

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

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**The Commonwealth of Massachusetts**

PRESENTED BY:

*Pavel Payano*

*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 relative to updating and modernizing Chapter 40R.

PETITION OF:

NAME:

*Pavel Payano*

DISTRICT/ADDRESS:

*First Essex*

SENATE . . . . . No.

[Pin Slip]

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:*

1 SECTION 1. Section 9 of chapter 40R of the General Laws, as so appearing, is hereby  
2 amended by striking out subsections (a) and (b) and inserting in place thereof the following 2  
3 subsections:-

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

7	Projected Units of New Construction%	Payment
8	Up to 20%	\$20,000
9	21 to 100%	\$150,000
10	101 to 200%	\$400,000
11	201 to 500%	\$740,000

12           501 or more% \$1,200,000

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

18           (b) The commonwealth shall pay from the trust fund or other funds from appropriations  
19 or other money authorized by the general court a 1-time density bonus payment to each city or  
20 town with an approved smart growth zoning district and a 1-time production bonus payment to  
21 each city or town with an approved starter home zoning district. This payment shall be \$6,000  
22 for each housing unit of new construction created in the smart growth zoning district and \$6,000  
23 for each housing unit of new construction created in the starter home zoning district. The amount  
24 due shall be paid on a unit-by-unit basis in accordance with department regulations, upon  
25 submission by a city or town of proof of issuance of a building permit for a particular housing  
26 unit or units within the district.”

27           SECTION 2. Section 12 of Chapter 40R of the General Laws is hereby amended by  
28 inserting in line 3, after the word “review”, the following words:-

29           “, including but not limited to an analysis of the incentive payments, in Section 9, to  
30 determine that those payments are consistent with housing costs per the Consumer Price Index.”

31           SECTION 3. This act shall take effect for tax years beginning on or after January 1,  
32 2025.

33           SECTION 4. Notwithstanding any other section of the law to the contrary, no later than  
34 10 years after the date of enactment, the increased incentives, as identified in section 1 and  
35 section 2, shall revert back to their original figures.