2827).

For the committee,  
Julian Cyr

**SENATE . . . . . No. 2827**

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**The Commonwealth of Massachusetts**

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

An Act relative to updating and modernizing Chapter 40R.

*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. Section 9 of chapter 40R of the General Laws, as appearing in the 2022 Official Edition, is hereby amended by striking out subsections (a) and (b) and inserting in place thereof the following 2 subsections:-

(a) the commonwealth shall pay from the trust fund or other funds from appropriations or other money authorized by the general court a zoning incentive payment, according to the following schedule:

Projected Units of New Construction%	Payment
Up to 20%	\$20,000
21 to 100%	\$150,000
101 to 200%	\$400,000
201 to 500%	\$740,000

501 or more% \$1,200,000

Subject to any conditions imposed by the executive office department as a condition of approving a smart growth zoning district or starter home zoning district , the zoning incentive payment shall be payable upon confirmation of approval of the district by the executive office. The projected number of units shall be based upon the zoning adopted in the smart growth zoning district or starter home zoning district.

(b) The commonwealth shall pay from the trust fund or other funds from appropriations or other money authorized by the general court a 1-time density bonus payment to each city or town with an approved smart growth zoning district and a 1-time production bonus payment to each city or town with an approved starter home zoning district. This payment shall be \$6,000 for each housing unit of new construction created in the smart growth zoning district and \$6,000 for each housing unit of new construction created in the starter home zoning district; provided, that the executive office may allocate up to 50 per cent of this payment to be paid by for-profit developers constructing such new housing units; provided further, that, in establishing said payment allocation, the executive office shall consider exemptions for the inclusion of new affordable housing units. The amount due shall be paid on a unit-by-unit basis in accordance with department regulations, upon submission by a city or town of proof of issuance of a building permit for a particular housing unit or units within the district.

SECTION 2. Section 12 of Chapter 40R of the General Laws, as so appearing, is hereby amended by inserting in line 3, after the word “review”, the following words:- “, including but not limited to an analysis of the incentive payments, in Section 9, to determine that those payments are consistent with housing costs per the Consumer Price Index.”

34           SECTION 3. The executive office of housing and livable communities shall promulgate  
35 regulations pursuant to section 9 of chapter 40R, as modified by section 1 of this act, by  
36 December 31, 2027.

37           SECTION 4. This act shall take effect for tax years beginning on or after January 1,  
38 2027.