HOUSE . . . . . No. 2346

The Commonwealth of Massachusetts

Senate, July 13, 2012.

BILL #: H04119

BILL STATUS: Favorable with Amendment

DISSENTERS:

None

ACCOMPANIED BILLS:

None

For the committee,

BRIAN A. JOYCE

SENATE . . . . . No. 2346

The committee on Senate committee on Bonding, Capital Expenditures and State Assets to whom was referred the House Bill relative to infrastructure investment, enhanced competitiveness and economic growth in the Commonwealth (House, No. 4119) report recommending that the same ought to pass with an amendment striking out all after the enacting clause and inserting in place thereof the text of Senate document numbered 2346.

The Commonwealth of Massachusetts

In the Year Two Thousand Twelve

SECTION 1. To provide for a program to support technology and economic development in the state that helps to enhance the economy and job growth throughout the state, and promote the well-being of those living in the state, the sum set forth in section 2, for the several purposes and subject to the conditions specified in this act, are hereby made available, subject to the laws regulating the disbursement of public funds, which sum shall be in addition to any amounts previously appropriated for these purposes.

SECTION 2.

7066-0099 For the Scientific and Technology Research and Development Matching Grant Fund established in 4G of chapter 40J of the General Laws…… $25,000,000

SECTION 3. To provide for a program to support technology and economic development in the state that helps to enhance the economy and job growth throughout the state, and promote the well-being of those living in the state, the sum set forth in section 4, is hereby appropriated from the General Fund for the several purposes and subject to the conditions specified in section

14 4 and subject to laws regulating the disbursement of public funds; provided, however,
15 appropriations made herein shall not revert.

16 SECTION 4.

17 7007-1200 For the Massachusetts Technology Park Corporation doing business as the
18 Massachusetts Technology Collaborative, established under section 3 of chapter 40J of the
19 General Laws, to establish a talent pipeline program that provides paid internships to technology
20 startups and innovation companies; provided, that the Massachusetts Technology collaborative
21 shall seek private funds necessary to match contributions equal to $1 for every $1 contributed by
22 Massachusetts Technology Collaborative through a matching internship program; provided
23 further, that $1,000,000 shall be used to establish an entrepreneur and startup venture capital
24 mentoring program, in consultation with the Massachusetts Technology Development
25 Corporation established in section 2 of chapter 40G, that would provide assistance, mentoring,
26 and advice to start-ups and innovation companies by connecting early-stage entrepreneurs,
27 technology startups, and small businesses with venture capital financing; provided further, that in
28 the design and implementation of these programs, the Massachusetts Technology Collaborative
29 shall consult with and review the talent pipeline and mentoring programs that are administered
30 by the Venture Development Center at the university of Massachusetts at Boston established
31 under chapter 123 of the acts of 2006 in order to model and bring to scale successful talent
32 pipeline programs and practices; provided further, that the Massachusetts' Technology
33 Collaborative shall file annual reports for the duration of the programs with the chairs of the
34 house and senate committee on ways and means and the chairs of the joint committee on
35 economic development and emerging technologies, on or before January 1; provided further, the
36 report shall include an overview of the activities of the programs, the number of participants in

37 the programs, and an analysis of the impact of said programs on the innovation economy and
38 workforce; provided further, the secretary of housing and economic development shall
39 administer a competitive grant program consistent with programs previously administered by the
40 secretary of labor and workforce development as provided for by line item 7003-1641; and
41 provided further that said grant program shall receive not less than the amount provided for it in
42 chapter 123 of the acts of 2006 ……..... $2,250,000

43 SECTION 5. Sections 47 and 48 of chapter 6C of the General Laws are hereby repealed.

44 SECTION 6. section 2 of chapter 21E of the General Laws, as appearing in the 2010
45 Official Edition, is hereby amended by striking out the definition of "Economically distressed
46 area" and inserting in place thereof the following definition:-

47 "Economically distressed area", an area or municipality that: has been designated as an
48 economic target area, or that would otherwise meet the criteria of an economic target area as
49 defined in clauses (i) or (ii) of subsection (a) of section 3D of chapter 23A, provided however,
50 that if the area would otherwise meet the criteria established in said clauses (i) or (ii) of
51 subsection (a) of section 3D, it does not need to be approved as a economic target area by the
52 economic assistance coordinating council to be considered an economically distressed area; or,
53 the site of a former manufactured gas plant or the site of a former Massachusetts Bay
54 Transportation Authority; or the Massachusetts Department of Transportation right-of-way in
55 which the municipality has acquired an interest for purposes of the installation, operation,
56 maintenance and use of a rail-trail as defined in the definition of Owner or Operator.

57 SECTION 7. section 3 of chapter 23A of the General Laws, as so appearing, is hereby
58 amended by adding the following subsection:-

59 (c) MOBD, with assistance from the office of small business and entrepreneurship, and in
60 consultation with the secretary of housing and economic development, the Massachusetts office
61 of consumer affairs and business regulation and the department of housing and community
62 development, shall develop, operate and maintain a searchable website accessible by the public
63 at no cost, to provide information on public and private resources available to small businesses
64 and to promote small businesses in the commonwealth. Information made available through the
65 searchable website shall include, but shall not be limited to:

66 (1) information on state, local, federal and private sector small business counseling and
67 technical assistance programs;

68 (2) information on state, local and federal financing programs;

69 (3) information state, local and federal procurement and contracting programs and
70 opportunities;

71 (4) information on state incorporation laws and regulations, as well as the changes to
72 state incorporation laws and regulations;

73 (5) information on state tax credits;

74 (6) small business impact statements, as required under sections 2 and 3 of chapter 30A;
75 and

76 (7) other information and resources, as determined by the director of the office of
77 business development.

78 SECTION 8. section 3A of said chapter 23A, as so appearing, is hereby amended by
79 inserting after the word "expansion", the second time it appears, in line 20, the following
80 words:- , job creation,

81 SECTION 9. Said section 3A of said chapter 23A, as so appearing, is hereby further
82 amended by inserting after the definition of "Economic assistance coordinating council" the
83 following definition:-

84 "Economic benefit", awards of tax credits approved under paragraph (5) of section 3F or
85 any tax increment financing approved under section 3E and section 59 of chapter 40 or special
86 tax assessment awarded under section 3E.

87 SECTION 10. Said section 3A of said chapter 23A, as so appearing, is hereby further
88 amended by striking out the definition of "Economic opportunity area or EOA".

89 SECTION 11. Said section 3A of said chapter 23A, as so appearing, is hereby further by
90 striking out, in lines 87, 92, and 101, the word "EOA", and inserting in place thereof the
91 following word:- ETA.

92 SECTION 12. Said section 3A of said chapter 23A, as so appearing, is hereby further
93 amended by striking out the definition of "Expansion project EOA".

94 SECTION 13. Said section 3A of said chapter 23A, as so appearing, is hereby further
95 amended by striking out, in lines 111 and 112, the words "determined with reference to the
96 project EOA".

97 SECTION 14. Said section 3A of said chapter 23A, as so appearing, is hereby further
98 amended by striking out, in line 125, the word “EOA” and inserting in place thereof the
99 following word:- ETA.

100 SECTION 14A. section 3A of chapter 23A of the General Laws, as so appearing, is
101 hereby amended by striking, in lines 139 and 140, the words ‘below the commonwealth’s
102 average’ and inserting in place thereof the following:- below 100.5 percent of the
103 commonwealth’s average,

104 SECTION 15. Said section 3A of said chapter 23A, as so appearing, is hereby further
105 amended by inserting after the definition of “Gateway municipality” the following 2 definitions:-

106 "Job creation project", (i) located or will be located within the commonwealth; (ii)
107 generates substantial sales from outside of the commonwealth; and (iii) generates a net increase
108 of at least 10 permanent full-time employees within 2 years after project certification, but not
109 before January 1 of the year in which the project receives certification and which shall be
110 maintained for a period of not less than 5 years; provided, however, that in the case of a facility
111 that as of the project proposal date is already located in the commonwealth, job creation project
112 shall refer only to a facility at which the controlling business has expanded or proposed to
113 expand the number of permanent full-time employees at such facility and the expansion shall
114 represent: (1) an increase in the number of permanent full-time employees employed by the
115 controlling business within the commonwealth; and (2) not a replacement or relocation of
116 permanent full- time employees employed by the controlling business at any other facility
117 located within the commonwealth; provided, further, that in the case of a facility to be located
118 within the commonwealth after the project proposal date, "job creation project" shall refer only

119 to a facility that is: (a) the first facility of the controlling business to be located within the
120 commonwealth; or

121 (b) a new facility of such business and not a replacement or relocation of an existing
122 facility of such controlling business located within the commonwealth; (c) or an expansion of an
123 existing facility of the controlling business that results in an increase in permanent full-time
124 employees and not a relocation of permanent full-time employees employed by the controlling
125 business at any other facility located within the commonwealth.

126 "Job creation project proposal", a proposal submitted by a controlling business to the
127 EACC pursuant to section 3F for designation of a project as an job creation certified project,
128 provided that: (i) the proposal is submitted in a timely manner, in such form and with such
129 information as is prescribed by the EACC, supported by independently verifiable information
130 and signed under the penalties of perjury by a person authorized to bind the controlling business;
131 (ii) the proposal includes specific targets by year for the subsequent 5 calendar year period
132 relative to the projected increase in the number of permanent full-time employees of the
133 controlling business to be employed by and at the project from among residents of the
134 commonwealth; provided further, that in the case of a project that is a new facility within the
135 meaning of clause (b) of the definition of job creation project, such proposal shall include, in
136 addition, the number of permanent full-time employees employed by the controlling business at
137 other facilities located in the commonwealth.

138 SECTION 16. Said section 3A of said chapter 23A, as so appearing, is hereby further
139 amended by striking out, in line 142, the following words:- and job growth.

140 SECTION 17. Said section 3A of said chapter 23A, as so appearing, is hereby further
141 amended by striking out the definition of “Municipal application” and inserting in place thereof
142 the following definition:- "Municipal application", an application submitted by a municipality
143 to the EACC pursuant to section 3D or 3E for designation of 1 or more areas as an ETA;
144 provided, however, that: (i) the application is submitted in a timely manner, in such form and
145 with such information as is prescribed by the EACC and supported by independently verifiable
146 information; (ii) the area proposed for designation in the application is located, in whole or in
147 part, within each municipality participating in said application; (iii) each municipality within
148 which said proposed area is located participates in the application for designation; (iv) that said
149 application is properly authorized in advance of submission; (v) in the case of an application
150 submitted by more than 1 municipality, all requirements applicable thereto including, without
151 limitation, the requirements associated with proper authorization thereof shall apply equally to
152 each municipality participating in said application.

153 SECTION 18. Said section 3A of said chapter 23A, as so appearing, is hereby further
154 amended by inserting after the word “ project”, the second time they both appears, in lines 220
155 and 224, the following words:- , job creation project.

156 SECTION 19. Said section 3A of said chapter 23A, as so appearing, is hereby further
157 amended by striking out, in line 228, the word “ EOA ”, and inserting in place therof the
158 following word:- ETA.

159 SECTION 20. Said chapter 23A is hereby further amended by striking out section 3B, as
160 amended by section 53 of chapter 3 of the acts of 2011, and inserting in place thereof the
161 following section:-

162 SECTION 3B. There shall be an economic assistance coordinating council, established
163 within the Massachusetts office of business development. Said council shall consist of: the
164 director of the office of business development or a designee who shall serve as co-chairperson;
165 the director of housing and community development or a designee who shall serve as co-
166 chairperson; the director of career services, or a designee; the secretary of labor and workforce
167 development or a designee; the director of small business and entrepreneurship in the office of
168 business development; the director of economic assistance in the office of business development
169 or a designee; the president of the Commonwealth Corporation or a designee; and 8 members to
170 be appointed by the governor, 1 of whom shall be from the western region of the
171 commonwealth, 1 of whom shall be from the central region of the commonwealth, 1 of whom
172 shall be from the eastern region of the commonwealth, 1 of whom shall be from the southeastern
173 region of the commonwealth, 1 of whom shall be from Cape Cod or the islands, 1 of whom shall
174 be from the MetroWest region, 1 of whom shall be a representative of a higher educational
175 institution within the commonwealth and 1 of whom shall be from the Merrimack valley, all of
176 whom shall have expertise in issues pertaining to training, business relocation and inner-city and
177 rural development, and all of whom shall be knowledgeable in public policy and international
178 and state economic and industrial trends. Each member appointed by the governor shall serve at
179 the pleasure of the governor. Said council shall adopt bylaws to govern its affairs.

180 SECTION 21. section 3C of said chapter 23A, as appearing in the 2010 Official Edition,
181 is hereby amended by striking out subsection (1) and inserting in place thereof the following
182 subsection:-

183 (1) The EACC shall administer the economic development incentive program and, in so
184 doing, shall be empowered to exercise the following powers and duties:

185 (a) promulgate rules and regulations and prescribe procedures to effectuate the
186 purposes of sections 3A to 3H, inclusive;

187 (b) review applications from municipalities for the designation of areas as
188 economic target areas and to make such designations;

189 (c) certify tax increment finance agreements and special tax assessment areas
190 pursuant to section 3E;

191 (d) certify projects for participation in the economic development incentive
192 program and establish regulations for evaluating the proposals of said projects;

193 (e) assist municipalities in obtaining state and federal resources and assistance for
194 economic target areas and for certified projects within economic target areas;

195 (f) provide appropriate coordination with other state programs, agencies,
196 authorities, and public instrumentalities to enable activity within economic target areas to be
197 more effectively promoted by the commonwealth;

198 (g) monitor the implementation and operation of the economic development
199 incentive program; and

200 (h) conduct a continual evaluation of economic target areas and the projects
201 certified for participation in the economic development incentive program.

202 SECTION 22. Subsection (b) of section 3D of said chapter 23A, as so appearing, is
203 hereby amended by adding after the following paragraph:- Upon application from a city or
204 town, the EACC may from time to time designate 1 or more areas of a city or town as areas
205 presenting exceptional opportunities for increased economic development. In making such

206 designation, the EACC shall consider whether there is a strong likelihood that 1 or more of the
207 following will occur within the area in question within a specific and reasonably proximate
208 period of time: (i) a significant influx or growth in business activity, (ii) the creation of a
209 significant number of new jobs and not merely a replacement or relocation of current jobs within
210 the commonwealth, and (iii) a significant increase in the prospects of achieving economic
211 stability.

212 SECTION 23. Said chapter 23A is hereby further amended by striking out section 3E, as
213 so appearing, and inserting in place thereof the following section:-

214 SECTION 3E. The EACC may from time to time certify by a vote a municipal
215 application for a tax increment financing agreement or special tax assessment area within an
216 economic target area or an area designated by the EACC as an area of exceptional opportunity
217 upon compliance with the following:

218 (1) for the purposes of a tax increment financing agreement, receipt with the municipal
219 application of a proposed tax increment financing agreement adopted in accordance with the
220 provisions of section 59 of chapter 40;

221 (2) for the purposes of the provision of a special tax assessment area, receipt with the
222 municipal application of a binding written offer which shall set forth the following assessment
223 schedule for each parcel of real property in the area:

224 (i) in the municipality's first fiscal year, an assessment of 0 per cent of the actual
225 assessed valuation of the parcel; provided, that such assessment shall be granted for the year
226 designated in the binding written offer;

227 (ii) in the second year, an assessment of up to 25 per cent of the actual assessed
228 valuation of the parcel;

229 (iii) in the third year, an assessment of up to 50 per cent of the actual assessed
230 valuation of the parcel;

231 (iv) in the fourth year, an assessment of up to 75 per cent of the actual assessed
232 valuation of the parcel;

233 (v) in subsequent years, assessment of up to 100 per cent of the actual assessed
234 valuation of the parcel.

235 For the purposes of this section the term "municipality's fiscal year" shall refer to a
236 period of 365 days beginning, in the first instance, with the calendar year in which the assessed
237 property is purchased or acquired or the calendar year in which the assessed property is
238 designated as within a special tax assessment area, whichever is last to occur; provided, further,
239 that no such written offer from a municipality shall be considered to be authorized unless and
240 until it is approved by the EACC.

241 SECTION 24. section 3F of said chapter 23A, as so appearing, is hereby amended by
242 striking out, in lines 2 and 3, and in lines 40 and 41, the words "or manufacturing retention and
243 job growth" and inserting in place thereof, in each instance, the following words:- job creation
244 or manufacturing retention.

245 SECTION 25. Paragraph (b) of subsection (1) of said section 3F of said chapter 23A, as
246 so appearing, is hereby amended by striking out subparagraph (ii) and inserting in place thereof
247 the following subparagraph:-

248 (ii) the project as described in the proposal and all documentation submitted therewith:

249 (A) the proposal is consistent with and can reasonably be expected to benefit
250 significantly from the municipality's plans as described in subparagraph (iii) ; and

251 (B) together with all other projects previously certified and located in the same
252 ETA or municipality will not overburden the municipality's supporting resources;

253 SECTION 26. Said subsection (1) of said section 3F of said chapter 23A, as so appearing,
254 is hereby further amended by striking out paragraph (c) and inserting in place thereof the
255 following paragraph:-

256 (c) receipt with such written approval by the municipality of a request for a designation
257 of the project as a certified project for a specified number of years, which shall be not less than 5
258 years nor more than 20 years; and

259 SECTION 27. Said section 3F of said chapter 23A, as so appearing, is hereby further
260 amended by striking out subsection (2) and inserting in place thereof the following subsection:-

261 (2) A certified project shall retain its certification for the period specified by the EACC in
262 its certification decision; provided, however, that such specified period shall be not less than 5
263 years from the date of certification nor more than 20 years from such date unless such
264 certification is revoked prior to the expiration of the specified period.

265 The EACC shall review certified projects at least once every 2 years. The certification of
266 a project may be revoked only by the EACC and only upon the petition of the municipality that
267 approved the project proposal, if applicable, if the petition satisfies the authorization
268 requirements for a municipal application, or the petition of the director of economic

269 development and the independent investigation and determination of the EACC that (a) the
270 conduct of the controlling business subsequent to the certification is at material variance with
271 the controlling business's project proposal; or (b) the controlling business made a material
272 misrepresentation in its project proposal or anytime thereafter in its information provided to a
273 municipality, MOBD or EACC. Where the actual number of permanent full-time employees
274 employed by the controlling business is less than 70 per cent of the number of such permanent
275 full-time employees projected in the project proposal for a certified expansion project, or where
276 the actual number of permanent full-time employees employed by the controlling business is less
277 than 90 per cent of the number of such permanent full-time employees projected in the project
278 proposal for an enhanced expansion, job creation or manufacturing retention project, then this
279 shall be deemed a material variance for the purposes of a revocation determination.

280 If a project's certification is revoked by the EACC, both the commonwealth and
281 municipality, if applicable, shall have causes of action against the controlling business for the
282 value of any economic benefits awarded pursuant to this chapter, section 59 of chapter 40,
283 subsection (g) of section 6 of chapter 62, or section 38N of chapter 63. State tax credits shall
284 also be subject to the recapture provision of subsection (g) of section 6 of chapter 62 and section
285 38N of chapter 63.

286 For projects certified before January 1, 2012, if the EACC revokes a project's
287 certification because of a (a) material variance, the value of the economic benefit that shall be
288 recaptured or otherwise recouped by the commonwealth and municipality, if applicable, shall be
289 the amount the controlling business would have been allowed to receive after the effective date
290 of revocation, revocation shall take effect on the first day of the tax year in which a material
291 variance occurred as determined by the EACC; or (b) material misrepresentation, the value of the

292 economic benefit that shall be recaptured or otherwise recouped by the commonwealth and the
293 municipality, if applicable, shall be the total amount of economic benefit approved by the
294 commonwealth and municipality, if applicable, for the controlling business.

295 For projects certified after January 1, 2012, if the EACC revokes a project's certification,
296 the value of the economic benefit that shall be recaptured or otherwise recouped by the
297 commonwealth and municipality, if applicable, shall be the total amount of economic benefit
298 approved by the commonwealth and municipality, if applicable, for the controlling business.

299 Notwithstanding the above, the commissioner of revenue shall, as of the effective date of
300 the revocation, recapture or reduce any tax credits awarded pursuant to the recapture provisions
301 of subsection (g) of section 6 of chapter 62 and section 38N of chapter 63 and recoup any
302 exemptions or other tax benefits allowed by the original certification under this section.
303 Notwithstanding any general or special law to the contrary, upon such revocation, a municipality
304 that has provided tax increment financing under this chapter and section 59 of chapter 40 or a
305 special tax assessment pursuant to this chapter to a certified project may place a lien on the
306 certified project for repayment of the full amount of real property taxes owed pursuant to such
307 revocation. The commissioner of revenue shall issue regulations or other guidance to recapture
308 state tax credits, and recoup any exemptions or other tax benefits allowed by the certification
309 under this section.

310 Annually, on or before the first Wednesday in December, the EACC shall file a report
311 detailing its findings of the review of all certified projects that it evaluated in the prior fiscal
312 year to the commissioner of revenue, to the chairs of the joint committee on revenue ", the

313 chairs of the joint committee on community development and small business and the chairs of
314 the joint committee on economic development and emerging technologies.

315 SECTION 28. Said section 3F of said chapter 23A, as so appearing, is hereby further
316 amended by inserting after the word “application”, in line 138, the following word:- and.

317 SECTION 29. Subsection (4) of said section 3F of said chapter 23A, as so appearing, is
318 hereby further amended by striking out paragraph (d) and inserting in place thereof the
319 following paragraph:-

320 (d) a certified project application will be submitted to the EACC within a reasonable
321 period of time for the project proposing to occupy said facility and parcels.

322 SECTION 30. Said subsection (4) of said section 3F of chapter 23A, as so appearing, is
323 hereby further amended by striking out paragraph (e).

324 SECTION 31. Subsection (5) of said section 3F of chapter 23A, as so appearing, is
325 hereby amended by adding the following paragraph:-

326 (d) for job creation projects:

327 (1) the degree to which the project is expected to create and maintain employment
328 opportunities;

329 (2) the degree to which the project is expected to create jobs for residents in a
330 gateway municipality;

331 (3) the degree to which the project is expected to create a substantial amount of
332 jobs within 2 years.

333 SECTION 32. Said section 3F of said chapter 23A, as so appearing, is hereby further
334 amended by striking out, in line 171, the word "department" and inserting in place thereof the
335 following word:- commissioner.

336 SECTION 33. Said chapter 23A is hereby further amended by inserting after section 10A
337 the following new section:-

338 SECTION 10B. The secretary shall establish a Massachusetts Advanced Manufacturing
339 Collaborative, hereinafter referred to as the collaborative, within the executive office of housing
340 and economic development, which shall be responsible for developing and implementing the
341 commonwealth's manufacturing agenda to foster and strengthen the conditions necessary for
342 growth and innovation of manufacturing within the commonwealth. The collaborative, at a
343 minimum, shall include: the secretary of housing and economic development, or a designee; the
344 secretary of labor and workforce development, or a designee; a member of the house of
345 representatives, to be appointed by the speaker of the house of representatives; a member of the
346 senate, to be appointed by the senate president; the director of the office of business
347 development; the executive director of the Massachusetts Clean Energy Center; the executive
348 director of the Massachusetts Life Science Center; the executive director of the John Adams
349 Innovation Institute; the director of the Massachusetts Technology Transfer Center; a
350 representative from the Associated Industries of Massachusetts; a representative from a local
351 Chamber of Commerce; and a representative from the Massachusetts Workforce Board
352 Association. The collaborative shall partner with stakeholders in the public and private sector in
353 the development and operation of the state manufacturing plan, identify emerging priorities
354 within the state's manufacturing sector in order to make recommendations for high impact
355 projects and initiatives, and facilitate the implementation of goals established under the plan,

356 which shall include, but not be limited to: (1) education and workforce development, including
357 workforce training programs and partnerships; (2) technical assistance and innovation in support
358 of manufacturing growth, including access to capital, workforce development, compliance and
359 certification programs, and export assistance; (3) enhancing the competitiveness of
360 manufacturing companies, including examining ways to ease the cost of doing business and
361 examining the current regulatory impacts upon small to medium sized manufacturers; and (4)
362 promoting the manufacturing industry, including attracting a talented workforce and expanding
363 opportunities for in-state marketing of the state's supply chain capabilities.

364 SECTION 34. section 56 of said chapter 23A, as so appearing, is hereby amended by
365 striking out, in lines 33 and 34, the words "and the Massachusetts Technology Transfer Center
366 established in chapter 75" and inserting in place thereof the following words:- the Massachusetts
367 Technology Transfer Center established in chapter 75, and the Massachusetts business
368 development corporation established in chapter 671 of the acts of 1953,

369 SECTION 35. Said chapter 23A is hereby further amended by adding the following 2
370 sections:-

371 SECTION 63. (a) There shall be established within the executive office of housing and
372 economic development a MassWorks infrastructure program, hereinafter referred to as the
373 "program", to issue public infrastructure grants to municipalities and other public
374 instrumentalities for design, construction, building, land acquisition, rehabilitation, repair and
375 other improvements to publicly-owned infrastructure including, but not limited to, sewers,
376 utility extensions, streets, roads, curb-cuts, parking, water treatment systems,
377 telecommunications systems, transit improvements and pedestrian and bicycle ways. The

378 program shall provide for commercial and residential transportation and infrastructure
379 development, improvements and various capital investment projects under the growth districts
380 initiative administered by the executive office of housing and economic development. The
381 grants shall be used to assist municipalities to advance projects that support job creation and
382 expansion, housing development and rehabilitation, community development, and small town
383 transportation projects; provided, however, that projects supporting smart growth as defined by
384 the state's sustainable development principles shall be preferred. The program may be used to
385 match other public and private funding sources to build or rehabilitate transit oriented housing
386 located within .25 miles of a commuter rail station, subway station, ferry terminal, or bus
387 station, at least 25 per cent of which shall be affordable.

388 (b) Eligible public infrastructure shall be located on public land or on public leasehold,
389 right-of- way or easement. A project that uses grants provided by this section shall be procured
390 by a municipality in accordance with chapter 7, section 39M of chapter 30, chapter 30B and
391 chapter 149.

392 (c) There shall be at least 1 open solicitation period each year to accept and consider new
393 applications. Not less than 12 weeks before the annual open solicitation period, the executive
394 office of housing and economic development shall release the criteria upon which the
395 applications shall be judged including, but not limited to, a minimum project readiness standard,
396 overall spending targets by project type, preferences for projects that align with the state's
397 sustainable development principles, and other preferences applying to that funding round. Grants
398 may be made outside of the open solicitation period at the discretion of the secretary of housing
399 and economic development subject to the foregoing criteria. All grant awards shall be made only
400 after consultation with the appropriate regional planning agency.

401 (d) An eligible city or town, acting by and through its municipal officers or by and
402 through any agency designated by such municipal officers to act on their behalf may apply to
403 the program for a grant in a specific amount to fund a specified project. Two or more
404 municipalities may apply jointly, with 1 municipality acting as fiscal agent, or through a
405 regional planning agency acting as fiscal agent. Said grants may be made in addition to other
406 forms of local, state, and federal assistance.

407 (e) Within the program, at least 10 per cent of the grant funds shall be dedicated annually
408 to assist towns with populations of 7,000 or less in undertaking projects to design, construct,
409 reconstruct, widen, resurface, rehabilitate, and otherwise improve roads and bridges or for the
410 construction of chemical storage facilities, that support economic or community development.
411 Such towns shall be eligible for a grant not to exceed $1,000,000, and towns shall be eligible to
412 receive 1 grant every 3 fiscal years. Two or more towns eligible under this subsection may file a
413 joint application for a single project serving those towns; provided, however, the total amount
414 distributed to any 1 town shall not exceed the maximum amount allowed under this section.
415 Receipt of a grant which is part of a joint application shall not preclude a town from receiving
416 additional funds under a separate application.

417 (f) The secretary of housing and economic development may establish rules and
418 regulations to govern the application and distribution of grants under the program. The rules and
419 regulations may include provisions for joint applications by 2 or more eligible towns for a single
420 project serving those towns.

421 (g) The secretary of housing and economic development shall report annually to the
422 clerks of the house of representatives and the senate, the chairs of the joint committee on

423 transportation, the chairs of the joint committee on economic development and emerging
424 technologies, the chairs of the senate and house committees on ways and means, and the chairs
425 of the joint committees on state administration and regulatory oversight on the activities and
426 status of the program. The report shall include a list and description of all projects that received
427 grant funds under the program, the amount of the grant awarded to the project, other sources of
428 public funds that supported the project, a detailed analysis of the economic impact of each
429 project including, where applicable, the number of construction and full time equivalent jobs to
430 be created, number of housing units to be created, the private investment in the project, and the
431 expected tax revenue generated from the project.

432 SECTION 64. (a) There shall be established within the executive office of housing and
433 economic development a Massachusetts creative economy network, hereinafter referred to as the
434 network, which shall be directed by a state creative economy director. The network shall consist
435 of private, public, and non-profit organizations engaged in cross industry collaboration between
436 many interlocking industry sectors that provide creative services including, but not limited to,
437 advertising, architecture, or intellectual property products such as arts, films, electronic media,
438 video games, interactive digital media, multimedia, or design. The creative economy director, in
439 consultation with the creative economy council, established under chapter 354 of the acts of
440 2008, shall establish criteria for participation in the network.

441 (b) The duties of the network, under the leadership of the creative economy director, shall
442 include: quantifying the creative economy sector and measuring its impact on the state economy;
443 creating a mentorship network within the creative economy sector; developing strategies to
444 increase access to traditional market sectors and within state government; developing a
445 certification for Massachusetts creative economy businesses; increasing opportunities to attract

446 private investment to creative economy businesses through venture capital, micro-lending, and
447 other means; and marketing and branding the creative economy sector.

448 (c) The network may accept gifts or grants of money or property from any public, private
449 or non- profit source, which shall be held in trust and used for the purpose of promoting the
450 growth and development of the creative economy sector in Massachusetts.

451 (d) The creative economy director shall file an annual report with the clerks of the house
452 and senate; the chairs of the house and senate committee on ways and means; the chairs of the
453 joint committee on economic development and emerging technologies; the chairs of the joint
454 committee on tourism, arts, and cultural development; and the chairs of the joint committee on
455 community development and small business on or before January 1. The report shall include an
456 overview of the activities of the network, and an update on the number of creative economy
457 businesses in Massachusetts and their impact on the state economy, and an accounting of gifts or
458 grants held in trust by the network and the uses of any funds expended by the trust.

459 SECTION 36. Chapter 23G of the General Laws is hereby amended by adding the
460 following section:-

461 SECTION 45. There shall be established within the agency a Massachusetts Advanced
462 Manufacturing Futures Program, hereafter referred to as the program. The purpose of the
463 program shall be to support Massachusetts companies engaged in manufacturing through
464 programs and shall be administered in a manner that takes into account the needs of
465 manufacturers in all regions of the commonwealth and supports growth in the manufacturing
466 sector statewide. The agency, in consultation with the secretary of housing and economic
467 development and the manufacturing collaborative established under section 10B of chapter 23A,

468 shall design and implement the program. The program shall be eligible to receive funds as
469 appropriated by the general court, including from the Manufacturing Fund, established pursuant
470 to section 98 of chapter 194 of the acts of 2011, the board, federal grants and programs, and
471 transfers, grants and donations from state agencies, foundations and private parties, to be held in
472 a separate account or accounts segregated from other funds. The program shall promote the
473 development of advanced manufacturing through supporting technical assistance for small and
474 mid-sized manufacturers; fostering collaboration and linkages among larger manufacturing
475 companies and smaller supplier manufacturers; advancing workforce development initiatives
476 through training, certification, and educational programs; encouraging development of
477 innovative products, materials, and production technologies by manufacturers through the
478 transfer of technological innovations and partnerships with research universities, colleges, and
479 laboratories; and promoting regional approaches through sector strategies that allow for various
480 programs, resources and strategies to be aligned and leveraged.

481 The agency shall, through grants or contracts, administer the program for the purpose of
482 facilitating growth and competitiveness in the field of manufacturing. Grants under this program
483 shall include consideration of, but not be limited to:-

484 (i) improving access to technical assistance for small and mid-sized manufacturers,
485 including launching pilot demonstrations of best-practices in delivering innovation-based
486 technical assistance;

487 (ii) encouraging the adoption of new technologies and advanced manufacturing
488 capabilities into existing companies to improve manufacturing processes and operations; (iii)
489 educating individuals about opportunities for career advancement within high tech and advanced

490 manufacturing through middle school and high school education to support the future
491 manufacturing worker pipeline;

492 (iv) education and skills training through individualized career pathways programs that
493 develop skills and certifications for career growth and opportunities for available jobs or job
494 openings that are anticipated in manufacturing, provided that these programs may include, but
495 not be limited to, internships and on the job training which result in an employer or industry
496 recognized credentials and ultimate job placement;

497 (v) fostering academic and industry collaboration, including encouraging technology
498 transfer and commercialization efforts between not-for-profit research institutions, research
499 universities, colleges, and laboratories and advanced and high-tech manufacturers; and

500 (vi) supporting and partnering with existing systems within the commonwealth, including
501 the Massachusetts Manufacturing Extension partnership, Massachusetts workforce investment
502 and regional employment boards, vocational schools, community colleges, and higher education
503 institutions.

504 The agency shall solicit applications through a request for proposals and review such
505 applications according to the criteria so established, provided, however that the applications, at a
506 minimum, shall include: (a) a description of the parties involved in the project, including the
507 professional expertise and qualifications of the principals; (b) a description of the scope of work
508 that shall be undertaken by each party involved in the project; (c) the proposed budget including
509 verification of funding from other sources; (d) a statement of the project objective including
510 specific information on how the project shall enhance the competitiveness of the manufacturer or
511 manufacturing sector and create or preserve jobs; (e) a statement that sets forth the plan of

512 procedure, the facilities and resources available or needed for the project, and the proposed
513 commencement and termination dates of the project; (f) a description of the expected
514 significance of the project including the estimated number of manufacturers or workers served
515 and the estimated number of jobs that could be created, retained, or filled as a result of the
516 project; (g) timely deadlines for the submission of applications and recommendations of grant
517 awards or contracts including provisions for an expedited process of consideration and
518 recommendation in instances when the secretary of housing and economic development certifies
519 the need for timely evaluation and disposition of the application; and (h) any other information
520 that the agency shall deem necessary.

521 The agency shall reach agreement with each eligible entity that receives a grant or enters
522 into a contract under this section on performance measures and indicators that shall be used to
523 evaluate the performance of the eligible entity in carrying out the activities described in their
524 application, or any other indicators determined to be necessary to evaluate the performance of
525 the eligible entity. Each eligible entity shall submit an annual report for the duration of the
526 program or partnership funded through the collaborative for its review.

527 The agency may promulgate such rules and regulations as are necessary to implement the
528 purposes of the program, including procedures describing the application process and criteria
529 that will be used to evaluate application for grants under this section.

530 The agency, in consultation with the collaborative under said section 10B of said chapter
531 23A, shall submit an annual report to the clerks of the house of representatives and the senate
532 who shall forward the same to the senate and house committees on ways and means, the joint
533 committee on economic development and emerging technologies and the joint committee on

534 labor and workforce development on or before December 31. The report shall include a current
535 assessment of the progress of each program funded through the manufacturing grant program
536 and the progress of the advanced manufacturing collaborative activity including any
537 recommendations for legislation.

538 SECTION 37. section 7 of chapter 23H of the General Laws, as most recently amended
539 by section 88 of chapter 3 of the acts of 2011, is hereby further amended by adding the
540 following subsection:-

541 (g) The board, in consultation with the secretary of labor and workforce development, the
542 secretary of education, the secretary of housing and economic development and the president of
543 the commonwealth corporation, shall undertake an annual review of local and regional labor
544 market information to develop regional plans to coordinate training and education activities to
545 target employer needs and to meet the commonwealth's demand for workers. The board shall
546 convene regional meetings that shall include representatives from each workforce investment
547 area, established by the Workforce Investment Act of 1998, 29 U.S.C. § 2801, et seq. and, at a
548 minimum, the presidents of any of the region's community colleges, the principles of any
549 vocational-technical high schools, the executive director of the appropriate workforce investment
550 boards, the fiscal agents for workforce investment act funding, and labor, education and industry
551 leaders in each of the regions to review labor market information and develop the regional plans.
552 The Commonwealth Corporation shall aggregate these findings annually and make a report,
553 which shall be filed with the clerks of the house of representatives and senate, no later than June
554 30. 548

555 SECTION 38. The General Laws are hereby amended by inserting after chapter 23K the
556 following chapter:- 550

557 CHAPTER 23L

558 LOCAL INFRASTRUCTURE DEVELOPMENT PROGRAM

559 SECTION 1. As used in this chapter, the following words shall, unless the context clearly
560 requires otherwise, have the following meanings:-

561 "Agency", the Massachusetts Development Finance Agency established pursuant to
562 section 2 of chapter 23G. 556

563 "Amended improvement plan" a plan describing any change to the improvement plan
564 with respect to the boundaries of a development zone, or material change to the method of
565 assessing costs, description of improvements, the maximum cost of the improvements, or
566 method of financing the improvements that is approved through the same procedures as the
567 original improvement plan adopted pursuant to this chapter.

568 "Assessing party", shall mean the municipality or municipalities identified in the
569 improvement plan to assess any infrastructure assessments in the development zone.

570 "Cost", shall include the cost of: (a) construction, reconstruction, renovation, demolition,
571 maintenance and acquisition of all lands, structures, real or personal property, rights, rights-of-
572 way, utilities, franchises, easements, and interests acquired or to be acquired by the public
573 facilities owner; (b) all labor and materials, machinery and equipment including machinery and
574 equipment needed to expand or enhance services from the municipality, the commonwealth or
575 any other political subdivision thereof to the development zone; (c) financing charges and

576 interest prior to and during construction, and for 1 year after completion of the improvements,
577 interest and reserves for principal and interest, including costs of municipal bond insurance and
578 any other type of credit enhancement or financial guaranty and costs of issuance; (d) extensions,
579 enlargements, additions, and enhancements to improvements; (e) architectural, engineering,
580 financial and legal services; (f) plans, specifications, studies, surveys and estimates of costs and
581 of revenues; (g) administrative expenses necessary or incident to the construction, acquisition,
582 and financing of the improvements; and (h) other expenses as may be necessary or incident to the
583 construction, acquisition, maintenance, and financing of the improvements.

584 "Development zone", one or more parcels of real estate in the municipality, contiguous or
585 not, described in the improvement plan and to be benefited by the improvements and subject to
586 infrastructure assessments as described in the improvement plan.

587 "Infrastructure assessments", assessments, betterments, special assessments, charges or
588 fees as described in this chapter and the improvement plan and assessed by the assessing party
589 upon the real estate within the development zone to defray the cost of improvements financed in
590 accordance with this chapter.

591 "Improvement plan", a plan set forth in the petition for the establishment of a
592 development zone setting forth the proposed improvements, services and programs,
593 revitalization strategy, replacement and maintenance plan, the cost estimates for said
594 improvements, and the replacement and maintenance program, the identity of the public
595 facilities owner or owners and the administrator of the plan, the boundaries of the development
596 zone, the analysis of any costs of financing said improvements, the identification of the
597 assessing party, the method and structure of the infrastructure assessments, the selection of any

598 or all of the assessing powers listed in section 4 that shall be utilized by the assessing party
599 within the development zone, the description of the infrastructure development project within
600 the development zone, the proposed use of any bonds or notes to finance such project by the
601 agency, the participation of the agency, if any, in a district improvement financing program as
602 described in section 7, and if so, a description of any assessing powers to be utilized, and the
603 estimates of the costs and expenses to be levied and assessed on the real estate in the
604 development zone.

605 "Improvements", the acquiring, laying, constructing, improving and operating of capital
606 improvements to be owned by a public facilities owner, including, but not limited to, storm
607 drainage systems, dams, sewage treatment plants, sewers, water and well systems, roads, bridges,
608 culverts, tunnels, streets, sidewalks, lighting, traffic lights, signage and traffic control systems,
609 parking, including garages, public safety and public works buildings, parks, cultural and
610 performing arts facilities, recreational facilities, marine facilities such as piers, wharfs, bulkheads
611 and sea walls, transportation stations and related facilities, fiber and telecommunication systems,
612 facilities to produce and distribute electricity, including alternate energy sources such as co-
613 generation and solar installations, and other infrastructure-related improvements; provided that
614 improvements shall not include any improvements located in, or serving gated communities, so
615 called, not including age restricted developments operated by non-profit organizations, that
616 prohibit access to the general public and any type of improvement that is specifically prohibited
617 in the United States internal revenue code from using tax-exempt financing.

618 "Infrastructure development project", the acquisition, construction, expansion,
619 improvement or equipping of improvements serving any new or existing commercial, retail, or
620 industrial project.

621 “Municipal governing body”, in a city, the city council with the approval of the mayor,
622 and in a city having a Plan D or Plan E form of charter, the city council with the approval of the
623 city manager, the town council in a town with a town council form of government, or otherwise
624 the board of selectmen in a town with a town meeting form of government.

625 “Municipality”, a city or town, or cities and towns, if the development zone is located in
626 more than 1 municipality.

627 “Person”, any natural or corporate person, including bodies politic and corporate, public
628 departments, offices, agencies, authorities and political subdivisions of the commonwealth,
629 corporations, trusts, limited liability companies, societies, associations, and partnerships and
630 subordinate instrumentalities of any 1 or more political subdivisions of the commonwealth.

631 “Petition”, the document initiating the creation of a development zone as described in
632 subsection (b) of section 2.

633 “Project”, an infrastructure development project.

634 “Public facilities owner”, means the municipality, the commonwealth or any other
635 political subdivision, agency or public authority of the commonwealth, identified in the
636 improvement plan as the owner of the improvements described in an improvement plan or an
637 amended improvement plan.

638 SECTION 2. (a) Notwithstanding any general or special law, charter provision, by-law or
639 ordinance to the contrary, each municipality in the commonwealth, acting through its municipal
640 governing body, may adopt this chapter and may establish 1 or more development zones
641 pursuant to this chapter. In the event that 2 or more municipalities wish to jointly establish or

642 consolidate contiguous development zones, the municipal governing body of each such
643 municipality wherein said development zone shall be located shall approve by a majority vote
644 the petition for the establishment of such a development zone.

645 (b) The establishment of a development zone shall be initiated by the filing of a petition
646 signed by all persons owning real estate within the proposed development zone in the office of
647 the clerk of the municipality and the office of the agency. The petition, at a minimum, shall
648 contain:

649 (1) a legal description of the boundaries of the development zone;

650 (2) the written consent to the establishment of the development zone or any
651 amended improvement plan, by the persons with the record ownership of 100 per cent of the
652 acreage to be included in the development zone; provided that any real estate owned by the
653 commonwealth, or any agency, or any political subdivision thereof, included in the boundaries
654 of the development zone shall not be included in the count of persons owning tax parcels or
655 acreage in the development zone for the purposes of this clause;

656 (3) the name of the development zone;

657 (4) a map of the proposed development zone, showing its boundaries, and any
658 current public improvements as are already in existence which may be added to or modified by
659 any improvements;

660 (5) the estimated timetable for construction of the improvements and the
661 maximum cost of completing said improvements;

662 (6) the improvement plan for the development zone; and

663 (7) the procedure by which the municipality shall be reimbursed for any costs
664 incurred by it in establishing the development zone, and for any administrative costs to be
665 incurred in the administration and collection of any infrastructure assessments imposed within
666 the development zone.

667 SECTION 3. (a) Upon receipt of a petition pursuant to section 2, the municipal governing
668 body shall, within 120 days of said receipt, hold a public hearing on said petition. Written
669 notification of such hearing and a summary of the petition and the improvement plan shall be
670 provided by the clerk of the municipality to all owners and tenants of properties in the proposed
671 development zone and within one-half mile of the boundaries of said zone, within or beyond the
672 municipality in which the zone shall be located no later than 14 days prior to such hearing, by
673 mailing a notice to the address listed in the municipality's property tax records and other
674 appropriate listings of owners and residents. Notification of the hearing shall be published for 2
675 consecutive weeks in a newspaper of general circulation in the municipality, the first such
676 publication to be at least 14 days prior to the date of such hearing. Such public notice shall state
677 the proposed boundaries of the development zone, the improvements proposed to be provided in
678 the development zone, the proposed basis for determining any infrastructure assessments with
679 respect to such improvements, and the location or locations for viewing and copying the petition
680 including the improvement plan.

681 (b) A public hearing pursuant to subsection (a) shall be held to determine if the petition
682 satisfies the criteria of this chapter for a development zone, and to obtain public comment
683 regarding the improvement plan and the effect that the development zone will have on the
684 owners of real estate, tenants and other persons within said development zone and on the
685 municipality or adjacent communities. Within 90 days after the conclusion of said public

686 hearing and in conjunction with regional planning agencies, the city manager with the approval
687 of the city council in the case of a city under Plan D or E forms of government, the mayor with
688 the approval of the city council in the case of all other cities, the town council in the case of
689 towns with a town council form of government or otherwise the board of selectmen in the case of
690 a town with a town meeting form of government shall issue recommendations on the petition;
691 provided, however, that said recommendations shall include, but shall not be limited to, the
692 following findings:-

693 (1) whether the establishment of the development zone is consistent with any
694 applicable element or portion of any master plan of the municipality which shall be confirmed in
695 writing by the municipality's planning board ; and

696 (2) whether the proposed improvements in the development zone will be
697 compatible with the capacity and uses of existing local and regional infrastructure services and
698 facilities.

699 (c) Within 21 days of the receipt of the recommendation required pursuant to subsection
700 (b), the municipal governing body shall vote to approve or not approve the petition to establish
701 the development zone and the improvement plan.

702 (d) Upon the approval of the petition by majority vote of the municipal governing body in
703 accordance with subsection (c), notice of such approval shall be promptly filed with the records
704 of the clerk of the municipality, the agency, and the secretary of the commonwealth. Upon such
705 filing, the development zone shall be deemed established and the improvement plan deemed
706 approved.

707 (e) The public facilities owner shall have all the rights and powers necessary or
708 convenient to carry out and effectuate this chapter that are consistent with the improvement plan
709 as approved by the municipal governing body, including, but without limiting the generality of
710 the foregoing, the following:

711 (1) to make and enter into all manner of contracts and agreements necessary or
712 incidental to the exercise of any power granted by this chapter including agreements with the
713 municipality, the commonwealth, the agency and any other city, town or political entity or
714 utility for the provision of services that are necessary to the acquisition, construction, operation
715 or financing of the improvements within the development zone;

716 (2) to purchase or acquire by lease, lease-purchase, sale and lease-back, gift or
717 devise, or to obtain or grant options for the acquisition of any property, real or personal, tangible
718 or intangible, or any interest therein, in the exercise of its powers and the performance of its
719 duties; to acquire real estate or any interest therein, within the boundaries of the development
720 zone itself, if authorized in the improvement plan, and to acquire real estate or any interest
721 therein outside the boundaries of the development zone, necessary for the acquisition,
722 construction, and operation of the improvements or services relating thereto that are located
723 within the development zone or are related to, or provided by the public facilities owner;

724 (3) to construct, improve, extend, equip, enlarge, repair, maintain, and operate and
725 administer the improvements for the benefit of the development zone within, or without the
726 development zone; to acquire existing improvements or construct new improvements, including
727 those located under or over any roads, public ways or parking areas, and to enter upon and dig

728 up any private land within the development zone for the purpose of constructing said
729 improvements and of repairing the same;

730 (4) to accept gifts or goods of funds, property or services from any source, public
731 or private, and comply, subject to the provisions of this chapter and the terms and conditions
732 hereof;

733 (5) to sell, lease, mortgage, exchange, transfer or otherwise dispose of, or grant
734 options for any such purposes with respect to any of the improvements, real or personal, tangible
735 or intangible, within the development zone, or serving the development zone or any interest
736 therein;

737 (6) to pledge or assign any money, infrastructure assessments or other revenues
738 relating to any improvements within, or related to the development zone, and any proceeds
739 derived there from;

740 (7) to enter into contracts and agreements with the municipality, the agency, the
741 commonwealth or any political subdivisions thereof, the property owners of the development
742 zone and any public or private party with respect to all matters necessary, convenient or
743 desirable for carrying out the purposes of this chapter including, without limiting the generality
744 of the foregoing, the acquisition of existing improvements, collection of revenue, data
745 processing, and other matters of management, administration and operation; to make other
746 contracts of every name and nature; and to execute and deliver all instruments necessary or
747 convenient for carrying out any of its purposes;

748 (8) to exercise the powers and privileges of, and to be subject to the limitations
749 upon, municipalities provided in sections 38 to 42K, inclusive, of chapter 40, chapter 80 and

750 chapter 83, in so far as such provisions may be applicable and are consistent with the provisions
751 of this chapter; provided, however, that any requirement in said chapters for a vote by the
752 governing body of a town or city or for a vote by the voters of a town or city, shall be satisfied
753 by a vote or resolution duly adopted by the board of directors, board of selectmen, city council
754 or town council as the case may be;

755 (9) to invest any funds in such manner and to the extent permitted under the
756 General Laws for the investment of such funds by the treasurer of a municipality;

757 (10) to employ such assistants, agents, employees and persons, including
758 consulting experts as may be deemed necessary in the public facilities owner's judgment, and to
759 fix their compensation, according to the terms of the improvement plan;

760 (11) to procure insurance against any loss or liability that may be sustained or
761 incurred in carrying out the purposes of this chapter in such amount as the public facilities
762 owner shall deem necessary and appropriate with 1 or more insurers who shall be licensed to
763 furnish such insurance in the commonwealth;

764 (12) to apply for any loans, grants or other type of assistance from the United
765 States Government, the commonwealth or any political subdivision thereof that are described in
766 the improvement plan or an amended improvement plan;

767 (13) to adopt an annual budget and to raise, appropriate, and assess funds in
768 amounts necessary to carry out the purposes for which development zone is formed as described
769 in this chapter and the improvement plan; and

770 (14) to do all things necessary, convenient or desirable for carrying out the
771 purposes of this chapter or the powers expressly granted or necessarily implied in this chapter.

772 SECTION 4. (a) Consistent with the improvement plan, the assessing party may fix,
773 revise, charge, collect and abate infrastructure assessments, for the cost, maintenance, operation
774 ,and administration of the improvements imposed on the real estate, leaseholds or other interests
775 therein, located in the development zone. All real estate within a development zone owned by the
776 commonwealth or any political subdivision, political instrumentality, agency or public authority
777 thereof shall be exempt from such charges unless such charges are specifically accepted by the
778 commonwealth or such political subdivision, political instrumentality, agency or public
779 authority. In providing for the payment of the cost of the improvements or for the use of the
780 improvements, the assessing party may avail itself of the provisions of the General Laws relative
781 to the assessment, apportionment, division, fixing, reassessment, revision, abatement and
782 collection of infrastructure assessments by cities and towns, or the establishment of liens
783 therefore and interest thereon, and the procedures set forth in sections 5and 5A of chapter 254 for
784 the foreclosure of liens arising under section 6 of chapter 183A, as it shall deem necessary and
785 appropriate for purposes of the assessment and collection of infrastructure assessments. The
786 assessing party shall file copies of the improvement plan and any amendments thereof, and all
787 schedules of assessments with the appropriate registry of deeds and the municipality's assessors'
788 records so that notice thereof shall be reported on a municipal lien certificate for any real estate
789 parcel located in a development zone. Notwithstanding any general or special law to the
790 contrary, the assessing party may pay the entire cost of any improvements, including the
791 acquisition thereof, during construction or after completion, or the debt service of notes or bonds
792 used to fund such costs, from infrastructure assessments, and may establish said infrastructure

793 assessments prior to, during, or within 1 year after completion of construction or acquisition of
794 any improvements. The assessing party may establish a schedule for the payment of
795 infrastructure assessments not to exceed 25 years.

796 Notwithstanding any general or special law to the contrary, the assessing party may
797 contract with Mass Development for any services required by the assessing party regarding the
798 assessment, apportionment, division, fixing, reassessment, revision, collection and enforcement
799 of infrastructure assessments hereunder, and the fees, costs and other expenses thereof may be
800 included in the calculation of the infrastructure assessments levied by the assessing party
801 hereunder.

802 The infrastructure assessments established by the assessing party in accordance with this
803 chapter shall be fixed in respect of the aggregate thereof so as to provide revenues at least
804 sufficient to: (i) to pay the administrative expenses of the assessing party; (ii) to pay the principal
805 of, premium, if any, and interest on bonds, notes or other evidences of indebtedness of the
806 agency under this chapter as the same becomes due and payable; (iii) to create and maintain such
807 reasonable reserves as may be reasonably required by any trust agreement or resolution securing
808 bonds; (iv) to provide funds for paying the cost of necessary maintenance, repairs, replacements
809 and renewals of the improvements; and (v) to pay or provide for any amounts that the agency
810 may be obligated to pay or provide for by law or contract, including any resolution or contract
811 with or for the benefit of the holders of its bonds and notes. .

812 Notwithstanding any general or special law to the contrary, the agency shall not be
813 precluded from carrying out its obligations under this chapter if it has previously provided
814 technical, real estate, lending, financing, or other assistance to: (i) an infrastructure development

815 project including, but not limited to, a project in which the agency may have a economic
816 interest; (ii) a development zone; or (iii) a municipality associated with, or that may benefit
817 from, an infrastructure development project.

818 (b) As an alternative to levying infrastructure assessments under any other provisions of
819 this chapter or any other general law, the assessing party may levy special assessments on real
820 estate, leaseholds, or other interests therein within the development zone to finance the cost of
821 the improvements and the maintenance, repair, replacement and renewal thereof, and the
822 expense of administration thereof, provided, however, that the ratio of the property's value to
823 the amount of the lien shall not exceed 3:1. In determining the basis for and amount of the
824 special assessment, the cost of the improvements and the maintenance, repair, replacement and
825 renewal thereof, and the expense of administration thereof, including the cost of the repayment
826 of the debt issued or to be issued by the agency to finance the improvements, may be calculated
827 and levied using any of the following methods that result in fairly allocating the costs of the
828 improvements to the real estate in the development zone:

829 (1) equally per length of frontage or by lot, parcel, or dwelling unit or by the
830 square footage of a lot, parcel or dwelling unit;

831 (2) according to the value of the property as determined by the municipality's
832 board of assessors; or

833 (3) in any other reasonable manner that results in fairly allocating the cost,
834 administration and operation of the improvements, according to the benefit conferred or use
835 received including, but not limited to, by classification of commercial or residential use or
836 distance from the improvements.

837 The assessing party, consistent with the improvement plan, may also provide for the
838 following:

839 (1) a maximum amount to be assessed with respect to any parcel;

840 (2) a tax year or other date after which no further special assessments under this
841 section shall be levied or collected on a parcel;

842 (3) annual collection of the levy without subsequent approval of the assessing
843 party;

844 (4) the circumstances under which the special assessments may be reduced or
845 abated; and

846 (5) the assessing party may establish procedures allowing for the prepayment of
847 infrastructure assessments under this chapter.

848 (c) Infrastructure assessments, levied under this chapter, shall be collected and secured in
849 the same manner as property taxes, betterments, and assessments and fees owed to the
850 municipality unless otherwise provided by the assessing party and shall be subject to the same
851 penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for
852 such property taxes, betterments and liens owed to the municipality. Any liens imposed by the
853 municipality for the payment of property taxes, betterments and assessments shall have priority
854 in payment over any liens placed on real estate within the development zone.

855 (d) Notwithstanding any general or special act to the contrary, the agency, the
856 municipality, or any other public facilities owner may contract with 1 or more owners of real
857 estate within a development zone to acquire or undertake improvements within the development

858 zone. Upon completion, such improvements shall be conveyed to the public facilities owner,
859 provided that the consideration for said conveyance shall be limited to the cost of said
860 improvements.

861 SECTION 5. (a) In addition to the powers granted pursuant to chapter 23G and chapter
862 40D, the agency may borrow money and issue and secure its bonds for the purpose of financing
863 improvements as provided in and subject to, the provisions of this chapter; provided, further, that
864 the provisions of said chapters 23G and 40D shall apply to bonds issued under this section,
865 except that the provisions of subsection (b) of section 8 of said chapter 23G and section 12 of
866 said chapter 40D shall not apply to bonds issued pursuant to this chapter or the improvements
867 financed thereby; and provided further, that the improvements financed by the agency pursuant
868 to this chapter shall constitute a project within the meaning of section 1 of said chapter 23G and
869 section 1 of said chapter 40D, but shall not be considered facilities to be used in a commercial
870 enterprise. With respect to the issuance of bonds or notes for the purposes of this chapter in the
871 event of a conflict between this chapter and chapter 23G, the provisions of this chapter shall
872 control.

873 Nothing in this chapter shall be construed to limit or otherwise diminish the power of the
874 agency to finance the costs of projects authorized pursuant to said chapter 23G and said chapter
875 40D within the development zone or the municipality upon compliance with the provisions of
876 said chapter 23G and said chapter 40D.

877 (b) The agency may provide by resolution of its board of directors, from time to time, for
878 the issuance of bonds or notes of the agency for any of the purposes set forth in this chapter.
879 Bonds issued hereunder shall be special obligations payable solely from particular funds and

880 revenues generated from infrastructure assessments levied pursuant to this chapter as provided
881 in such resolution. No bonds or notes shall be issued by the agency pursuant to this chapter until
882 the agency's board of directors has determined that the bonds or notes trust agreement and any
883 related financing documents are reasonable and proper and comply with this chapter. The agency
884 may charge a reasonable fee in connection with the review of such documentation by its staff and
885 board of directors. Without limiting the generality of the foregoing, such bonds may be issued to
886 pay or refund notes issued pursuant to this chapter, to pay the cost of acquiring, laying,
887 constructing, and reconstructing the improvements. The bonds of each issue shall be dated, shall
888 bear interest at the rates, including rates variable from time to time, and shall mature at the time
889 or times not exceeding 25 years from their date or dates, as determined by the agency, and may
890 be redeemable before maturity, at the option of the agency or the holder thereof, at the price or
891 prices and under the terms and conditions fixed by the agency before the issuance of the bonds.
892 The agency shall determine the form of the bonds and the manner of execution of the bonds, and
893 shall fix the denomination or denominations of the bonds and the place or places of payment of
894 principal and interest, which may be at any bank or trust company within or without the
895 commonwealth and such other locations as designated by the agency. In the event an officer
896 whose signature or a facsimile of whose signature shall appear on any bonds shall cease to be an
897 officer before the delivery of the bonds, the signature or facsimile shall nevertheless be valid and
898 sufficient for all purposes the same as if he had remained in office until the delivery. The bonds
899 shall be issued in registered form. The agency may sell the bonds in a manner and for a price,
900 either at public or private sale, as it may determine to be for the best interests of the development
901 zone.

902 Before the preparation of definitive bonds, the agency may, under like restrictions, issue
903 interim receipts or temporary bonds exchangeable for definitive bonds when the bonds have
904 been executed and are available for delivery. The agency may also provide for the replacement
905 of any bonds that shall become mutilated or shall be destroyed or lost. The issuance of the
906 bonds, the maturities, and other details thereof, the rights of the holders thereof, and the agency
907 in respect of the same, shall be governed by this chapter insofar as the same may be applicable.

908 While any bonds or notes of the agency remain outstanding, its powers, duties or
909 existence shall not be diminished or impaired in any way that will affect adversely the interests
910 and rights of the holders of such bonds or notes. Bonds or notes issued under this chapter, unless
911 otherwise authorized by law, shall not be deemed to constitute a debt of the commonwealth or
912 the municipality, or a pledge of the faith and credit of the commonwealth or of the municipality,
913 but the bonds or notes shall be payable solely by the agency as special obligations payable from
914 particular funds collected from infrastructure assessments levied pursuant to this chapter and any
915 revenues derived from the operation of the improvements. Any bonds or notes issued by the
916 agency under this chapter, shall contain on the face thereof a statement to the effect that neither
917 the commonwealth, or the municipality, shall be obliged to pay the same or the interest thereon,
918 and that the faith and credit or taxing power of the commonwealth, the municipality, or the
919 agency is not pledged to the payment of the bonds or notes. All bonds or notes issued under this
920 chapter shall have and are hereby declared to have all the qualities and incidents of negotiable
921 instruments as defined in section 3-104 of chapter 106.

922 Issuance by the agency of 1 or more series of bonds or notes for 1 or more purposes shall
923 not preclude it from issuing other bonds or notes in connection with the same project or any
924 other project; provided, however, that the resolution or trust indenture wherein any subsequent

925 bonds or notes may be issued shall recognize and protect any prior pledge made for any prior
926 issue of bonds or notes unless in the resolution or trust indenture authorizing such prior issue the
927 right is reserved to issue subsequent bonds on a parity with such prior issue.

928 (c) In the discretion of the agency, bonds issued pursuant to this chapter may be secured
929 by a trust agreement between the agency and the bond owners or a corporate trustee which may
930 be any trust company or bank having the powers of a trust company within or without the
931 commonwealth. A trust agreement may pledge or assign, in whole or in part, the revenues, funds
932 and other assets or property held or to be received by the assessing party, or the agency
933 including, without limitation all monies and investments on deposit from time to time in any
934 fund of the assessing party or the agency or any account thereof and any contract or other rights
935 to receive the same, whether then existing or thereafter coming into existence and whether then
936 held or thereafter acquired by the assessing party or the agency, and the proceeds thereof. A trust
937 agreement may pledge or assign, in whole or in part, development zone revenues, funds and
938 other assets or property relating to the development zone held or to be received by the assessing
939 party or the agency. A trust agreement may contain, without limitation, provisions for protecting
940 and enforcing the rights, security and remedies of the bondholders, provisions defining defaults
941 and establishing remedies, which may include acceleration and may also contain restrictions on
942 the remedies by individual bondholders. A trust agreement may contain covenants of the agency
943 concerning the custody, investment and application of monies, the issue of additional or
944 refunding bonds, the use of any surplus bond proceeds, the establishment of reserves and the
945 regulation of other matters customarily treated in trust agreements. It shall be lawful for any bank
946 or trust company to act as a depository of any fund of the assessing party or the agency or trustee
947 under a trust agreement, provided it furnishes indemnification and reasonable security as the

948 agency may require. Any assignment or pledge of revenues, funds and other assets and property
949 made by the assessing party or the agency shall be valid and binding and shall be deemed
950 continuously perfected for the purposes of chapter 106 and other laws when made. The revenues,
951 funds and other assets and property, rights therein and thereto and proceeds so pledged and then
952 held or thereafter acquired or received by the assessing party or the agency shall immediately be
953 subject to the lien of such pledge without any physical delivery or segregation or further act, and
954 the lien of any such pledge shall be valid and binding against all parties having claims of any
955 kind in tort, contract or otherwise against the trust, whether or not such parties have notice
956 thereof. The trust agreement by which a pledge is created need not be filed or recorded to perfect
957 the pledge except in the records of the agency and no filing need be made pursuant to said
958 chapter 106. Any pledge or assignment made by the agency is an exercise of its political and
959 governmental powers, and revenues, funds, assets, property and contract or other rights to
960 receive the same and the proceeds thereof which are subject to the lien of a pledge or assignment
961 created under this chapter shall not be applied to any purposes not permitted by the pledge or
962 assignment.

963 (d) The agency may issue, from time to time, notes of the agency in anticipation of
964 federal, state or local grants for the cost of acquiring, constructing or improving the
965 development zone's improvements or in anticipation of bonds to be issued pursuant to this
966 chapter. Said notes shall be authorized, issued and sold in the same manner as, and shall
967 otherwise be subject to the other provisions of this chapter. Such notes shall mature at such time
968 or times as provided by the issuing resolution of the agency and may be renewed from time to
969 time; provided, however, that all such notes and renewals thereof shall mature on or prior to 20
970 years from their date of issuance.

971 (e) In addition to other security provided herein, or otherwise by law, bonds, notes or
972 obligations issued by the agency under any provision of this chapter, may be secured, in whole
973 or in part, by a letter of credit, line of credit, bond insurance policy, liquidity facility or other
974 credit facility for the purpose of providing funds for payments in respect of bonds, notes or other
975 obligations required by the holder thereof to be redeemed or repurchased prior to maturity or for
976 providing additional security for such bonds, notes or other obligations. In connection therewith,
977 the agency may enter into reimbursement agreements, remarketing agreements, standby bond
978 purchase agreements and any other necessary or appropriate agreements. The assessing party
979 may pledge or assign any of its revenues as security for the reimbursement by it to the agencies
980 or providers of such letters of credit, lines of credit, bond insurance policies, liquidity facilities or
981 other credit facilities of any payments made under the letters of credit, lines of credit, bond
982 insurance policies, liquidity facilities or other credit facilities.

983 (f) In connection with, or incidental to, the issuance of bonds, notes or other obligations,
984 the agency may enter into such contracts as the agency may determine to be necessary or
985 appropriate relative to the issuance thereof and the interest payable thereon or to place the
986 bonds, notes or other obligations of the agency, as represented by the bonds or notes, or other
987 obligations in whole or in part, on such interest rate or cash flow basis as the agency may
988 determine appropriate including, without limitation, interest rate swap agreements, insurance
989 agreements, forward payment conversion agreements, futures contracts, contracts providing for
990 payments based on levels of, or changes in, interest rates or market indices, contracts to manage
991 interest rate risk including, without limitation, interest rate floors or caps, options, puts, calls and
992 similar arrangements. Such contracts shall contain such payment, security, default, remedy and
993 other terms and conditions as the agency may deem appropriate and shall be entered into with

994 such party or parties as the agency may select, after giving due consideration, where applicable,
995 for the credit worthiness of the counter party or counter parties, including any rating by a
996 nationally recognized rating agency, the impact on any rating on outstanding bonds, notes or
997 other obligations or any other criteria the agency may deem appropriate.

998 (g) The agency shall have the power out of any funds available therefore to purchase its
999 bonds or notes. The agency may hold, pledge, cancel or resell such bonds or notes, subject to
1000 and in accordance with agreements with bondholders. The agency may issue refunding bonds
1001 for the purpose of paying any of its bonds at maturity or upon acceleration or redemption.
1002 Refunding bonds may be issued at such time or times prior to the maturity or redemption of the
1003 refunded bonds as the agency deems to be in the public interest. Refunding bonds may be issued
1004 in sufficient amounts to pay or provide for the principal of the bonds being refunded, together
1005 with any redemption premium thereon, any interest accrued or to accrue to the date of payment
1006 of such bonds, the expense of issuing the refunding bonds, the expense of redeeming bonds
1007 being refunded and such reserves for debt service or other capital from the proceeds of such
1008 refunding bonds as may be required by a trust agreement or resolution securing the bonds and, if
1009 considered advisable by the agency, for the additional purpose of the acquisition, construction or
1010 reconstruction and extension or improvement of improvements. All other provisions relating to
1011 the issuance of refunding bonds shall be as set forth in this chapter insofar as the same may be
1012 applicable.

1013 (h) All moneys received pursuant to the provisions of this chapter, whether as proceeds
1014 from the issue of bonds or notes or as revenue or otherwise, shall be deemed trust funds to be
1015 held and applied solely as provided in this chapter.

1016 (i) Bonds or notes issued under this chapter are hereby made securities in which all public
1017 officers and public bodies of the commonwealth and its political subdivisions, all insurance
1018 companies, trust companies in their commercial departments and within the limits set by the
1019 General Laws, banking associations, investment companies, executors, trustees and other
1020 fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to
1021 invest in bonds or other obligations of a similar nature may properly and legally invest funds,
1022 including capital in their control and belonging to them; and the bonds are hereby made
1023 obligations that may properly and legally be made eligible for the investment of savings deposits
1024 and income thereof in the manner provided by section 2 of chapter 167E. The bonds or notes are
1025 hereby made securities that may properly and legally be deposited with and received by any state
1026 or municipal officer or any agency or political subdivision of the commonwealth for any purpose
1027 for which the deposit of bonds or other obligations of the commonwealth is now or may hereafter
1028 be authorized by law.

1029 Notwithstanding any general or special law to the contrary, or any provision in their
1030 respective charters, agreements of associations, articles or organization, or trust indentures,
1031 domestic corporations organized for the purpose of carrying on business within the
1032 commonwealth including, without limitation any electric or gas company as defined in section 1
1033 of chapter 164, railroad corporations as defined in section 1 of chapter 160, financial
1034 institutions, trustees and the municipality may acquire, purchase, hold, sell, assign, transfer, or
1035 otherwise dispose of any bonds, notes, securities or other evidence of indebtedness of the
1036 agency provided that they are rated similarly to other governmental bonds or notes, and to make
1037 contributions to the agency, all without the approval of any regulatory authority of the
1038 commonwealth.

1039 (j) Any holder of bonds or notes issued under this chapter, and a trustee under a trust
1040 agreement, except to the extent its rights may be restricted by the trust agreement, may, either at
1041 law or in equity, by suit, action, mandamus or other proceeding, protect and enforce all rights
1042 under the laws of the commonwealth or granted hereunder or under the trust agreement, and
1043 may enforce and compel the performance of all duties required by this chapter or by the trust
1044 agreement, to be performed by the agency or by any officer thereof.

1045 (k) Notwithstanding any of the provisions of this chapter or any recitals in any bonds or
1046 notes issued under this chapter, all such bonds or notes shall be deemed to be investment
1047 securities under the provisions of chapter 106.

1048 (l) Bonds or notes may be issued under this chapter without obtaining the consent of any
1049 department, division, commission, board, bureau or agency of the commonwealth or the
1050 municipality, and without any proceedings or the happening of any other conditions or things
1051 than those proceedings, conditions or things that are specifically required thereof by this chapter,
1052 and the validity of and security for any bonds or notes issued by the agency shall not be affected
1053 by the existence or nonexistence of any such consent or other proceeding conditions, or things.

1054 SECTION 6. Bonds or notes issued by the agency and their transfer and their interest or
1055 income, including any profit on the sale thereof, and the improvements belonging to the public
1056 facilities owner shall at all times be exempt from taxation within the commonwealth, provided
1057 that nothing in this chapter shall act to limit or restrict the ability of the commonwealth or the
1058 municipality to otherwise tax the individuals and companies or their real or personal property or
1059 any person living or business operating within the boundaries of the development zone.

1060 SECTION 7. For purposes of this chapter, the agency may issue bonds secured by
1061 infrastructure assessments pursuant to and according to the terms of chapter 40Q. With the
1062 approval of the municipal governing body and the economic assistance coordinating council, the
1063 agency may issue its bonds in place of those of the municipality pursuant to, and according to
1064 the terms of chapter 40Q, provided that the municipality has fulfilled all requirements set forth
1065 in said chapter 40Q that would be required of the municipality if it were itself issuing bonds
1066 pursuant to said chapter 40Q. In addition, the municipality shall include in its "invested revenue
1067 district development program" as defined in said chapter 40Q, a description of the rights and
1068 responsibilities of the assessing party, the agency and the municipality with respect to said
1069 program. In such case, the municipality may designate the agency as the issuer of bonds pursuant
1070 to said chapter 40Q for the purpose of financing any of the "project costs" as defined in said
1071 chapter 40Q and that are located in, or functionally serving the needs of the development zone.
1072 The municipality shall determine the percentage of the "captured assessed valuation," as defined
1073 in said chapter 40Q, of property within the boundaries of the development zone that the
1074 municipality is pledging pursuant to an invested revenue district development program as
1075 defined in said chapter 40Q for the payment of the agency's bonds. With the written agreement
1076 of the person or persons owning 1 or more specific tax parcels in the development zone, the
1077 assessing party may adopt a plan whereby any of the assessing powers described in this chapter
1078 are made applicable exclusively to said parcels in order to secure and fund the debt service for
1079 the bonds. The "project costs" as defined in said chapter 40Q, shall not be reduced by the amount
1080 of the revenues derived pursuant to this chapter and said revenues derived from such a plan, may
1081 be made contingent upon or abated, in whole or in part, by the assessing party upon the receipt of
1082 the anticipated revenues generated through the pledged captured assessed valuation. At its

1083 option, the municipality may waive any adjustment for the "inflation factor" described in said
1084 chapter 40Q, in order to increase the captured assessed valuation available to finance
1085 improvements benefiting the development zone. The assessing party, the agency and the
1086 municipality shall enter into an agreement delineating the rights and responsibilities of each
1087 pursuant to such district improvement financing.

1088 SECTION 8. The agency may make representations and agreements for the benefit of the
1089 holders of the agency's bonds and notes or other obligations to provide secondary market
1090 disclosure information. The agreement may include: (1) covenants to provide secondary market
1091 disclosure information (2) arrangements for such information to be provided with the assistance
1092 of a paying agent, trustee, dissemination or other agent; and (3) remedies for breach of the
1093 agreements, which remedies may be limited to specific performance.

1094 SECTION 9. The collector-treasurer of each municipality, at the option of the
1095 municipality and the agency, may collect any infrastructure assessments including any recording
1096 fees, on behalf of the agency pursuant to an agreement between the municipality and the agency
1097 and to disburse the funds to any designated management entity or financial institution selected
1098 by agency. The collector-treasurer shall disburse revenues to the management entity or financial
1099 institution within 30 days of the collection of such fees, together with the interest earned on the
1100 holding of such fees.

1101 SECTION 10. (a) This chapter shall be considered to provide an exclusive, additional,
1102 alternative and complete method of accomplishing the purposes of this chapter and exercising
1103 the powers authorized hereby and shall be considered and construed to be supplemental and
1104 additional to, and not in derogation of, powers conferred upon the agency, the assessing party or

1105 the public facilities owner, by law; but, insofar as the proceedings of this chapter are
1106 inconsistent with any general or specific law, administrative order or regulation, or any
1107 resolution or ordinance of the municipality, this chapter shall be controlling. Without limiting
1108 the generality of the foregoing, no provision of any resolution or ordinance of the municipality
1109 requiring ratification by the voters of certain bond issues shall apply to the issuance of bonds or
1110 notes of the agency pursuant to this chapter, nor shall be applicable to the manner of voting or
1111 the limitations as to the amount and time of payment of debts incurred by the agency.

1112 (b) Except as specifically provided in this chapter, all other statutes, ordinances,
1113 resolutions, rules and regulations of the commonwealth and the municipality shall be fully
1114 applicable to the property, property owners, residents and businesses located in the development
1115 zone. This chapter shall not obligate the municipality or the agency to pay any costs for the
1116 acquisition, construction, equipping or operation and administration of the improvements
1117 located within the development zone. section 39. section 2WWW of chapter 29 of the General
1118 Laws, as amended by section 105 of chapter 3 of the acts of 2011, is hereby further amended by
1119 striking out subsection (d) and inserting in place thereof the following subsection:-

1120 (d) There shall be credited to the fund any revenue from appropriations or other monies
1121 authorized by the general court and specifically designated to be credited to the fund, including
1122 funds transferred from the Gaming Economic Development Fund established under section
1123 2DDDD, and any gifts, grants, private contributions, investment income earned on the fund's
1124 assets and all other sources. Money remaining in the fund at the end of a fiscal year shall not
1125 revert to the General Fund.

1126 SECTION 40. Said section 2WWW of said chapter 29, as amended by section 105 of
1127 said chapter 3, is hereby further amended by inserting after subsection (h) the following
1128 subsection:-

1129 (h ½) A portion of the grant fund shall be used to address the gap between the skills held
1130 by workers and the skills needed by employers for jobs that require more than a high school
1131 diploma but less than a 4-year degree. Grants awarded under this program shall focus on building
1132 relationships and partnerships among geographic clusters of high schools, vocational-technical
1133 schools, community colleges, state universities, institutions of higher education, local employers,
1134 industry partners, local workforce investment boards , labor organizations to support the creation
1135 of workforce investment training opportunities for civilians or for veterans who served on active
1136 duty in the armed forces during a war or in a campaign or expedition for which a campaign
1137 badge has been authorized and who have separated from the military within 48 months of the
1138 effective date of this act, and workforce development entities, in order to create multiple and
1139 seamless pathways to employment through enhanced coordination of existing institutions and
1140 resources. Each cluster shall designate 1 entity or organization as the lead partner for each cluster
1141 and approved procurements shall be jointly applied for by, at a minimum, a public educational
1142 institution including a community college, at least 1 regional workforce investment board, and at
1143 least 1 regional employer in a high growth sector. Grants made under this program shall include
1144 consideration of, but not be limited to: defining and establishing the process for students to
1145 transition from adult basic education programs to college-based programs; programs accessible
1146 to working, unemployed or underemployed adults; programs that focus on the recruitment,
1147 training and employment of older workers; programs in which one or more non-profit
1148 corporations collaborate with a community college to prepare low income or underemployed

1149 adults for employment in the workforce of regional emerging industries; support of education
1150 and workforce development initiatives that collaborate with the efforts or initiatives of public
1151 educational institutions, including development of stackable certificates and credentials, non-
1152 semester-based modular programs and accelerated associate degree programs, provided however
1153 that the grants issued from this fund shall serve to supplement, and not supplant, ongoing
1154 initiatives at community colleges; providing sector-based training including developmental
1155 education and certification programs; providing student support services; using competency-
1156 based placement assessments; leveraging regional resources, including shared equipment and
1157 funding; partnering with 2 or more training organizations in a region; adopting innovative
1158 approaches to high intensity training methodologies of periods of less than 6 months duration;
1159 and partnering with 2 or more employers in a region. This portion of the grant fund may also be
1160 used to develop regional centers of excellence, which shall be aligned to the commonwealth's
1161 economic development strategies to meet the needs of employers in high growth sectors
1162 including, but not limited to, health care, life sciences, information technology and advanced
1163 manufacturing. Each center of excellence shall be located at a community college, state
1164 university, vocational or technical high school or collaboration between these entities.

1165 A project grant program shall be designed by Commonwealth Corporation, in
1166 consultation with a middle skills subcommittee of the advisory committee, which shall include,
1167 at a minimum, a representative from the business community to be appointed by the secretary of
1168 labor and workforce development; the director of the Center for Labor Market Studies at
1169 Northeastern University or a designee; a representative of adult basic education or non-
1170 traditional college students in the commonwealth to be appointed by the secretary of education;
1171 the Massachusetts Workforce Board Association; and the Massachusetts AFL-CIO, as well as

1172 any representatives of the other mandatory advisory committee constituencies under paragraph
1173 (b).

1174 SECTION 41. Said section 2WWW of said chapter 29, as amended by said section 105
1175 of said chapter 3, is hereby further amended by striking out subsection (k) and inserting in place
1176 thereof the following subsection:-

1177 (k) The director of workforce development and the advisory committee established under
1178 paragraph (b) shall examine and make an ongoing assessment of the effectiveness of the grant
1179 fund, considering any similar educational or workforce development grant programs funded by
1180 the commonwealth. The director and committee shall encourage coordination of existing
1181 workforce development initiatives and strategies of employers and employer associations, local
1182 workforce investment boards, labor organizations, community-based organizations, including
1183 adult basic education providers; institutions of higher education, vocational education
1184 institutions, one-stop career centers, local workforce development entities, and nonprofit
1185 education, training or other service providers, and, when applicable, shall inform grant applicants
1186 of the availability and eligibility for other workforce training funds. The establishment of the
1187 Workforce Competitiveness Trust Fund shall not be determined to replace, displace or serve as a
1188 substitute for any other workforce training fund, including community college workforce
1189 development programs or the Workforce Training Fund established in section 2RR, and award of
1190 any grant funds from the Workforce Competitiveness Trust Fund shall not make an applicant
1191 ineligible for any other funds.

1192 SECTION 42. Said section 2WWW of said chapter 29 is hereby further amended by
1193 adding the following subsection:-

1194 (l) Each grant recipient shall submit an annual report for the duration of the program or
1195 partnership funded through a grant to the committee for its review. Before grants are awarded,
1196 the Commonwealth Corporation shall reach agreement with each eligible entity that receives a
1197 grant on performance measures and indicators that will be used to evaluate the performance of
1198 the eligible entity in carrying out the activities described in their application.

1199 SECTION 43. Chapter 40 of the General Laws is hereby amended by striking out section
1200 59, as appearing in the 2010 Official Edition, and inserting in place thereof the following
1201 section:-

1202 SECTION 59. Notwithstanding any general or special law to the contrary, any city or
1203 town by vote of its town meeting, town council, or city council with the approval of the mayor
1204 where required by law, on its own behalf or in conjunction with 1 or more cities or towns, and
1205 pursuant to regulations issued by the economic assistance coordinating council established under
1206 section 3B of chapter 23A, may adopt and prosecute a tax increment financing agreement
1207 hereinafter referred to as TIF agreement, and do any and all things necessary thereto; provided,
1208 however, that the TIF agreement:

1209 (i) includes a description of the parcels to be included in the agreement; provided,
1210 however, that each area so designated is wholly within an economic target area or an area
1211 presenting exceptional opportunities for increased economic development, as defined in section
1212 3D of chapter 23A, and in regulations adopted by the economic assistance coordinating council;
1213 provided, further, that in the case of a TIF area that includes parcels located in 1 or more city or
1214 towns, the areas included in the TIF agreement shall be contiguous areas of such cities or towns;

1215 (ii) describes in detail all construction and construction-related activity, public and
1216 private, contemplated for such TIF agreement as of the date of adoption of the TIF agreement;
1217 provided, however, that in the case of public construction as aforesaid, the TIF agreement shall
1218 include a detailed projection of the costs thereof and a betterment schedule for the defrayal of
1219 such costs; provided, further, that the TIF agreement shall provide that no costs of such public
1220 constructions shall be recovered through betterments or special assessments imposed on any
1221 party which has not executed an agreement in accordance with the provisions of clause (v); and
1222 provided, further, that in the case of private construction as aforesaid, the TIF agreement shall
1223 include the types of industrial and commercial developments which are projected to occur
1224 within such TIF area, with documentary evidence of the level of commitment therefore,
1225 including but not limited to, architectural plans and specifications as required by said
1226 regulations;

1227 (iii) authorizes tax increment exemptions from property taxes, under clause Fifty-first of
1228 section 5 of chapter 59, for a specified term not to exceed 20 years, for any parcel of real
1229 property which is located in the TIF zone and for which an agreement has been executed with
1230 the owner of the real property under clause (v); provided, however, that the TIF agreement shall
1231 specify the level of the exemptions expressed as exemption percentages, not to exceed 100 per
1232 cent to be used in calculating the exemptions for the parcel, and for personal property situated
1233 on that parcel, as provided under said clause Fifty-first of said section 5 of said chapter 59;
1234 provided, further, that the exemption for each parcel of real property shall be calculated using an
1235 adjustment factor for each fiscal year of the specified term equal to the product of the inflation
1236 factors for each fiscal year since the parcel first became eligible for an exemption under this
1237 clause; provided, further that the inflation factor for each fiscal year shall be a ratio:

1238 (a) the numerator of which shall be the total assessed value of all parcels of
1239 commercial and industrial real estate that are assessed at full and fair cash value for the current
1240 fiscal year minus the new growth adjustment for the current fiscal year attributable to the
1241 commercial and industrial real estate as determined by the commissioner of revenue under
1242 subsection (f) of section 21C of chapter 59; and

1243 (b) the denominator of which shall be the total assessed value for the preceding
1244 fiscal year of all the parcels included in the numerator; provided, however, that the ratio shall
1245 not be less than 1;

1246 (iv) establishes a maximum percentage of the costs of any public construction, referenced
1247 in clause (ii) and initiated subsequent to the adoption of the TIF agreement, that can be
1248 recovered through betterments or special assessments against any parcel of real property eligible
1249 for tax increment exemptions from property taxes pursuant to clause (iii) during the period of
1250 such parcel's eligibility for exemption from annual property taxes pursuant to clause fifty-first
1251 of section 5 of chapter 59, notwithstanding the provisions of chapter 80 or any other general or
1252 special law authorizing the imposition of betterments or special assessments;

1253 (v) includes executed agreements between such city or town and each owner of a parcel
1254 of real property which is located in such TIF area; provided, however, that each such agreement
1255 shall include: (1) all material representations of the parties which served as the basis for the
1256 descriptions contained in the TIF agreement in accordance with the provisions of clause (ii); (2)
1257 a detailed recitation of the tax increment exemptions and the maximum percentage of the cost of
1258 public improvements that can be recovered through betterments or special assessments regarding
1259 such parcel of real property pursuant to clauses (iii) and (iv); (3) a detailed recitation of all other

1260 benefits and responsibilities inuring to and assumed by the parties to such agreement; and (4) a
1261 provision that such agreement shall be binding upon subsequent owners of such parcel of real
1262 property;

1263 (vi) delegates to 1 board, agency or officer of the city or town the authority to execute the
1264 agreement in accordance with the provisions of clause (v);

1265 (vii) is certified as an approved TIF agreement by the economic assistance coordinating
1266 council pursuant to section 3D of chapter 23A and regulations adopted by said council;
1267 provided, however, that the economic assistance coordinating council shall certify in its vote
1268 that the agreement is consistent with the requirements of this section and section 3D and will
1269 further the public purpose of encouraging increased industrial and commercial activity in the
1270 commonwealth;

1271 (viii) includes the right for the city or town to revoke its designation of the TIF agreement
1272 pursuant to section 3F of chapter 23A; provided, such revocation shall not affect agreements
1273 relative to property tax exemptions and limitations on betterments and special assessments
1274 pursuant to said clause (v) which were executed prior thereto; and

1275 (ix) requires of an owner of a parcel pursuant to clause (v) to submit to the city or town
1276 clerk and the economic assistance coordinating council a report detailing the status of the
1277 construction laid out in the agreement, the current value of the property, and the number of jobs
1278 created to date as a result of the agreement; provided, however, that a report shall be filed every
1279 2 years for the term of the tax increment exemption allowed under clause Fifty-first of section 5
1280 of chapter 59; and provided, further, that a final report shall be filed in the final year of the
1281 exemption.

1282 The board, agency or officer of the city or town authorized pursuant to clause (vi) to
1283 execute agreements shall forward to the board of assessors a copy of each approved TIF
1284 agreement, together with a list of the parcels included therein.

1285 SECTION 44. Chapter 40J of the General Laws is hereby amended by inserting after
1286 section 4F the following section:-

1287 SECTION 4G. (a) The general court finds that scientific and technology research and
1288 development conducted at higher education institutions and non-profit research institutions in
1289 the commonwealth is vital to identifying and developing new knowledge that leads to
1290 innovations that drive the commonwealth's economy, promote economic development and job
1291 growth opportunities throughout the diverse regions of the commonwealth, improve the quality
1292 of life for those living in the commonwealth and throughout the world, and help strengthen the
1293 commonwealth's global competitiveness. Research leadership and the capacity to create new
1294 jobs in major growth sectors including but not limited to life sciences, IT and cybersecurity and
1295 advanced manufacturing in turn depends on a new generation of academic and industry
1296 partnerships aimed at solving national and global challenges.

1297 (b) In order to assist in fostering additional scientific and technology research and
1298 development in the state, there is hereby established a fund to be known as the Scientific and
1299 Technology Research and Development Matching Grant Fund, hereinafter referred to as the
1300 matching grant fund, to which shall be credited the proceeds of bonds or notes of the
1301 commonwealth issued for the purpose, and any appropriations designated by the general court to
1302 be credited thereto. The matching grant fund shall be administered by the corporation. The
1303 corporation shall hold the matching grant fund in an account or accounts separate from other

1304 funds of the corporation. The purpose of the matching grant fund is to provide matching funds
1305 for capital expenditures to be made in connection with projects which are sponsored by the
1306 University of Massachusetts, research universities, non-profit entities, or non-profit research
1307 institutions in the commonwealth for scientific or technology research and development and
1308 funded in part by the federal government or other public or private funds including, but not
1309 limited to, venture capital; provided, that any grant awarded in accordance with this section shall
1310 leverage at least $3, in the aggregate during activities funded by such grant, from sources other
1311 than an agency as defined by section 39 of chapter 6, for each dollar granted; provided further,
1312 funds expended specifically for this matching fund from the higher education bond bill,
1313 established by section 258 of the acts of 2008, shall not count towards the $3 of financing that is
1314 required for the matching fund; provided further, that prior to awarding any grant under this
1315 section the corporation shall determine that the grant will advance the finding in paragraph (a);
1316 provided further, that priority shall be given to large-scale, long-term research and development
1317 activities that have the greatest potential to support scientific and technological innovation and
1318 stimulate economic and employment opportunities in the commonwealth through industry
1319 partnerships; and provided, further that at least 50 per cent of the grant funds under this section
1320 shall be reserved for award over the term of each authorization or appropriation, subject to
1321 qualification, to the University of Massachusetts. The University of Massachusetts may, if it
1322 deems necessary to help ensure efficient and effective research and development efforts, enter
1323 into collaborative agreements with other higher education institutions in the commonwealth to
1324 undertake parts of any research and development project for which grant funding under this
1325 section is sought.

1326 (c) To support effective planning and implementation of the matching grant fund, the
1327 corporation shall develop program guidelines or regulations in consultation with the University
1328 of Massachusetts and such other institutions or persons as deemed appropriate by the
1329 corporation. The corporation shall annually file a report with the joint committee on higher
1330 education and the house and senate committees on ways and means detailing the grants awarded
1331 under this section.

1332 SECTION 45. section 2 of chapter 40Q of the General Laws, as appearing in the 2010
1333 Official Edition, is hereby amended by striking out, in lines 11 to 14, inclusive, the words "; (2)
1334 the development district has been certified as an approved development district by the economic
1335 assistance coordinating council established in section 3B of chapter 23A and pursuant to
1336 regulations adopted by said council."

1337 SECTION 46. section 2 of chapter 40Q of the General Laws, as so appearing, is hereby
1338 amended by striking in its entirety paragraph (a) and inserting in place thereof the following
1339 paragraph:-

1340 (a) Notwithstanding any general or special law to the contrary, any city or town by vote
1341 of its town meeting, town council or city council with the approval of the mayor where required
1342 by law may designate development districts within the boundaries of the city or town provided,
1343 however, a development district may consist of 1 or more parcels or lots of land, whether or not
1344 contiguous, or 1 or more buildings or structures, whether or not adjacent, on 1 or more parcels of
1345 land, provided that the total area of all development districts shall not exceed 25 per cent of the
1346 total area of a city or town; and provided that the boundaries of a development district may be
1347 altered only after meeting the requirements for adoption under this subsection. The city or town

1348 shall find that the designation of the development district is consistent with the requirements of
1349 this section and will further the public purpose of encouraging increased residential, industrial
1350 and commercial activity in the commonwealth.

1351 SECTION 47. section 2 of chapter 43D of the General Laws, as so appearing, is hereby
1352 amended by striking the definition of "Priority development site" and inserting in place thereof
1353 the following definition:-

1354 "Priority development site", a privately or publicly owned property that is: (1) eligible
1355 under applicable zoning provisions, including special permits or other discretionary permits, for
1356 the development or redevelopment of a building at least 50,000 square feet of gross floor area in
1357 new or existing buildings or structures; and (2) designated as an appropriate priority
1358 development site by the board. Several parcels or projects may be included within a single
1359 priority development site. Wherever possible, priority development sites should be located
1360 adjacent to areas of existing development or in underutilized buildings or facilities or close to
1361 appropriate transit services.

1362 SECTION 48. Subsection (g) of section 6 of chapter 62 of the General Laws, as most
1363 recently amended by section 65 of chapter 68 of the acts of 2011, is hereby amended by striking
1364 out paragraph (1) and inserting in place thereof the following paragraph:-

1365 (1) A credit shall be allowed against the tax liability imposed by this chapter, to the
1366 extent authorized by the economic assistance coordinating council established in section 3B of
1367 chapter 23A, up to an amount equal to 50 per cent of such liability in any taxable year; provided,
1368 however, that the 50 per cent limitation shall not apply where the credit is refundable under
1369 paragraph (5): (i) for certified expansion projects and certified enhanced expansion projects, as

1370 defined in sections 3A and 3F of said chapter 23A, an amount up to 10 per cent; (ii) for certified
1371 manufacturing retention projects, as defined in said sections 3A and 3F of said chapter 23A, an
1372 amount up to 40 per cent of the cost of property that would qualify for the credit allowed by
1373 section 31A of chapter 63 if the property were purchased by a manufacturing corporation or a
1374 business corporation engaged primarily in research and development and used exclusively in a
1375 certified project, as defined in said sections 3A and 3F of said chapter 23A; and (iii) for certified
1376 job creation projects, as defined in said sections 3A and 3F of said chapter 23A, an amount up to
1377 $5,000 per job created; provided, however, that the total award per project shall be no more than
1378 $1,000,000; provided, however, that the economic assistance coordinating council may award a
1379 greater credit in an amount not to exceed $10,000 per job created under the project if the jobs
1380 created are located in a gateway municipality, as defined by section 3A of chapter 23A; and
1381 provided, however, that a credit under this clause (iii) shall be allowed for the year subsequent to
1382 that in which the jobs are created. A lessee may be eligible for a credit pursuant to this
1383 subsection for real property leased pursuant to an operating lease. Notwithstanding any contrary
1384 provisions in section 3F of chapter 23A, if such property is disposed of or ceases to be in
1385 qualified use within the meaning of section 31A or ceases to be used exclusively in a certified
1386 project before the end of the certified project's certification period, or if a project’s certification is
1387 revoked, the recapture provisions of subsection (e) of section 31A shall apply. In the case of
1388 revocation of projects certified before January 1, 2012 because of a material variance, the
1389 revocation shall take effect on the first day of the tax year in which a material variance occurred
1390 as determined by the economic assistance coordinating council. If such property is disposed of
1391 after the certified project's certification period but before the end of such property's useful life,
1392 the recapture provisions of subsection (e) of section 31A shall apply. The expiration of a certified

1393 project's certification shall not require the application of the recapture provisions of subsection
1394 (e) of section 31A.

1395 Notwithstanding any contrary provisions in subsection (e) of section 31A, for projects
1396 certified after January 1, 2012, if the economic assistance coordinating council revokes a
1397 project's certification, the total amount of credits taken under this section shall be recaptured
1398 and added back as additional tax in the taxable year in which the economic assistance
1399 coordinating council makes the determination to revoke.

1400 SECTION 49. The second paragraph of paragraph (1) of subsection (g) of said section 6
1401 of said chapter 62, as so appearing, is hereby further amended by striking out the second
1402 sentence .

1403 SECTION 50. The third paragraph of said paragraph (1) of said subsection (g) of said
1404 section 6 of said chapter 62, as so appearing, is hereby amended by striking out the fourth
1405 sentence and inserting in place thereof the following sentence:- To the extent applicable,
1406 paragraph (3) of section 3F of said chapter 23A shall apply to tax benefits awarded under this
1407 section.

1408 SECTION 51. Said subsection (g) of said section 6 of said chapter 62, as so appearing, is
1409 hereby further amended by striking out paragraph (5) and inserting in place thereof the
1410 following paragraph:- 1403

1411 (5) If a credit allowed under clauses (ii) and (iii) of paragraph (1) for certified
1412 manufacturing retention projects and certified job creation projects exceeds the tax otherwise
1413 due under this chapter, 100 per cent of the balance of such credit may, at the option of the
1414 taxpayer and to the extent authorized pursuant to the economic assistance coordinating council,

1415 be refundable to the taxpayer for the taxable year in which qualified property giving rise to that
1416 credit is placed in service by a manufacturing retention project or for the taxable year
1417 subsequent to the year in which the required jobs are added by the job creation project. If such
1418 credit balance is refunded to the taxpayer, the credit carryover provisions of paragraph (2) shall
1419 not apply.

1420 SECTION 52. Said section 6 of said chapter 62, as so appearing, is hereby further
1421 amended by striking out, in line 273, the figure "2013" and inserting in place thereof the
1422 following figure:- 2015.

1423 SECTION 53. Said section 6 of said chapter 62, as so appearing, is hereby further
1424 amended by striking out, in line 278, the figure "2014" and inserting in place thereof the
1425 following figure:- 2016.

1426 SECTION 54. section 6J of said chapter 62, as so appearing, is hereby amended by
1427 striking out, in line 39, the figure "$50,000,000" and inserting in place thereof the following
1428 figure:- $60,000,000.

1429 SECTION 55. Chapter 62 of the General Laws is hereby amended by inserting after
1430 section 6L the following section:-

1431 SECTION 6M. (a) The purpose of this section shall be to enable local residents and
1432 stakeholders to work with and through community development corporations to partner with
1433 nonprofit, public and private entities to improve economic opportunities for low and moderate
1434 income households and other residents in urban, rural and suburban communities across the
1435 commonwealth.

1436 (b) For purposes of this section, the following words shall, unless the context clearly
1437 requires otherwise, have the following meanings:-

1438 "Community development corporation", a corporation certified as a community
1439 development corporation by the department consistent with chapter 40H.

1440 "Community investment plan", an organizational business plan developed by a certified
1441 community development corporation that details its goals, outcomes, strategies, programs and
1442 activities for a 3 to 5 year period and its financial plans for supporting its strategy. The plan shall
1443 be designed to engage local residents and businesses to work together to undertake community
1444 development programs, projects and activities which develop and improve urban, rural or
1445 suburban communities in sustainable ways that create and expand economic opportunities for
1446 low and moderate income households. The specific format and content of a community
1447 investment plan may be adapted to the particular organization and community, but shall include
1448 the following elements:

1449 (i)a description of the community to be served by the organization, including the
1450 neighborhoods, towns, or cities to be served as well as any particular constituencies that the
1451 organization is dedicated to serving;

1452 (ii)a description of how community residents and stakeholders were engaged in
1453 the development of the plan and their role in monitoring and implementing the organization's
1454 activities during the time period of the plan;

1455 (iii)the goals sought to be achieved during the time period of the plan, including
1456 how low and moderate income households or low and moderate income communities will
1457 benefit and how the entire community will benefit;

1458 (iv)the activities to be pursued to achieve those goals;

1459 (v)the manner in which success shall be measured and evaluated;

1460 (vi)a description of the collaborative efforts that shall support implementation of
1461 the plan, including collaborative efforts with nonprofit, for-profit or public entities;

1462 (vii)a description of how the different activities within the plan fit together and
1463 how the entire plan fits into a larger strategy or vision for the community;

1464 (viii)the financial strategy to be deployed to support these activities; and

1465 (ix)other information regarding the history and track record of the organization as
1466 determined by the department.

1467 "Community investment tax credit", the tax credit described in subsection (d).

1468 "Community investment tax credit allocation", an award provided by the department
1469 through a competitive process that enables the recipient of the allocation to solicit and receive
1470 qualified investments from taxpayers and to provide those taxpayers with a community
1471 investment tax credit.

1472 "Community partner", a community development corporation or a community support
1473 organization selected by the department through a competitive process to receive a community
1474 investment tax credit allocation.

1475 "Community Partnership Fund", a fund administered by a nonprofit organization selected
1476 by the department to receive qualified investments from taxpayers for the purpose of allocating
1477 such investments to community partners.

1478 “Community support organization”, any nonprofit organization which is not a community
1479 development corporation but has a focus on and track record of providing capacity building
1480 services to community development corporations.

1481 “Department”, the department of housing and community development.

1482 “Gateway municipality”, a gateway municipality as defined in section 3A of chapter 23A.

1483 “Low and moderate income community”, an economic target area as defined in section
1484 3A of chapter 23A, an enhanced economic enterprise community or empowerment zone as
1485 designated by the United States Department of Housing and Urban Development, or 1 or more
1486 contiguous census tracts as designated by a city or town, in which either: (1) a majority of the
1487 households are low and moderate income households as defined herein; or (2) the
1488 unemployment rate is at least 25 per cent higher than the annual statewide average
1489 unemployment rate at a time when the statewide unemployment rate is less than or equal to 5
1490 per cent or the unemployment rate is at least 10 per cent higher than the annual statewide
1491 average unemployment rate at a time when the statewide unemployment rate is greater than 5
1492 per cent.

1493 “Low and moderate income households”, households which have incomes that do not
1494 exceed 80 per cent of the median income for the area, with adjustments made for smaller and
1495 larger families, as such median shall be determined from time to time by the Secretary of
1496 Housing and Urban Development pursuant to 42 U.S.C. 1437(a)(B)(2) or any successor
1497 legislation and the regulations promulgated thereunder.

1498 “Qualified investment”, a cash contribution made to a specific community partner to
1499 support the implementation of its community investment plan or to a community partnership
1500 fund, as defined by this section.

1501 “Taxpayer”, any person, firm, or other entity subject to the personal income tax under the
1502 provisions of this chapter or any corporation subject to an excise under the provisions of chapter
1503 63.

1504 (c) The department shall promulgate regulations concerning the process by which
1505 community development corporations apply to become a community partner and receive
1506 qualified investments, provided that:

1507 (1) The department shall design a competitive process to review applications by
1508 community development corporations and community support organizations. Community
1509 support organizations may qualify, provided that no more than 2 such organizations may, at any
1510 given time, be awarded community investment tax credits.

1511 (2) The selection process shall favor community development corporations with
1512 the highest quality community investment plans and strong track records and shall strive to
1513 ensure that all regions of the commonwealth are able to fairly compete for allocations, including
1514 gateway municipalities, rural areas and suburban areas. At least 30 per cent of the community
1515 partners shall be located in or serving gateway municipalities and at least 20 per cent of the
1516 community partners shall be located in or serving rural areas, as defined by the department,
1517 unless the department finds that there are not a sufficient number of qualified applications from
1518 those areas.

1519 (3) The department shall implement at least one such allocation process each year.
1520 Each tax credit allocation shall be valid for a period of up to 3 years, contingent upon the
1521 community partner satisfactorily meeting the reporting requirements of the department.
1522 Community partners who have not fully utilized their community investment tax credit
1523 allocations within 3 years may apply to the department for a 1 year extension. Community
1524 investment tax credit allocations may be revoked after 2 years from the date of the award by the
1525 department if (i) the community partner has been unable to secure donation commitments for at
1526 least 50 per cent of total allocation by that time, (ii) if the community partner is found to be in
1527 noncompliance with this statute or the department's regulations promulgated hereunder, (iii) if
1528 the community partner is determined by the department to be making inadequate progress on its
1529 community investment plan, or (iv) for other good cause as determined by the department.

1530 (4) No community partner shall receive a community investment tax credit
1531 allocation of less than $50,000 or more than $150,000 in any 1 fiscal year. No community
1532 partner may receive a subsequent allocation unless it has utilized at least 95 per cent of the 3
1533 year total of any prior allocation.

1534 (5) A community partner may receive qualified investments directly from 1 or
1535 more taxpayers or it may transfer some or all of its community investment tax credit allocation
1536 to a community partnership fund and receive qualified investments from that fund.

1537 (6) Before receiving a qualified investment from a taxpayer or from a community
1538 partnership fund, the community partner shall first receive certification from the department that
1539 it has been awarded a community investment tax credit allocation.

1540 (7) The department may authorize up to 2 nonprofit organizations to operate
1541 community investment partnership funds. In selecting 1 or 2 nonprofit organizations to serve in
1542 this function the department shall seek organizations which demonstrate that they have the
1543 capacity to solicit, administer and re-grant qualified investments and can advance the purposes
1544 of this statute.

1545 (8) The department, in consultation with the commissioner shall prescribe
1546 regulations necessary to carry out this subsection. Such regulations shall include requirements
1547 for annual reports from community partners and community partnership funds regarding
1548 outcomes achieved during the prior year.

1549 (d) There is hereby established a Massachusetts community investment tax credit.

1550 (e) The commissioner, in consultation with the department, shall authorize annually an
1551 amount not to exceed $2,000,000 in 2013, $4,000,000 in 2014, and $6,000,000 in 2015 and each
1552 year thereafter for the community investment tax credit.

1553 (f) The total of all tax credits available to a taxpayer pursuant to this section shall not
1554 exceed $1,000,000 in any 1 tax year and no tax credit shall be allowed to any taxpayer for
1555 participating in a qualified community investment activity of less than $1,000.

1556 (g) A taxpayer that makes a qualified investment shall be allowed a credit, to be
1557 computed as hereinafter provided, against taxes owed to the commonwealth under chapter 62 or
1558 chapter 63 or other applicable law. The credit shall be equal to 50 per cent of the total qualified
1559 investments made by the taxpayer, subject to the cap described in paragraph (2) of this
1560 subsection. The department shall issue a certification to the taxpayer after the taxpayer makes a
1561 qualified investment. Such certification shall be acceptable as proof that the expenditures related

1562 to such investment qualify as qualified investment for purposes of the credit allowed under this
1563 section.

1564 (h) The credit allowable under this section shall be allowed for the taxable year in which
1565 a qualified investment is made. A taxpayer allowed a credit under this section for a taxable year
1566 may carry over and apply against such taxpayer's tax liability in any of the succeeding 5 taxable
1567 years, the portion, as reduced from year to year, of those credits which exceed the tax for the
1568 taxable year.

1569 (i) Community investment tax credits allowed to a partnership or a limited liability
1570 company taxed as a partnership shall be passed through to the persons designated as partners,
1571 members or owners, respectively, pro rata or pursuant to an executed agreement among the
1572 persons designated as partners, members or owners documenting an alternative distribution
1573 method without regard to their sharing of other tax or economic attributes of the entity.

1574 (j) Taxpayers eligible for the community investment tax credit may, with prior notice to
1575 and in accordance with regulations adopted by the commissioner, transfer the credits, in whole
1576 or in part, to any taxpayer, and the transferee shall be entitled to apply the credits against the tax
1577 with the same effect as if the transferee had made the qualified investment itself. The transferee
1578 shall use the credit in the year it is transferred. If the credit allowable for any taxable year
1579 exceeds the transferee's tax liability for that tax year, the transferee may carry forward and
1580 apply in any subsequent taxable year, the portion, as reduced from year to year, of those credits
1581 which exceed the tax for the taxable year; provided, however, the carryover period shall not
1582 exceed 5 taxable years after the close of the taxable year during which the qualified investment
1583 was made as provided for in this section.

1584 (k) The commissioner, in consultation with the department, shall prescribe regulations
1585 necessary to carry out the tax credit established in subsection (d).

1586 SECTION 56. Subsection (a) of section 38N of chapter 63 of the General Laws, as so
1587 appearing, is hereby amended by striking out the first paragraph and inserting in place thereof
1588 the following paragraph:-

1589 A corporation subject to tax under this chapter that participates in a certified project, as
1590 defined in sections 3A and 3F of chapter 23A, may take a credit against the excise imposed by
1591 this chapter to the extent authorized by the economic assistance coordinating council,
1592 established by section 3B of said chapter 23A, in an amount not to exceed 50 per cent of such
1593 liability in a taxable year; provided, however, that the 50 per cent limitation shall not apply if the
1594 credit is refundable under subsection (b): (i) for certified expansion projects and certified
1595 enhanced expansion projects, as defined in said sections 3A and 3F of said chapter 23A, an
1596 amount up to 10 per cent; (ii) for certified manufacturing retention projects, as defined in said
1597 sections 3A and 3F of said chapter 23A, an amount up to 40 per cent of the cost of any property
1598 that would qualify for the credit allowed by section 31A if the property were purchased by a
1599 manufacturing corporation or a business corporation engaged primarily in research and
1600 development and is used exclusively in a certified project, as defined in said sections 3A and 3F
1601 of said chapter 23A; and, (iii) for certified job creation projects, as defined in said sections 3A
1602 and 3F of said chapter 23A, an amount up to $5,000 per job created; provided, however, that the
1603 total award per project shall be no more than $1,000,000; provided, however, that the economic
1604 assistance coordinating council may award a greater credit in an amount not to exceed $10,000
1605 per job created under the project if the jobs created are located in a gateway municipality, as
1606 defined by section 3A of chapter 23A; and provided, however, that a credit under this clause (iii)

1607 shall be allowed for the year subsequent to that in which the jobs are created A lessee may be
1608 eligible for a credit under this subsection for real property leased under an operating lease.

1609 SECTION 57. The second paragraph of said subsection (a) of said section 38N of said
1610 chapter 63, as so appearing, is hereby further amended by striking out the second sentence.

1611 SECTION 58. Said subsection (a) of said section 38N of said chapter 63, as so appearing,
1612 is hereby further amended by striking out the third paragraph and inserting in place thereof the
1613 following 2 paragraphs:- The credit allowed under this section may be taken by an eligible
1614 corporation; provided, however, that the credit allowed by section 31A or section 31H shall not
1615 be taken by such corporation. For purposes of this paragraph, the corporation need not be a
1616 manufacturing corporation or a business corporation engaged primarily in research and
1617 development. Notwithstanding any contrary provisions in section 3F of chapter 23A, if such
1618 property is disposed of or ceases to be in qualified use within the meaning of section 31A or
1619 ceases to be used exclusively in a certified project before the end of the certified project's
1620 certification period, or if a certified project’s certification is revoked, the recapture provisions of
1621 subsection (e) of section 31A shall apply. In the case of revocation of projects certified before
1622 January 1, 2012, the revocation shall take effect on the first day of the tax year in which a
1623 material variance occurred as determined by the economic assistance coordinating council. If
1624 such property is disposed of after the certified project's certification period but before the end of
1625 such property's useful life, the recapture provisions of subsection (e) of section 31A shall apply.
1626 The expiration of a certified project's certification shall not require the application of the
1627 recapture provisions of subsection (e) of section 31A.

1628 Notwithstanding any contrary provisions in subsection (e) of chapter 31A, for projects
1629 certified after January 1, 2012, if the economic assistance coordinating council revokes a
1630 project's certification, the total amount of credits taken under this section shall be recaptured
1631 and added back as additional tax in the taxable year in which the economic assistance
1632 coordinating council makes the determination to revoke.

1633 SECTION 59. The fourth paragraph of said subsection (a) of said section 38N of said
1634 chapter 63, as so appearing, is hereby further amended by striking out the fourth sentence and
1635 inserting in place thereof the following sentence:- To the extent applicable, paragraph (3) of
1636 section 3F of said chapter 23A shall apply to tax benefits awarded under this section.

1637 SECTION 60. Said section 38N of said chapter 63, as so appearing, is hereby further
1638 amended by striking out subsection (b) and inserting in place thereof the following subsection:-

1639 (b) If a credit allowed under clauses (ii) and (iii) of subsection (a) for certified
1640 manufacturing retention projects and certified job creation projects exceeds the tax otherwise
1641 due under this chapter, 100 per cent of the balance of such credit may, at the option of the
1642 taxpayer and to the extent authorized pursuant to the economic assistance coordinating council,
1643 be refundable to the taxpayer for the taxable year in which qualified property giving rise to that
1644 credit is placed in service by a manufacturing retention project or for the taxable year
1645 subsequent to the year in which the required jobs are added by a job creation project. If such
1646 credit balance is refunded to the taxpayer, the credit carryover provisions of subsection (d) shall
1647 not apply. The amount of credit eligible to be refunded shall be determined without regard to the
1648 limitations in subsections (a) and (c).

1649 SECTION 61. section 38O of said chapter 63, as so appearing, is hereby further amended
1650 by striking out, in lines 4 to 6, inclusive, the words " opportunity area as determined by the
1651 economic assistance coordinating council established by section three B of chapter twenty-three
1652 A" and inserting in place thereof the following words: - target area as defined by section 3D of
1653 chapter 23A.

1654 SECTION 62. section 38Q of said chapter 63, as so appearing, is hereby amended by
1655 striking out, in line 3, the figure "2013" and inserting in place thereof the following figure:-
1656 2015.

1657 SECTION 63. Said section 38Q of said chapter 63, as so appearing, is hereby further
1658 amended by striking out, in line 8, the figure "2014" and inserting in place thereof the following
1659 figure:- 2016.

1660 SECTION 64. section 38R of said chapter 63, as so appearing, is hereby amended by
1661 striking out, in line 37, the figure "$50,000,000" and inserting in place thereof the following
1662 figure:- $60,000,000.

1663 SECTION 64A. Subsection (c) of section 3 of chapter 63B of the General Laws, as
1664 appearing in the 2010 Official Edition, is hereby amended by striking said subsection and
1665 inserting in place thereof the following:—

1666 (c) For purposes of this chapter, there shall be four required installments for each taxable
1667 year, except as otherwise provided by this chapter. The first installment shall be paid on or
1668 before the fifteenth day of the third month of the taxable year; the second installment shall be
1669 paid on or before the fifteenth day of the sixth month of the taxable year; the third installment
1670 shall be paid on or before the fifteenth day of the ninth month of the taxable year; and the fourth

1671 installment shall be paid on or before the fifteenth day of twelfth month of the taxable year. The
1672 amount of any installment shall be 25 percent of the required annual payment.

1673 The term "required annual payment" means the lesser of (i) 90 per cent of the tax shown
1674 on the return for the taxable year or, if no return is filed, 90 per cent of the tax for such year, or
1675 (ii) 100 per cent of the tax shown on the return of the corporation for the preceding taxable year,
1676 or (iii) 90 per cent of the tax for the taxable year or, (iv) ninety per cent of the tax that would be
1677 required to be shown on the return for taxable year if the tax were determined by using the
1678 income apportionment percentage determined for the preceding taxable year under chapter 63.
1679 Clause (ii) shall not apply if the preceding taxable year was not a taxable year of 12 months or
1680 the corporation did not file a return for such preceding taxable year showing a liability for tax.
1681 Clause (ii) shall not apply in the case of a large corporation, as defined in section 6655 (g) of the
1682 Internal Revenue Code of the United States, as amended on January 1,1989 and in effect for the
1683 taxable year except for purposes of determining the amount of the first required installment for
1684 any taxable year; provided, however that any reduction in such first installment by reason of this
1685 provision shall be recaptured by increasing the amount of the next required installment by the
1686 amount of such reduction.

1687 SECTION 64C. section 4A of chapter 63B of the General Laws, as so appearing, is
1688 hereby amended by striking the word "sixty-five" in line 4 and inserting in place thereof the
1689 following:— 50

1690 SECTION 64D. section 4A of chapter 63B of the General Laws, as so appearing, is
1691 hereby amended by striking the word "ten" in line 9 and inserting in place thereof the
1692 following:— 25

1693 SECTION 64E. section 4A of chapter 63B of the General Laws, as so appearing, is
1694 hereby amended by striking the word “ninety” in line 14 and inserting in place thereof the
1695 following:— 25

1696 SECTION 64F. section 4A of chapter 63B of the General Laws, as so appearing, is
1697 hereby amended by striking the word “ten” in line 16 and inserting in place thereof the
1698 following:— 25

1699 SECTION 64G. section 4B of chapter 63B of the General Laws, as so appearing, is
1700 hereby amended by striking the word “thirty” in line 7 and inserting in place thereof the
1701 following:— 25.

1702 SECTION 64H. section 4B of chapter 63B of the General Laws, as so appearing, is
1703 hereby amended by striking the word “twenty-five” in line 10 and inserting in place thereof the
1704 following:— 25.

1705 SECTION 64I. section 4B of chapter 63B of the General Laws, as so appearing, is hereby
1706 1708 amended by striking the word “twenty-five” in line 13 and inserting in place thereof the
1707 following:— 25.

1708 SECTION 664J. section 4B of chapter 63B of the General Laws, as so appearing, is
1709 hereby amended by striking the word “twenty” in line 15 and inserting in place thereof the
1710 following:— 25.

1711 SECTION 65. section 57A of chapter 121B of the General Laws is hereby repealed.

1712 SECTION 65A. section 25 of chapter 151A of the General Laws, as appearing in the
1713 2010 Official Edition, is amended by inserting after subsection (j) the following new subsection
1714 (k):-

1715 (k) Any week in which the individual is barred from working for, or being paid by, the
1716 employing unit by reason of the provisions of section 91(b) of chapter 32.

1717 SECTION 66. section 14C of chapter 167 of the General Laws, as appearing in the 2010
1718 Official Edition, is hereby amended by striking out the third and fourth paragraphs and inserting
1719 in place thereof the following 3 paragraphs:-

1720 The small business loan review boards shall meet on a regular basis or, as demand for
1721 their services requires, to review small business loan denials that applicants believe were
1722 unreasonably denied. Upon commencement of a review of a small business loan denial submitted
1723 by an applicant, the small business loan review board shall be required to report the results of
1724 their findings to the applicant within 30 days of submission or request of the review; provided
1725 however, that the board may, at its discretion, extend the review period to within 60 days of a
1726 submission or request. Upon making a determination for reason of denial, the small business loan
1727 review boards shall be required to provide information on their findings to the applicant and
1728 commissioner of banks and shall provide information to the applicant on alternative sources of
1729 financing, including information on any small business financing programs or other relevant
1730 programs offered by the commonwealth. The Commissioner shall file annual reports regarding
1731 the activities of the small business loan review boards with the chairs of the joint committee on
1732 community development and small business, chairs of the joint committee on economic

1733 development and emerging technologies, and chairs of the joint committee on revenue, on or
1734 before January 1.

1735 In addition, the small business loan review boards shall conduct annual studies and issue
1736 annual reports on the availability of credit to small businesses within their regions and report
1737 back to the commissioner of banks on their findings. The reports shall be published and made
1738 available to the public through the website of the office of consumer affairs and business
1739 regulation or the small business website established under section 3 of Chapter 23A.

1740 Notwithstanding the provisions of this chapter, the commissioner may promulgate rules
1741 and regulations governing the establishment, operation and procedures of said small business
1742 loan review boards. In addition, the commissioner shall be required to market and promote the
1743 small business loan review boards as a resource for small businesses located in the
1744 commonwealth.

1745 SECTION 67. Item 6033-9013 of section 2 of chapter 246 of the acts of 2002 is hereby
1746 amended by inserting after the word "item", in line 19, the following words:- ; provided, that
1747 after April 1, 2012 this item shall be used for the MassWorks infrastructure program, as
1748 established by section 63 of chapter 23A of the General Laws; provided further, that any
1749 uncommitted balance as of April 1, 2012 from the aforementioned item shall be transferred to
1750 the executive office of housing and economic development; provided further, that any
1751 unexpended balance as of September 1, 2012 from the aforementioned item or its successor item
1752 established as a result of chapter 25 of the acts of 2009 shall be transferred to item 7002-8005
1753 within the executive office of housing and economic development; and provided further, that
1754 before October 1, 2012 the executive office of housing and economic development shall submit

1755 a report on the amount of authorization expended from this item before April 1, 2012; provided
1756 further, that said report shall detail awards expected to utilize this authorization after April, 1,
1757 2012 and the schedule plan for completing awards; and provided further that said report shall be
1758 delivered to the house and senate committees on ways and means and the house and senate
1759 committees on bonding, capital expenditures and state assets.

1760 SECTION 68. Item 6033-0428 of section 2B of chapter 291 of the acts of 2004 is hereby
1761 amended by inserting after the figure "$500,000", in line 17, the following words:- ; provided,
1762 that after April 1, 2012 this item shall be used for the MassWorks infrastructure program, as
1763 established by section 63 of chapter 23A of the General Laws; provided further, that any
1764 uncommitted balance as of April 1, 2012 from the aforementioned item or its successor item
1765 established as a result of chapter 25 of the acts of 2009 shall be transferred to item 7002-8010
1766 within the executive office of housing and economic development; provided further, that any
1767 unexpended balance as of September 1, 2012 from the aforementioned item shall be transferred
1768 to the executive office of housing and economic development; and provided further, that before
1769 October 1, 2012 the executive office of housing and economic development shall submit a report
1770 on the amount of authorization expended from this item before April 1, 2012; provided further,
1771 that said report shall detail awards expected to utilize this authorization after April, 1, 2012 and
1772 the schedule plan for completing awards; and provided further that said report shall be delivered
1773 to the house and senate committees on ways and means and the house and senate committees on
1774 bonding, capital expenditures and state assets.

1775 SECTION 69. Item 6033-0499 of said section 2B of said chapter 291 is hereby amended
1776 by inserting after the word "item", in line 19, the following words:- ; provided, that after April 1,
1777 2012 this item shall be used for the MassWorks infrastructure program, as established by section

1778 63 of chapter 23A of the General Laws; provided further, that any uncommitted balance as of
1779 April 1, 2012 from the aforementioned or its successor item established as a result of chapter 25
1780 of the acts of 2009 shall be transferred to item 7002-8015 within the executive office of housing
1781 and economic development; provided further, that any unexpended balance as of September 1,
1782 2012 from the aforementioned item shall be transferred to the executive office of housing and
1783 economic development; and provided further, that before October 1, 2012 the executive office
1784 of housing and economic development shall submit a report on the amount of authorization
1785 expended from this item before April 1, 2012; provided further, that said report shall detail
1786 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
1787 completing awards; and provided further that said report shall be delivered to the house and
1788 senate committees on ways and means and the house and senate committees on bonding, capital
1789 expenditures and state assets. 1790

1790 SECTION 70. Item 6001-0421 of section 2I of said chapter 291 is hereby amended by
1791 inserting after the word "item", in line 43, the following words:- ; provided, that after April 1,
1792 2012 this item shall be used for the MassWorks infrastructure program, as established by section
1793 63 of chapter 23A of the General Laws; provided further, that any uncommitted balance as of
1794 April 1, 2012 from the aforementioned item or its successor item established as a result of
1795 chapter 25 of the acts of 2009 shall be transferred to the item 7002-8020 within executive office
1796 of housing and economic development; provided further, that any unexpended balance as of
1797 September 1, 2012 from the aforementioned item shall be transferred to the executive office of
1798 housing and economic development; and provided further, that before October 1, 2012 the
1799 executive office of housing and economic development shall submit a report on the amount of
1800 authorization expended from this item before April 1, 2012; provided further, that said report

1801 shall detail awards expected to utilize this authorization after April, 1, 2012 and the schedule
1802 plan for completing awards; and provided further that said report shall be delivered to the house
1803 and senate committees on ways and means and the house and senate committees on bonding,
1804 capital expenditures and state assets.

1805 SECTION 71. Item 1100-8000 of section 2B of chapter 123 of the acts of 2006 is hereby
1806 amended by inserting after the word “item”, in line 31, the following words:- ; provided, that
1807 after April 1, 2012 this item shall be used for the MassWorks infrastructure program, as
1808 established by section 63 of chapter 23A of the General Laws; provided further, that any
1809 uncommitted balance as of April 1, 2012 from the aforementioned item or its successor item
1810 established as a result of chapter 25 of the acts of 2009 shall be transferred to the executive office
1811 of housing and economic development; provided further, that any unexpended balance as of
1812 September 1, 2012 from the aforementioned item shall be transferred to item 7005-8025 within
1813 the executive office of housing and economic development; and provided further, that before
1814 October 1, 2012 the executive office of housing and economic development shall submit a report
1815 on the amount of authorization expended from this item before April 1, 2012; provided further,
1816 that said report shall detail awards expected to utilize this authorization after April, 1, 2012 and
1817 the schedule plan for completing awards; and provided further that said report shall be delivered
1818 to the house and senate committee on ways and means and the house and senate committees on
1819 bonding, capital expenditures and state assets.

1820 SECTION 72. The definition "Public infrastructure improvements" in section 5 of
1821 chapter 293 of the acts of 2006 is hereby amended by inserting after the words " facilities", in
1822 line 6, the following words:- , parking garages.

1823 SECTION 73. Subsection (d) of section 7 of chapter 293 of the acts of 2006, as amended
1824 by section 7 of chapter 129 of the acts of 2008, is hereby further amended by striking out, in line
1825 2, the figure "$250,000,000" and inserting in place thereof the following:- $400,000,000,
1826 excluding bonds issued to refinance bonds previously issued under section 6.

1827 SECTION 74. The second sentence of subsection (e) of said section 7 of said chapter
1828 293, as appearing in section 7 of said chapter 129, is hereby amended by striking out, in line 3,
1829 the figure "2" and inserting in place thereof the following figure:- 4

1830 SECTION 75. Said chapter is hereby further amended by inserting after section 12A the
1831 following section:-

1832 SECTION 12B. Notwithstanding any other provision of this act, new revenue and new
1833 state tax revenues may, respectively, and to the extent and in the manner approved by the
1834 secretary with consideration of economic conditions and the characteristics of the project,
1835 include revenue and state tax revenue attributable to construction-related activity and purchases
1836 in connection with an economic development project, and all calculations of any matter under
1837 the act, including, without limitation, calculation of infrastructure assessments and shortfalls,
1838 shall reflect such inclusion in the manner approved by the secretary. The commissioner shall
1839 certify the amount of new state tax revenues attributable to such construction-related activity
1840 and purchases in the manner and at the times specified in the secretary's certification of the
1841 economic development project.

1842 SECTION 76. Item 6033-0887 of section 2B of chapter 86 of the acts of 2008 is hereby
1843 amended by inserting after the word “bridge”, in line 6, the following words:- ; provided, that
1844 after April 1, 2012 this item shall be used for the MassWorks infrastructure program, established

1845 by section 63 of chapter 23A of the General Laws; provided further, that any uncommitted
1846 balance as of April 1, 2012 from the aforementioned item or its successor item established as a
1847 result of chapter 25 of the acts of 2009 shall be transferred to the item 7002-8030 within
1848 executive office of housing and economic development; provided further, that any unexpended
1849 balance as of September 1, 2012 from the aforementioned item shall be transferred to the
1850 executive office of housing and economic development; and provided further, that before
1851 October 1, 2012 the executive office of housing and economic development shall submit a
1852 report on the amount of authorization expended from this item before April 1, 2012; provided
1853 further, that said report shall detail awards expected to utilize this authorization after April, 1,
1854 2012 and the schedule plan for completing awards; and provided further that said report shall be
1855 delivered to the house and senate committees on ways and means and the house and senate
1856 committees on bonding, capital expenditures and state assets.

1857 SECTION 77. Item 7004-0035 of section 2 of chapter 119 of the acts of 2008 is hereby
1858 amended by inserting after the word "department", in line 14, the following words:- ; provided,
1859 that after April 1, 2012 this item shall be used for the MassWorks infrastructure program,
1860 established by section 63 of chapter 23A of the General Laws; provided further, that any
1861 uncommitted balance as of April 1, 2012 from the aforementioned item or its successor item
1862 established as a result of chapter 25 of the acts of 2009 shall be transferred to the item 7005-8035
1863 within executive office of housing and economic development; provided further, that any
1864 unexpended balance as of September 1, 2012 from the aforementioned item shall be transferred
1865 1865 to the executive office of housing and economic development; and provided further, that
1866 before October 1, 2012 the executive office of housing and economic development shall submit
1867 a report on the amount of authorization expended from this item before April 1, 2012; provided

1868 further, that said report shall detail awards expected to utilize this authorization after April, 1,
1869 2012 and the schedule plan for completing awards; and provided further that said report shall be
1870 delivered to the house and senate committees on ways and means and the house and senate
1871 committees on bonding, capital expenditures and state assets.

1872 SECTION 78. section 2WWW of Chapter 29 of the General Laws, as appearing in the
1873 2010 Official Edition, is hereby amended by inserting after fifth paragraph the following
1874 paragraph:-

1875 A portion of the grant fund shall be used to address the gap between the skills held by
1876 workers and the skills needed by employers for jobs that require more than a high school
1877 diploma but less than a 4-year degree. Grants awarded under this program shall focus on
1878 building relationships and partnerships among geographic clusters of high schools, vocational-
1879 technical schools, community colleges, state universities, institutions of higher education, local
1880 employers, industry partners, local workforce investment boards, and workforce development
1881 entities, in order to create multiple and seamless pathways to employment through enhanced
1882 coordination of existing institutions and resources. Each cluster shall designate 1 entity or
1883 organization as the lead partner for each cluster and approved procurements shall be jointly
1884 applied for by, at a minimum, a public educational institution including a community college, at
1885 least one regional workforce investment board, and at least one regional employer in a high
1886 growth sector. Grants made under this program shall include consideration of, but not be limited
1887 to: defining and establishing the process for students to transition from adult basic education
1888 programs to college-based programs; programs accessible to working, unemployed or
1889 underemployed adults; support of education and workforce development initiatives that
1890 collaborate with the efforts or initiatives of public educational institutions, including

1891 development of stackable certificates and credentials, non-semester-based modular programs
1892 and accelerated associate degree programs, provided however that the grants issued from this
1893 fund shall serve to supplement, and not supplant, ongoing initiatives at community colleges;
1894 providing sector-based training including developmental education and certification programs;
1895 providing student support services; using competency-based placement assessments; leveraging
1896 regional resources, including shared equipment and funding; partnering with 2 or more training
1897 organizations in a region; and partnering with 2 or more employers in a region. This portion of
1898 the grant fund may also be used to develop regional centers of excellence, which shall be
1899 aligned to the commonwealth's economic development strategies to meet the needs of
1900 employers in high growth sectors, including but not limited to, health care, life sciences,
1901 information technology and advanced manufacturing. Each center of excellence shall be located
1902 at a community college, state university, vocational or technical high school or collaboration
1903 between these entities.

1904 A project grant program shall be designed by Commonwealth Corporation, in
1905 consultation with a middle skills subcommittee of the fund committee, which shall include, at a
1906 minimum, a representative from the business community to be appointed by the secretary of
1907 labor and workforce development; the director of the Center for Labor Market Studies at
1908 Northeastern University or a designee; a representative of adult basic education or non-
1909 traditional college students in the commonwealth to be appointed by the secretary of education;
1910 the Massachusetts Workforce Board Association; a representative from a non-profit trade
1911 association with a state approved apprenticeship program and the Massachusetts AFL-CIO, as
1912 well as any representatives of the other mandatory advisory committee constituencies under
1913 paragraph (b).

1914 SECTION 79. Item 6033-0877 of section 2B of chapter 303 of the acts of 2008, as
1915 amended by section 33 of chapter 26 of the acts of 2009, is hereby amended by inserting after
1916 the word "item", in line 12, the following words:- ; provided, that after April 1, 2012 this item
1917 shall be used for the MassWorks infrastructure program, as established by section 63 of chapter
1918 23A of the General Laws; provided further, that any uncommitted balance as of April 1, 2012
1919 from the aforementioned item shall be transferred to the executive office of housing and
1920 economic development; provided further, that any unexpended balance as of September 1, 2012
1921 from the aforementioned item or its successor item established as a result of chapter 25 of the
1922 acts of 2009 shall be transferred to item 7002-8045 within the executive office of housing and
1923 economic development; and provided further, that before October 1, 2012 the executive office
1924 of housing and economic development shall submit a report on the amount of authorization
1925 expended from this item before April 1, 2012; provided further, that said report shall detail
1926 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
1927 completing awards; and provided further that said report shall be delivered to the house and
1928 senate committees on ways and means and the house and senate committees on bonding, capital
1929 expenditures and state assets.

1930 SECTION 80. Item 6033-0887 of said section 2B of said chapter 303, as amended by
1931 section 34 of said chapter 26, is hereby amended by inserting after the word "bridges", in line 6,
1932 the following words:- ; provided, that after April 1, 2012 this item shall be used for the
1933 MassWorks infrastructure program, as established by section 63 of chapter 23A of the General
1934 Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
1935 aforementioned item or its successor item established as a result of chapter 25 of the acts of
1936 2009 shall be transferred to the item 7002-8040 within executive office of housing and

1937 economic development; provided further, that any unexpended balance as of September 1, 2012
1938 from the aforementioned item shall be transferred to the executive office of housing and
1939 economic development; and provided further, that before October 1, 2012 the executive office
1940 of housing and economic development shall submit a report on the amount of authorization
1941 expended from this item before April 1, 2012; provided further, that said report shall detail
1942 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
1943 completing awards; and provided further that said report shall be delivered to the house and
1944 senate committees on ways and means and the house and senate committees on bonding, capital
1945 expenditures and state assets.

1946 SECTION 81. Item 6001-0803 of section 2C of chapter 303 of the acts of 2008 is hereby
1947 amended by inserting after the word "Holyoke", in line 23, the following words:- ; provided, that
1948 after April 1, 2012 this item shall be used for the MassWorks infrastructure program, as
1949 established by section 63 of chapter 23A of the General Laws; provided further, that any
1950 uncommitted balance as of April 1, 2012 from the aforementioned item or its successor item
1951 established as a result of chapter 25 of the acts of 2009 shall be transferred to item 7002-8050
1952 within the executive office of housing and economic development; provided further, that any
1953 unexpended balance as of September 1, 2012 from the aforementioned item shall be transferred
1954 to the executive office of housing and economic development; and provided further, that before
1955 October 1, 2012 the executive office of housing and economic development shall submit a report
1956 on the amount of authorization expended from this item before April 1, 2012; provided further,
1957 that said report shall detail awards expected to utilize this authorization after April, 1, 2012 and
1958 the schedule plan for completing awards; and provided further that said report shall be delivered

1959 to the house and senate committees on ways and means and the house and senate committees on
1960 bonding, capital expenditures and state assets.

1961 SECTION 82. Item 6001-0817 of said section 2C of said chapter 303 is hereby amended
1962 by inserting after the word "purpose", in line 20, the following words:- ; provided, that after
1963 April 1, 2012 this item shall be used for the MassWorks infrastructure program, established by
1964 section 63 of chapter 23A of the General Laws; provided further, that any uncommitted balance
1965 as of April 1, 2012 from the aforementioned item or its successor item established as a result of
1966 chapter 25 of the acts of 2009 shall be transferred to the item 7002-8055 within executive office
1967 of housing and economic development; provided further, that any unexpended balance as of
1968 September 1, 2012 from the aforementioned item shall be transferred to the executive office of
1969 housing and economic development; and provided further, that before October 1, 2012 the
1970 executive office of housing and economic development shall submit a report on the amount of
1971 authorization expended from this item before April 1, 2012; provided further, that said report
1972 shall detail awards expected to utilize this authorization after April, 1, 2012 and the schedule
1973 plan for completing awards; and provided further that said report shall be delivered to the house
1974 and senate committees on ways and means and the house and senate committees on bonding,
1975 capital expenditures and state assets.

1976 SECTION 83. Item 1100-8020 of section 2C of chapter 304 of the acts of 2008, is hereby
1977 amended by inserting after the word "applicable", in line 35, the following words:- ; provided,
1978 that after April 1, 2012 this item shall be used for the MassWorks infrastructure program,
1979 established by section 63 of chapter 23A of the General Laws; provided further, that any
1980 uncommitted balance as of April 1, 2012 from the aforementioned item or its successor item
1981 established as a result of chapter 25 of the acts of 2009 shall be transferred to item 7002-8060

1982 within the executive office of housing and economic development; provided further, that any
1983 unexpended balance as of September 1, 2012 from the aforementioned item shall be transferred
1984 to the executive office of housing and economic development; and provided further, that before
1985 October 1, 2012 the executive office of housing and economic development shall submit a report
1986 on the amount of authorization expended from this item before April 1, 2012; provided further,
1987 that said report shall detail awards expected to utilize this authorization after April, 1, 2012 and
1988 the schedule plan for completing awards; and provided further that said report shall be delivered
1989 to the house and senate committees on ways and means and the house and senate committees on
1990 bonding, capital expenditures and state assets.

1991 SECTION 84. Item 6001-0817 of section 2B of chapter 240 of the acts of 2010, as
1992 amended by section 1 of chapter 412 of the acts of 2010 is hereby amended by inserting after the
1993 figure "2008", in line 24, the following words:- ; provided, that after April 1, 2012 this item
1994 shall be used for the MassWorks infrastructure program, established by section 63 of chapter
1995 23A of the General Laws; provided further, that any uncommitted balance as of April 1, 2012
1996 from the aforementioned item or its successor item established as a result of chapter 25 of the
1997 acts of 2009 shall be transferred to item 7002-8060 within the executive office of housing and
1998 economic development; provided further, that any unexpended balance as of September 1, 2012
1999 from the aforementioned item shall be transferred to the executive office of housing and
2000 economic development; and provided further, that before October 1, 2012 the executive office
2001 of housing and economic development shall submit a report on the amount of authorization
2002 expended from this item before April 1, 2012; provided further, that said report shall detail
2003 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
2004 completing awards; and provided further that said report shall be delivered to the house and

2005 senate committees on ways and means and the house and senate committee son bonding, capital
2006 expenditures and state assets.

2007 SECTION 85. section 171 of said chapter 240 is hereby amended by striking out, in lines
2008 4 and 5, the words "$25,000,000 and not more than $50,000,000 in banks or financial
2009 institutions" and inserting in place thereof the following words:- $50,000,000 and not more than
2010 $100,000,000 in banks, financial institutions, or other investment funds

2011 SECTION 86. section 173 of chapter 240 of the acts of 2010 is hereby amended by
2012 striking the definition of "Tolling period" and inserting place thereof the following definition:-

2013 "Tolling period", the period beginning August 15, 2008, and continuing through August
2014 15, 2012.

2015 SECTION 87. Subsection (b) of said section 173 of said chapter 240 is hereby amended
2016 by striking out, in line 2, the figure "2" and inserting in place thereof the following figure:- 4.

2017 SECTION 88. Chapter 68 of the acts of 2011 is hereby amended by striking out section
2018 171 and inserting in place thereof the following section:-

2019 SECTION 171. (a) Notwithstanding any general or special law to the contrary, after
2020 complying with clause (a) of section 5C of chapter 29 of the General Laws, the comptroller shall
2021 dispose of the consolidated net surplus in the budgetary funds for fiscal year 2012 by
2022 transferring said funds as follows: (a) $10,000,000 shall be transferred to the Massachusetts Life
2023 Sciences Investment Fund established by section 6 of chapter 23I of the General Laws; (b)
2024 $10,000,000 shall be transferred to the Workforce Competitiveness Trust Fund, established in
2025 section 2 WWW of chapter 29; and (c) any amount remaining after the transfers pursuant to

2026 clauses (a) and (b) shall be transferred to the Commonwealth Stabilization Fund established
2027 pursuant to section 2H of chapter 29 of the General Laws.

2028 (b) All transfer pursuant to this section shall be made from the undesignated fund
2029 balances in the budgetary funds proportionally from the undesignated fund balances; provided,
2030 however, that no such transfer shall cause a deficit in any of the funds.

2031 SECTION 89. To meet expenditures necessary in carrying out section 2, the state
2032 treasurer shall, upon the request of the governor, issue and sell bonds of the commonwealth in
2033 an amount to be specified by the governor from time to time but not exceeding, in the aggregate,
2034 $25,000,000. All bonds issued by the commonwealth as aforesaid shall be designated on their
2035 face, the Massachusetts Technology Park Corporation Scientific and Technology Research and
2036 Development Matching Grant Fund Act of 2011, and shall be issued for a maximum term of
2037 years, not exceeding 30 years as the governor may recommend to the general court under section
2038 3 of Article LXII of the Amendments to the Constitution. The bonds shall be payable not later
2039 than June 30, 2048. All interest and payments on account of principal on these obligations shall
2040 be payable from the General Fund. Bonds and interest on bonds issued under this section shall,
2041 notwithstanding any other provision of this act, be general obligations of the commonwealth.

2042 SECTION 91. The Commonwealth Corporation shall study and report on workforce
2043 development, education and skills training in the commonwealth with the objective of
2044 establishing baseline data for middle-skill training completion and credential attainment rates for
2045 all students at public and private colleges and universities, vocational, technical, apprenticeship
2046 and community-based training programs, including adults and those enrolled in workforce
2047 training leading to industry-recognized certification. The Commonwealth Corporation shall

2048 coordinate its reporting with existing efforts of the department of elementary and secondary
2049 education, the department of higher education, including any applicable work of the vision
2050 project, the department of labor and workforce development, the state workforce investment
2051 board and the Massachusetts community colleges executive office. The report shall include, but
2052 not be limited to, an examination of the feasibility and impact of all relevant workforce
2053 development strategies and programs including, but not limited to, ways to leverage and shape
2054 education and training to maximize responsiveness to industry needs and streamline or
2055 restructure educational and training opportunities to enable faster and increased rates of skill,
2056 credential, and educational attainment.

2057 The Commonwealth Corporation shall file said report of its findings with the house and
2058 senate committees on ways and means, the joint committee on community development and
2059 small business, the joint committee on education, joint committee on higher education, the joint
2060 committee on economic development and emerging technologies, and the joint committee on
2061 labor and workforce development no later than December 31, 2012.

2062 SECTION 92. Notwithstanding any general or special law to the contrary, the University
2063 of Massachusetts Building Authority shall be allowed to enter into long-term leases for the
2064 purposes of alleviating educational space overcrowding at university campuses and for the
2065 purpose of stimulating economic development in gateway municipalities, as defined by section
2066 3A of chapter 23A of the General Laws, across the commonwealth. The University of
2067 Massachusetts Building Authority shall report annually to the house and senate committees on
2068 ways and means a list of any square footage leased pursuant to this section, the educational
2069 programs offered in said square footage, and the economic development projects leveraged by
2070 the individual leases in each gateway municipality.

2071 SECTION 93. Notwithstanding the last paragraph of section 2H of chapter 29 of the
2072 General Laws, $4,000,000 received from proceeds of one-time settlements or judgments that
2073 would otherwise be transferred to the Commonwealth Stabilization Fund shall instead be
2074 deposited in the Smart Growth Housing Trust Fund, established in section 35AA of chapter 10
2075 of the General Laws.

2076 SECTION 94. The commissioner of revenue, in consultation with the department of
2077 housing and community development, shall review the effectiveness of the community
2078 investment tax credit as it relates to the purposes set forth in section 6M of chapter 62 of the
2079 General Laws and shall file a report, together with any recommendations for legislative changes
2080 to the tax credit, to the joint committee on revenue, the joint committee on economic
2081 development and emerging technologies, the chairs of the joint committee on community
2082 development and small business and the house and senate ways and means committees no later
2083 than January 1, 2019 and every 6 years thereafter, as necessary.

2084 SECTION 95. section 55 shall take effect on January 1, 2013.

2085 SECTION 96. Subsection (b) of section 12 of Chapter 90D of the General Laws is
2086 hereby amended by adding at the end thereof, the following new sentence:-

2087 This section shall not apply to a vehicle described in subsection (e) of section 20 of this
2088 chapter.

2089 SECTION 97. section 13 of Chapter 90D of the General Laws is hereby amended by
2090 striking subsection (a) and inserting in place thereof the following:-

2091 (a) Except as provided for in subsection (e) of section 20, the applicant is not the owner
2092 of the vehicle; or

2093 SECTION 98. section 15 of Chapter 90D of the General Laws is hereby amended by
2094 striking subsection (a) and inserting in place thereof the following:-

2095 SECTION 15. (a) Except as provided for in subsection (e) of section 20, if an owner of a
2096 vehicle for which a certificate of title has been issued under this chapter transfers his interest
2097 therein, other than by the creation of a security interest, he shall, at the time of the delivery of the
2098 vehicle, execute an assignment including the actual odometer reading and warranty of title to the
2099 transferee in the space provided therefore on the certificate, or such other form as the registrar
2100 shall prescribe, and cause the certificate and assignment to be mailed or delivered to the
2101 transferee or to the registrar.

2102 SECTION 99. section 19 of Chapter 90D of the General Laws is hereby amended by
2103 striking subsection (a) and inserting in place thereof the following:-

2104 SECTION 19. (a) The registrar, upon receipt of a properly assigned certificate of title,
2105 except as provided for in subsection (e) of section 20, with an application for a new certificate of
2106 title, the required fee and any other documents required by law, shall issue a new certificate of
2107 title in the name of the transferee as owner and mail it to the first lienholder named in it or, if
2108 none, to the owner. If in accordance with subsection (e) of section 20, the outstanding certificate
2109 of title is not delivered to him, the registrar shall make demand therefor from the holder thereof.

2110 SECTION 100. section 20 of Chapter 90D of the General Laws is hereby amended by
2111 striking subsection (a) and inserting in place thereof the following:-

2112 SECTION 20. (a) Except as provided for in subsection (e), whenever an insurer acquires
2113 ownership of a motor vehicle which it has determined to be a total loss salvage motor vehicle, it
2114 shall, within ten days from the date of acquisition, surrender the certificate of title to the registrar
2115 and shall apply for a salvage title.

2116 SECTION 100B. section 20 of Chapter 90D of the General Laws is hereby further
2117 amended by adding at the end thereof the following new subsection:-

2118 (e) (1) Whenever an insurer acquires a motor vehicle which it has determined to be a
2119 total loss salvage motor vehicle but is unable to obtain the certificate of title, the insurer may
2120 apply for a salvage title in its name without surrendering the certificate of title. Such application
2121 shall be accompanied by evidence that the insurer has paid a total loss claim on the vehicle and
2122 made at least 2 written attempts, addressed to the last known owner of the vehicle and any
2123 known lienholder, to obtain the certificate of title. In lieu of a salvage title, the insurer may
2124 similarly apply for a certificate of title in its name for a vehicle if the age of the vehicle
2125 precludes issuance of a salvage title.

2126 (2) Whenever an insurer requests that Class 2 or Class 3 dealer take possession of
2127 a motor vehicle that is the subject of an insurance claim and subsequently a total loss claim is
2128 not paid by the insurer with respect to such motor vehicle, the Class 2 or Class 3 dealer may, if
2129 such motor vehicle has been abandoned at the facility of the Class 2 or Class 3 dealer for more
2130 than 30 days, apply for a salvage title in such dealer's name without surrendering the certificate
2131 of title. Such application shall be accompanied by evidence that the Class 2 or Class 3 dealer
2132 made at least 2 written attempts, addressed to the last known owner of the vehicle and any
2133 known lienholder, to have the vehicle removed from the facility. In lieu of a salvage title, the

2134 Class 2 or Class 3 dealer may similarly apply for a certificate of title in the dealer's name for a
2135 vehicle if the age of the vehicle precludes issuance of a salvage title.

2136 SECTION 101. section 20A of Chapter 90D of the General Laws is hereby amended by
2137 striking subsection (a) and inserting in place thereof the following:-

2138 SECTION 20A. (a) The application for the salvage title shall be made by the owner,
2139 except as provided for in subsection (e) of section 20, to the registrar on such form or forms as
2140 the registrar shall prescribe and shall be accompanied by: (1) a properly assigned certificate of
2141 title, except as provided for in subsection (e) of section 20,; (2) any other information and
2142 documents the registrar may reasonably require to establish ownership of the vehicle and the
2143 existence or nonexistence of a lien to the extent not inconsistent with subsection (e) of section
2144 20; and (3) the required fee.

2145 SECTION 102. Notwithstanding any general or special law to the contrary, the
2146 commissioner of the division of capital asset management and maintenance, in consultation with
2147 the president of Massasoit community college and the department of higher education, is hereby
2148 authorized to enter into a lease or other contractual arrangement with Marine and Environmental
2149 Education Alliance, Inc., a not-for-profit corporation, to allow the college to utilize facilities
2150 now or hereafter owned, leased or operated by the corporation for the purpose of providing post-
2151 secondary career and training opportunities in marine and environmental studies. The lease or
2152 other contractual arrangement shall be for a term, including extensions, of up to 30 years, and
2153 shall be on such terms and conditions as the commissioner of the division of the division of
2154 capital asset management and maintenance, in consultation with the president of Massasoit
2155 community college and the department of higher education, deems appropriate.

2156 SECTION 103. Notwithstanding anything in subsection (g) of section 3 of chapter 152 of
2157 the acts of 1997 to the contrary, in addition to the construction and development of an expansion
2158 to the hotel located in the northeast corner of the convention center development area, as defined
2159 in said chapter 152, not more than 7 additional hotels may be constructed and developed within
2160 a BCEC Hotel Zone, so called, within the city of Boston, such BCEC Hotel Zone to include the
2161 portion of the convention center finance district located south of Summer Street and east of Fort
2162 Point Channel, provided that (i) such hotels shall include not more than a total of 2700 rooms,
2163 including not more than 1 additional headquarters hotel, so called, with not more than 1200
2164 rooms; and (ii) the developer or operator of each such hotel shall enter into a contract with the
2165 Massachusetts Convention Center Authority with provisions regarding the cooperative
2166 marketing, pricing and use of such hotels to encourage the use of the Boston convention and
2167 exhibition center and incorporating community input from the neighborhoods surrounding the
2168 BCEC Hotel Zone.

2169 SECTION 104. In accordance with section 38N of chapter 190 of the acts of 1982, as
2170 amended, capital facility projects described in the report titled "Top 5 Initiative - Phase 1
2171 Feasibility Study and Program," dated May 16, 2012 shall be filed with the clerks of the senate
2172 and house of representatives and the senate and house committees on ways and means. Said
2173 capital facility projects and the acquisition of lands for the purpose of said projects are facilities
2174 of the Authority and may be funded pursuant to section 10(c)(iv) of chapter 152 of the acts of
2175 1997, as amended.

2176 SECTION 105: The joint committee on telecommunications, utilities and energy, in
2177 consultation with the state 911 department and department of revenue, shall study and report on
2178 the amount of revenue collected from the current enhanced 911 system surcharge for prepaid

2179 wireless service and any uncollected revenue from the current system. The study shall include
2180 an investigation on collecting the enhanced 911 system surcharge for prepaid wireless service at
2181 the point of sale and an estimate of the annual revenue collected from a prepaid wireless service
2182 surcharge at the point of sale. The joint committee on telecommunications, utilities and energy
2183 shall report its findings and recommendations, together with drafts of legislation necessary to
2184 carry the recommendations into effect, by filing the same with the clerks of the house of
2185 representatives and senate and the house and senate committees on ways and means not later
2186 than November 1, 2012.

2187 SECTION 106. Notwithstanding any general or special law to the contrary, the
2188 comptroller may, on or before June 30, 2014, transfer no more than $200,000,000 to the General
2189 Fund from the Commonwealth Stabilization Fund; provided, the amount of the transfer shall be
2190 Commonwealth Stabilization Fund shall be reimbursed the full amount of the transfer by
2191 December 31, 2014. The comptroller, in consultation with the secretary of administration and
2192 finance, may take the overall cash flow needs of the commonwealth into consideration in
2193 determining the timing of any transfer of funds. The comptroller shall provide a schedule of
2194 transfers to the secretary of administration and finance and to the house and senate committees
2195 on ways and means.

2196 SECTION 107. Sections 64B through 64J, inclusive, shall take effect beginning January
2197 1, 2014.

2198 SECTION 108. Item 7100-1000 of section 2 of chapter 258 of the acts of 2008 is hereby
2199 amended by inserting after the words “in the city of Worcester;” the following words:- provided
2200 further that not less than $25,000,000 shall be expended in collaboration and coordination with

2201 funds granted pursuant to the provisions of section 4G of chapter 40J of the General Laws,
2202 provided that funds expended for this purpose shall leverage at least $3, in the aggregate during
2203 activities funded by such grant, from sources other than an agency as defined by section 39 of
2204 chapter 6, for each dollar granted and that funds expended for this purpose shall not qualify as
2205 meeting the requirements for leveraged dollars required under said section 4G;"

2206 SECTION 109. section 1. section 27C of chapter 149 of the General Laws, as appearing
2207 in the 2008 Official Edition, is hereby amended by inserting after the figure 148B, in lines 4 and
2208 14, each time it appears, the following words:- , 152A. section 2. section 152A of said chapter
2209 149, as so appearing, is hereby amended by inserting, after the word responsibility in line 8, the
2210 following words:- ; provided, however, that a shift supervisor in a quick service restaurant
2211 whose only managerial responsibilities include: (i) providing on-the-job training for regular wait
2212 staff as to an employer's policies and procedures; or (ii) assigning employees to their posts; but
2213 (iii) has no authority to hire or fire employees or effectively recommend these actions, shall
2214 qualify as a wait staff employee for purposes of this section; provided further, that reporting of
2215 workplace infractions or making suggestions for employment by a shift supervisor shall not be
2216 considered as authority to hire or fire. section 3. Said section 152A of said chapter 149, as so
2217 appearing, is hereby further amended by inserting after the definition of Patron, the following
2218 definition:- Quick Service Restaurant, an establishment selling food or beverages where
2219 products are served to patrons primarily over a sales counter or a drive up window sales point,
2220 where there is minimal or no service to patrons seated at tables and where all employees are paid
2221 at least the minimum required hourly wage for non-service employees.

2222 SECTION 109. Whereas, The deferred operation of this act would tend to defeat its
2223 purpose, which is forthwith to promote energy conservation and renewable energy projects

2224 within the commonwealth, therefore it is hereby declared to be an emergency law, necessary for
2225 the immediate preservation of the public convenience. Be it enacted by the Senate and House of
2226 Representatives in General Court assembled, and by the authority of the same, as follows:

2227 SECTION 1. Chapter 23G of the General Laws, as appearing in the 2010 Official
2228 Edition, is hereby amended by inserting after section 44 the following section:

2229 SECTION 45. Energy Conservation Loan Program.

2230 (a) (1) As used in this section, the following terms shall, unless the context clearly
2231 requires otherwise, have the following meanings: --

2232 "Agency", the Massachusetts Development Finance Agency.

2233 "Department", the Department of Public Utilities established pursuant to chapter 25 of
2234 the General Laws.

2235 "Eligible borrower" shall include the following, all as defined in section 1 of this chapter,
2236 any public body, municipality, institution, or person, provided that an owner of privately-held
2237 real property may participate through the Municipal PACE program.

2238 "Eligible Project" shall mean the acquisition, design, construction, repair, renovation,
2239 rehabilitation or other capital improvement or deferred maintenance of an energy conservation
2240 project undertaken by an eligible borrower, and in the case of owners of privately-held real
2241 property, shall include, but not be limited to, energy conservation projects eligible under MGL.
2242 c. 44 section 53 ¾.

2243 "Energy Project Bonds", bonds, notes, certificates of participation or beneficial interest,
2244 or other evidences of indebtedness or ownership, issued pursuant to an executed indenture,

2245 financing document or other agreement of the financing entity, the proceeds of which are used
2246 to finance Loans for Eligible Projects, and that are payable from Loan Repayments, and are
2247 further secured by SBC charges.

2248 "Financing entity", (i) the agency or (ii) any special purpose entity. "Financing order", an
2249 order of the department issued in accordance with section 19 of chapter 25 of the General Laws
2250 which shall provide for a first priority lien on all or a portion of the SBC charges to further
2251 secure Energy Project Bonds.

2252 "Fund" shall mean the Massachusetts Energy Conservation Project Fund created
2253 hereunder and held by the agency, within which the agency shall create a loan account and a
2254 reserve account.

2255 "Loan" shall mean a direct loan of monies or any other financing arrangement from the
2256 agency to an eligible borrower to finance all or a portion of an eligible project.

2257 "Municipal PACE program" means a program implemented and administered by a city or
2258 town pursuant to section 53E3/4 of chapter 44 of the General Laws.

2259 "SBC charges" means the mandatory charge imposed pursuant to section 19 of chapter
2260 25 of the General Laws.

2261 "Special purpose entity", any partnership, limited partnership, association, corporation,
2262 limited liability corporation, or other entity established and authorized by the agency to issue
2263 energy project bonds, subject to approval by the agency as provided by the agency in its
2264 resolution authorizing the special purpose entity to issue energy project bonds.

2265 (b) As set forth in this section, the agency shall make loans to or enter into other
2266 financing arrangements directly with eligible borrowers for eligible projects or, in the case of
2267 eligible projects under the Municipal PACE program, shall fund loans made by municipalities to
2268 property owners in accordance with such program. Such loans shall be funded from energy
2269 project bonds issued by the agency or a special purpose entity in accordance with this section and
2270 this chapter or from amounts held in the fund. The agency shall pledge loan repayments received
2271 directly from eligible borrowers, or from cities and towns on behalf of real-property owners
2272 pursuant to the Municipal PACE program to the repayment of the related energy project bonds
2273 issued by the agency or by a special purpose entity, as applicable. As further security for any
2274 such bonds or debt obligations, the department shall issue one or more financing orders in
2275 accordance with section 19 of chapter 25 of the General Laws, granting a statutory first priority
2276 lien in all or a portion of the SBC charges as set forth in such financing order.

2277 (c) There shall be the Massachusetts Energy Conservation Project Fund under the control
2278 of the agency, and all energy project bond proceeds of the agency or a special purpose entity,
2279 together with any other monies lawfully made available to the fund in order to make loans, shall
2280 be credited to the loan account within the fund. The purpose of the loan account within the fund
2281 shall be to make loans to finance eligible projects. The agency may make loans to eligible
2282 borrowers for eligible projects from amounts on deposit or credited to the loan account within
2283 the fund. The agency shall hold the fund in a separate account, segregated from all other agency
2284 funds. Except as hereinafter provided, the agency may invest and reinvest the loan account
2285 within the fund and the income thereon: (i) in making loans to eligible borrowers for eligible
2286 projects and (ii) in investing funds not required for immediate disbursement in the purchase of
2287 such securities as may be lawful investments for fiduciaries in the commonwealth.

2288 (d) Each loan shall be made pursuant to a loan agreement between the agency and the
2289 eligible borrower. In the case of the Municipal PACE program, the agency may accept loan
2290 agreements entered into by the municipality and the property owner. All loan agreements,
2291 including those entered into under the Municipal PACE program, shall specify the security for
2292 such loan, and the repayment and other terms of such loan.

2293 (e) Pursuant to the financing order, the agency has been granted a first priority lien on all
2294 or a portion of the SBC charges to provide additional security for any energy project bonds it
2295 issues or that are issued by the special purpose entity. Amounts transferred to the agency
2296 pursuant to such financing order that are not needed to pay debt service on energy project bonds
2297 shall be held in the reserve account within the fund or in a reserve fund created under the
2298 financing documents, in either case, as a reserve securing the energy project bonds, in
2299 accordance with the provisions of the financing documents governing the energy project bonds.
2300 Any amounts in excess of such required reserve shall be transferred by the agency to the
2301 department in accordance with the provisions of the financing documents governing the energy
2302 project bonds. The agency shall hold the reserve account within the fund in a separate account,
2303 segregated from all other agency funds. The commonwealth does hereby pledge and agree with
2304 the holders of energy project bonds that the commonwealth shall not (1) alter the provisions of
2305 section 19 of chapter 25 of the General Laws which imposes the SBC charges in a manner that
2306 limits or otherwise adversely affects the amount of SBC charges pledged to secure any energy
2307 project bond in accordance with a financing order; or (ii) limit or alter the financing order and all
2308 rights thereunder until the energy project bonds, together with the interest thereon, are fully met
2309 and discharged.

2310 (f) The exercise of the powers granted by this section shall be in all respects for the
2311 benefit of the people of the commonwealth by increasing the energy efficiency of buildings in
2312 the commonwealth. As the exercise of such powers shall constitute the performance of essential
2313 government functions, the financing entity shall not be required to pay any taxes or assessments
2314 upon the property acquired or used by the financing entity pursuant to the provisions of this
2315 section or upon the income therefrom. The energy project bonds issued pursuant to the
2316 provisions of this section, their transfer and the income therefrom, including any profit made on
2317 the sale thereof, shall at all times be free from taxation within the commonwealth.

2318 (g) Upon the written approval of the Secretary for Administration and Finance and the
2319 Secretary for Energy and Environmental Affairs, the agency or the special purpose entity may
2320 issue energy project bonds on behalf of the fund. Proceeds of energy project bonds shall be used
2321 for the purposes authorized by this section. Any such agency energy project bonds shall be
2322 issued as revenue bonds and shall be recourse only to the related loan repayments by eligible
2323 borrowers and other monies available in the reserve account within the fund or held under the
2324 related financing documents. The agency's energy project bonds shall not be general obligations
2325 of the agency or the commonwealth. The agency's energy project bonds shall be issued in
2326 accordance with the provisions of section 8 of chapter 23G of the General Laws, except that the
2327 agency shall not be required to make the findings set forth in section 8(a) or 8(b) of said chapter
2328 23G. Agency bonds issued in furtherance of this section shall not be subject to, or otherwise
2329 included in, the principal amount of debt obligations issued under section 29 of said chapter 23G.

2330 (h) The agency shall be reimbursed from the loan account within the fund for all
2331 reasonable and necessary direct costs and expenses incurred in any fiscal year associated with its
2332 bond issuance, administration, management and operation of the funds, including reasonable

2333 staff time and out-of-pocket expenses and the reasonable and approved administrative costs
2334 incurred by any qualified organizations which the agency may contract for services. The agency
2335 is authorized to establish a minimum reserve to be maintained by the fund for the purpose of
2336 ensuring the satisfaction of the agency's and its agents' administrative costs.

2337 (i) In accordance with applicable law, the agency may enter into contracts with one or
2338 more qualified organizations to manage some or all of the administrative aspects of managing the
2339 loan program on behalf of the agency, and on behalf of municipalities participating in the
2340 Municipal PACE program. Contracts executed pursuant to this section shall address, but shall
2341 not be limited to: proposed rules and guidelines for the funds, providing technical assistance to
2342 potential eligible borrowers and to municipalities in implementing and managing their Municipal
2343 PACE programs, reviewing and evaluating loan applications, providing findings and
2344 recommendations to the agency as to which loans should be approved and awarded, and serving
2345 such loans once they are awarded and funded.

2346 (j) If the agency makes a loan directly to a city or town of the commonwealth for an
2347 eligible project owned or leased by the city or town, in accordance with this section, and such
2348 city or town fails to pay to the agency when due and after demand any principal, interest or other
2349 charges payable under its loan agreement, in addition to other remedies of the agency under the
2350 applicable loan agreement, the agency may certify to the state treasurer the amount owing to the
2351 agency by such city or town. The state treasurer shall promptly pay over to the agency for
2352 application in accordance with the agency's trust agreement, without further appropriation any
2353 local aid distributions otherwise certified to the state treasurer as payable to such city or town.
2354 Payment by the state treasurer under this section shall continue to be made until any deficiency
2355 in such city or town's payments to the agency shall have been offset by the payments from the

2356 state treasurer. Any amount paid to the agency by the state treasurer under this section which is
2357 later determined, upon audit, to be in excess of the actual amount due to the agency shall, upon
2358 demand of such city or town, be repaid from the fund to the state treasurer. The agency may also
2359 recover from a city or town in an action in superior court any amount due to the center together
2360 with any other actual damages the agency shall have sustained from the failure or refusal of the
2361 city or town to make payments owing to the agency.

2362 SECTION 2. section 19 of chapter 25 of the General Laws is hereby amended by
2363 inserting the following section after paragraph (a) thereof:

2364 (a1/2) Notwithstanding the foregoing, upon receiving notice from the Massachusetts
2365 Development Finance Agency that energy project bonds are to be issued in accordance with
2366 section 45 of chapter 23G of the General Laws, the department shall issue one or more financing
2367 orders, granting a first priority lien on the mandatory charge established by the first sentence of
2368 this section, and all or a portion of the amounts collected pursuant thereto, as set forth in such
2369 financing order to secure such energy project bonds. Upon the effective date of a financing
2370 order, unless otherwise directed by the department, there shall exist a first priority lien on all
2371 mandatory charges imposed by paragraph (a) of this section then existing or thereafter arising
2372 pursuant to the terms of the financing order. This lien shall arise by operation of this subsection
2373 automatically without any action on the part of the department, the agency, any such special
2374 purpose entity or any other person. This lien shall secure all obligations then existing or
2375 subsequently arising to the holders of such energy project bonds, the trustee or representative for
2376 such holders, and any other entity specified in the financing order. The persons for whose benefit
2377 this lien is established shall upon the occurrence of any defaults specified in the financing order,
2378 have all the rights and remedies of a secured party upon default pursuant to article 9 of chapter

2379 106 and shall be entitled to foreclose or otherwise enforce this statutory lien in the mandatory
2380 charges. This lien shall attach to such mandatory charges regardless of who shall own, or shall
2381 subsequently be determined to own, the mandatory charges, including any electric distribution
2382 companies and municipal aggregators, any affiliate thereof, the agency or special purpose entity,
2383 or any other person. This lien shall be valid, perfected and enforceable against all third parties
2384 upon the effectiveness of the financing order without any further public notice; provided,
2385 however, that any person may, but, shall not be required to, file a financing statement. A
2386 perfected statutory lien in the mandatory charges shall be a continuously perfected lien in all
2387 revenues and proceeds arising with respect thereto, whether or not the revenues or proceeds have
2388 accrued.

2389 The department may issue financing orders in accordance with this section to facilitate
2390 the financing or refinancing of energy projects, as defined in section 45 of chapter 23G of the
2391 General Laws. A financing order shall specify that amounts collected pursuant to the mandatory
2392 charges set forth in paragraph (a) of this section shall be allocated first to the energy project
2393 bonds, and shall be paid over to the agency upon receipt, and second to other projects financed in
2394 accordance with this section. Financing orders issued pursuant to the provisions of this section
2395 shall not constitute a debt or liability of the commonwealth or of any political subdivision
2396 thereof, and shall not constitute a pledge of the full faith and credit of the commonwealth or any
2397 of its political subdivisions, but, shall be payable solely from the funds provided therefore
2398 pursuant to the provisions of section 45 of chapter 23G of the General Laws and this subsection.

2399 SECTION 3. section 53E3/4 of chapter 44 of the General Laws, as appearing in the 2010
2400 Official Edition is hereby amended by inserting the following paragraph at the end of paragraph
2401 (e) thereof:

2402 In furtherance of the provisions of this section, a city or town may participate in the
2403 Massachusetts Development Finance Agency's Energy Conservation Loan Program established
2404 pursuant to section 45 of chapter 23G of the General Law for the purposes of obtaining funds to
2405 make loans in accordance with this section. To the extent that the city or town receives funds
2406 pursuant to such program, it shall enter into a loan agreement with the property owner that has
2407 been approved by the agency, and will pledge such loan agreement and all amounts received
2408 pursuant thereto to the agency. In the event of a payment default by the property owner, the city
2409 or town shall enforce its rights under any betterments or other security granted under the
2410 applicable loan agreement. All amounts realized by the city or town as a result of such
2411 enforcement, or otherwise realized under the betterments or other security granted under the
2412 applicable loan agreement or as a result of this section shall be immediately transferred to the
2413 agency.

2414 SECTION 110. Title XXII of the General Laws is hereby amended by inserting after
2415 Chapter 156D the following chapter:-

2416 CHAPTER 156E: BENEFIT CORPORATIONS.

2417 SECTION 1.

2418 SECTION 1.01 Short Title.

2419 This chapter shall be known and may be cited as the "Massachusetts Benefit Corporation
2420 Act".

2421 SECTION 1.02 Purpose and Application.

2422 (1) The purpose of this Chapter is to create the benefit corporation classification in the
2423 Commonwealth for the purpose of incorporating a business that has either a general public
2424 benefit or a specific public benefit. This chapter shall be applicable to all benefit corporations.

2425 (2) The existence of a provision of this Chapter shall not of itself create an implication
2426 that a contrary or different rule of law is applicable to a business corporation that is not a benefit
2427 corporation. This chapter shall not affect a statute or rule of law that is applicable to a business
2428 corporation that is not a benefit corporation.

2429 (3) Except as otherwise provided in this Chapter, a benefit corporation doing business in
2430 the Commonwealth must comply with other applicable Massachusetts General Laws regarding
2431 that corporation including: M.G.L. Chaps. 155, 156, 156A, 156B, 156C, 156D, and 158. The
2432 specific provisions of this Chapter shall control over the general provisions of the applicable
2433 M.G.L. Chapter. The existence of a provision of this chapter does not excuse or exempt any
2434 business organized under the laws of this Commonwealth from complying with all relevant laws
2435 and regulations in the Commonwealth.

2436 (4) A provision of the articles of incorporation, bylaws, or shareholder agreement of a
2437 benefit corporation may not relax, be inconsistent with or supersede a provision of this Chapter.
2438 A provision in a benefit corporation's articles of incorporation, bylaws, or shareholder agreement
2439 that is inconsistent with the purpose and provisions of this Chapter shall be void and
2440 unenforceable. A provision in a benefit corporation's articles of incorporation, bylaws, or
2441 shareholder agreement that is void and unenforceable by operation of this subsection shall not
2442 render the entirety or remaining provisions of the articles, bylaws, or shareholder agreement void
2443 or unenforceable.

2444 (5) A professional corporation may own real and personal property necessary or
2445 appropriate for rendering the professional service it was organized to render, and may invest its
2446 funds in real estate, mortgages, stocks, bonds, or any other type of investment

2447 SECTION 1.03 Definitions.

2448 (1) In General. In this chapter, the following words and phrases when used in this
2449 Chapter have the meanings given to them in this section, unless the context clearly indicates
2450 otherwise:

2451 (a) Benefit Corporation: means a corporation either incorporated in Massachusetts or
2452 registered to do business in Massachusetts that incorporated as a benefit corporation in
2453 accordance with section 3.01 of this Chapter, or elected to become a benefit corporation in
2454 accordance with section 3.02 of this Chapter, and has not ceased to be a benefit corporation by
2455 means of terminating its benefit corporation status through the operation of section 3.03 of this
2456 chapter. This term also includes foreign corporations organized under their state's benefit
2457 corporation law that are registered and authorized to do business in the Commonwealth.

2458 (b) General Public Benefit: a material, positive impact on society and the environment,
2459 taken as a whole, as measured by a third-party standard, from the business and operations of a
2460 benefit corporation.

2461 (c) Specific Public Benefits: includes: (i) Providing low-income or underserved
2462 individuals or communities with beneficial products or services; (ii) Promoting economic
2463 opportunity for individuals or communities beyond the creation of jobs in the normal course of
2464 business; (iii) Promoting the preservation and conservation of the environment; (iv) Improving
2465 human health; (v) Promoting the arts, sciences, access to and advancement of knowledge; (vi)

2466 Increasing or facilitating the flow of capital and assets to entities with a public benefit purposes;
2467 and (vii) Conferring any other particular benefit on society or the environment.

2468 (d) Benefit Director: Either (i) The director designated as the benefit director of a benefit
2469 corporation under subsection 4.02(1); or (ii) A person with one or more of the powers, duties or
2470 rights of a benefit director to the extent provided in the bylaws under subsection 4.02(4).

2471 (e) Benefit Officer: The individual designated as the benefit officer of a benefit
2472 corporation under section 4.04.

2473 (f) Benefit Enforcement Proceeding: Any claim or action brought directly by a benefit
2474 corporation, or derivatively by shareholders on behalf of a benefit corporation, against a director
2475 or officer for: (i) Failure to pursue the general public benefit purpose of the benefit corporation
2476 or a specific public benefit purpose set forth in its articles; or (ii) Violation of any obligation,
2477 duty or standard of conduct under this Chapter.

2478 (g) Third-party standard: a standard for defining, reporting, and assessing overall
2479 corporate social and environmental performance which is:

2480 (i) Comprehensive in that it assesses the effect of the business and its operations
2481 upon the interests listed in subsections 4.01(1)(A)(ii), (iii), (iv), and (v);

2482 (ii) Developed or performed by a person or organization independent of the
2483 benefit corporation and not more than one-third of the members of the governing body of the
2484 organization are representatives of any of the following:

2485 (1) An association of businesses operating in a specific industry the
2486 performance of whose members is measured by the standard.

2487 (2) Businesses from a specific industry or an association of businesses in
2488 that industry.

2489 (3) Business whose performance is assessed against the standard.

2490 (iii) The organization is not materially financed by an association of business
2491 described in subparagraph (ii);

2492 (iv) Credible because the standard is developed by a person that both:

2493 (1) Has access to necessary expertise to assess overall corporate social and
2494 environmental performance.

2495 (2) Uses a balanced multistake holder approach, including a public
2496 comment period of at least 30 days to develop the standard.

2497 (v) Transparent, because the following information is publicly available about the
2498 standard:

2499 (1) The criteria considered when measuring the overall social and
2500 environmental performance of a business.

2501 (2) The relative weighting of those criteria.

2502 (3) The identity of the directors, officers, material owners and governing
2503 body of the organization that developed and controls revisions to the standard.

2504 (4) An accounting of the sources of financial support for the organization,
2505 with sufficient detail to disclose any relationship that could reasonably be considered to present a
2506 potential conflict of interest.

2507 (h) Independent: Having no material relationship with a benefit corporation or a
2508 subsidiary of the benefit corporation. Serving as benefit director or benefit officer does not make
2509 a person not independent. A material relationship between a person and a benefit corporation or
2510 any of its subsidiaries will be presumed to exist if one or more of the following apply:

2511 (i) The person is, or has been within the last year, an employee other than a
2512 benefit officer of the benefit corporation or a subsidiary of the benefit corporation.

2513 (ii) An immediate family member of the person is, or has been within the last
2514 year, an executive officer other than a benefit officer of the benefit corporation or its subsidiary.

2515 (iii) There is beneficial or record ownership of 5% or more of the outstanding
2516 shares of the benefit corporation by:

2517 (1) The person; or

2518 (2) An association of which the person is a director, an officer or a
2519 manager; or, in which the person owns beneficially or of record 5% or more of the outstanding
2520 equity interests.

2521 (i) Minimum Status Vote.

2522 (i) In the case of a business corporation, in addition to any other required approval
2523 or vote, the satisfaction of the following conditions:

2524 (1) The shareholders of every class or series shall be entitled to vote on the
2525 corporate action regardless of a limitation stated in the articles of incorporation or bylaws on the
2526 voting rights of any class or series.

2527 (2) The corporate action must be approved by vote of the shareholders of
2528 each class or series entitled to cast at least two-thirds of the votes that all shareholders of the
2529 class or series are entitled to cast on the action. (ii) In the case of a domestic entity other than a
2530 business corporation, in addition to any other required approval, vote or consent, the satisfaction
2531 of the following conditions:

2532 (1) The holders of every class or series of equity interest in the
2533 entity that are entitled to receive a distribution of any kind from the entity shall be entitled to
2534 vote on or consent to the action regardless of any otherwise applicable limitation on the voting or
2535 consent rights of any class or series.

2536 (2) The action must be approved by vote or consent of the holders
2537 described in subparagraph (i) entitled to cast at least two-thirds of the votes or consents that all of
2538 those holders are entitled to cast on the action.

2539 SECTION 1.04. Reservation of Power to Amend or Appeal.

2540 The General Court of the commonwealth has power to amend or repeal all or part of this
2541 Act pursuant to its legislative power.

2542 SECTION 2.

2543 SECTION 2.01. Organization as a Benefit Corporation.

2544 A benefit corporation must be organized under the laws of the Commonwealth with the
2545 exception that a benefit corporation's articles of incorporation must make clear reference that it
2546 is a benefit corporation.

2547 SECTION 2.02 Election to Become a Benefit Corporation.

2548 An existing corporation or limited liability company, organized under the laws of this
2549 Commonwealth may elect to become a benefit corporation by amending its articles of
2550 incorporation, pursuant to M.G.L. Chaps. 156D, § 10.01(Authority to Amend) and 156C, § 13
2551 (Amendment of Certificate of Organization) respectively, to include a statement that the
2552 corporation is a benefit corporation. In order to be effective, the amendment must be adopted by
2553 at least the minimum status vote.

2554 SECTION 2.03 Termination of Status as a Benefit Corporation.

2555 A benefit corporation may terminate its status as such and cease to be subject to this
2556 Chapter by amending its articles of incorporation to delete the statement required by Sections
2557 2.01 and 2.02 of this Chapter that the corporation is a benefit corporation. In order to be
2558 effective, the amendment must be adopted by at least the minimum status vote.

2559 SECTION 2.04. Presentment as a Benefit Corporation.

2560 A business corporation organized under the laws of the Commonwealth may not hold
2561 itself out as, advertise itself as, or indicate in any way that it is a benefit corporation, unless
2562 organized under and in full compliance with the requirements of this Chapter.

2563 SECTION 2.05 Fundamental Transactions.

2564 (1) An entity that is not a benefit corporation will become a benefit corporation, and will
2565 be subject to the provisions of this Chapter, if:

2566 (a) The entity that is not a benefit corporation is a party to a merger,
2567 consolidation, division, or is acquired by a benefit corporation, or the entity that is not a benefit
2568 corporation is the exchanging corporation in a share exchange; and

2569 (b) The surviving, acquiring, or any resulting corporation in the merger,
2570 consolidation, division, or share exchange is to be a benefit corporation.

2571 (2) In order to effective, a plan of merger, consolidation, division, or share exchange
2572 subject to this subsection must be adopted by the minimum status vote.

2573 SECTION 3. Corporate Purpose.

2574 SECTION 3.01 Corporate Purpose.

2575 (1) General Public Benefit Purpose. A benefit corporation shall have the purpose of
2576 creating general public benefit. This purpose is in addition to its purpose under Chapter 156D
2577 (relating to a corporation's purpose).

2578 (2) Optional Specific Public Benefit Purpose. The articles of a benefit corporation may
2579 identify one or more specific public benefits that it is the purpose of the benefit corporation to
2580 create in addition to its purpose as required under Chapter 156D and subparagraph (1) above.
2581 The identification of a specific public benefit under this subsection does not limit the obligation
2582 of a benefit corporation under subparagraph (1) above.

2583 (3) Effect of Purposes. The creation of general public benefit and specific public benefit
2584 under subsections (1) and (2) is in the best interest of the benefit corporation.

2585 (4) Amendment. A benefit corporation may amend its articles to add, amend, or delete
2586 the identification of a specific public benefit under M.G.L. Chap. 156D, § 10.01 (Authority to
2587 Amend) and M.G.L. Chap. 156C, § 13 (Amendment of Certificate of Organization). However,
2588 the elimination of an optional specific public benefit cannot significantly diminish or eliminate
2589 the general public benefit required in this subsection.

2590 (5) Professional corporations. A professional corporation that is a benefit corporation
2591 does not violate M.G.L. Chap. 156A, § 3 (Professional Services Provided) by having the purpose
2592 to create general public benefit or a specific public benefit.

2593 SECTION 4. Accountability and Liability.

2594 4.01 Standard of Conduct for Directors.

2595 (1) Consideration of Interests. In discharging the duties of their respective positions and
2596 in considering the best interests of the benefit corporation, the board of directors, committees of
2597 the board and individual directors of a benefit corporation:

2598 (A) Shall consider the effects of any action upon:

2599 (i) The shareholders of the benefit corporation;

2600 (ii) The employees and workforce of the benefit corporation, its
2601 subsidiaries and its suppliers;

2602 (iii) The interest of customers or clients as beneficiaries of the general
2603 public benefit or specific public benefit purposes of the benefit corporation;

2604 (iv) Community and societal factors, including those of each community
2605 in which offices or facilities of the benefit corporation, its subsidiaries or its suppliers are
2606 located;

2607 (v) The local, regional, and global environment;

2608 (vi) The short-term and long-term interests of the benefit corporation,
2609 including benefits that may accrue to the benefit corporation from its long-term plans and the

2610 possibility that these interests may be best served by the continued independence of the benefit
2611 corporation; and

2612 (vii) The ability of the benefit corporation to accomplish its general public
2613 benefit purpose and any specific public benefit purpose; and

2614 (B) May consider:

2615 (i) The interests of the economy of the state and the region and the nation
2616 under M.G.L. Chap. 156D, § 8.30(a)(3) (General Standards for Directors);

2617 (ii) Other pertinent factors or the interests of any other group that they
2618 deem appropriate; but

2619 (2) Directors shall consider the factors in subsection 4.01(1)(A) using sound and
2620 reasonable judgment in determining corporate actions and the best interests of the benefit
2621 corporation. Directors need not give priority to the interests of a particular person or group
2622 referred to in subparagraphs (1)(A) or (1)(B) over the interests of any other person or group
2623 unless the benefit corporation has stated in its articles its intention to give priority to certain
2624 interests related to its accomplishment of its general public benefit purpose or of a specific public
2625 benefit purpose identified in its articles.

2626 (3) Coordination With Other Provisions of Law. The consideration of interests and
2627 factors in the manner required by subsection (1) does not constitute a violation of M.G.L. Chap.
2628 156D § 8.01.

2629 (4) A director is not personally liable for monetary damages for:

2630 (a) Any action or inaction as a director if the director performed the duties of
2631 office in compliance with M.G.L. Chap. 156D, § 8.30 (General Standard for Directors) and this
2632 Section; or

2633 (b) Failure of the benefit corporation to pursue or create general public benefit or
2634 a specific public benefit.

2635 (5) A director does not have a fiduciary duty to a person that is a beneficiary of the
2636 general or specific public benefit purposes of a benefit corporation arising from the status of the
2637 person as a beneficiary.

2638 4.02 Standard of Conduct for Benefit Director.

2639 (1) General Rule. The board of directors of a benefit corporation shall include one
2640 director, who:

2641 (a) Shall be designated the benefit director; and

2642 (b) Shall have, in addition to the powers, duties, rights, and immunities of the
2643 other directors of the benefit corporation, the powers, duties, rights, and immunities provided in
2644 this subchapter.

2645 (2) Election, Removal and Qualifications. The benefit director shall be elected, and may
2646 be removed, in the manner provided under M.G.L. Chap. 156D, and shall be an individual who is
2647 independent. The benefit director may serve as the benefit officer at the same time as serving as
2648 the benefit director. The articles, bylaws, or shareholder agreement of a benefit corporation may
2649 prescribe additional qualifications of the benefit director not inconsistent with this subsection.

2650 (3) Annual Compliance Statement. The benefit director shall prepare, and the benefit
2651 corporation shall include in the annual shareholder's report, the opinion of the benefit director on
2652 all of the following:

2653 (a) Whether the benefit corporation acted in accordance with its general public
2654 benefit and any specific public benefit purpose in all material respects during the period covered
2655 by the report.

2656 (b) Whether the directors and officers complied with subsections 4.01(1) and
2657 4.03(1).

2658 (c) Whether, in the opinion of the benefit director, the benefit corporation or its
2659 directors or officers failed to comply with subsection (2), and if so, a description of the ways in
2660 which the benefit corporation or its directors or officers failed to comply.

2661 (d) What impact the corporation's status as a benefit corporation is having on its
2662 business, including client or consumer opinion, return on investment, impact on shareholders,
2663 and impact on employees.

2664 (4) Status of Actions. The act or inaction of an individual in the capacity of a benefit
2665 director shall constitute for all purposes an act or inaction of that individual in the capacity of a
2666 director of the benefit corporation.

2667 (5) Alternative Governance Arrangements.

2668 (a) The bylaws or shareholder agreement of a benefit corporation must provide that the
2669 persons or shareholders who perform the duties of the board of directors include a person with
2670 the powers, duties, rights and immunities of a benefit director if:

2671 (i) The bylaws of a benefit corporation provide that the powers and duties
2672 conferred or imposed upon the board of directors be exercised or performed by a person other
2673 than the directors; or

2674 (ii) The bylaws of a closely held corporation that is a benefit corporation provide
2675 that the business and affairs of the corporation be managed by or under the direction of the
2676 shareholders.

2677 (b) A person that exercises one or more of the powers, duties or rights of a benefit
2678 director under this subsection:

2679 (i) Does not need to be independent of the benefit corporation;

2680 (ii) Shall have the immunities of a benefit director;

2681 (iii) May share the powers, duties and rights of a benefit director with one or more
2682 other persons; and

2683 (iv) Shall not be subject to the procedures for election or removal of directors in
2684 M.G.L. Chap. 156D unless the person is also a director of the benefit corporation or the bylaws
2685 make those procedures applicable.

2686 (5) Professional Corporations. The benefit director of a professional corporation does
2687 not need to be independent.

2688 (6) Exoneration from Personal Liability. Regardless of whether the bylaws of a benefit
2689 corporation include a provision eliminating or limiting the personal liability of directors
2690 authorized by M.G.L. Chap. 156D, a benefit director shall not be personally liable for an act or

2691 omission in the capacity of a benefit director unless the act or omission constitutes self-dealing,
2692 willful and intentional misconduct, or a knowing violation of the law.

2693 4.03 Standard of Conduct for Officers.

2694 (1) General Rule. Each officer of a benefit corporation shall consider the interests and
2695 factors described in section 4.01(1)(A) (standard of conduct for directors) in the manner provided
2696 in that subsection if: (a) The officer has discretion to act with respect to a matter; and (b) It
2697 reasonably appears to the officer that the matter may have a material effect on the creation of a
2698 general public benefit or a specific public benefit by the benefit corporation.

2699 (2) Coordination With Other Provisions of Law. The consideration of interests and
2700 factors in the manner described in subsection (a) shall not constitute a violation of M.G.L. Chap.
2701 156D § 8.41 (Duties of Officers).

2702 (3) Exoneration From Personal Liability. An officer is not personally liable for
2703 monetary damages for: (a) Any action or inaction as an officer if the officer performed the duties
2704 of the position in compliance with Chapter 156D and this Section; or (b) Failure of the benefit
2705 corporation to pursue or create general public benefit or specific public benefit.

2706 (4) Limitation on Standing. An officer does not have a fiduciary duty to a person that is
2707 a beneficiary of the general or specific public benefit purposes of a benefit corporation arising
2708 from the status of the person as a beneficiary.

2709 4.04 Election of Benefit Officer.

2710 (1) Designation. A benefit corporation may have an officer designated the benefit
2711 officer. A benefit officer shall have:

2712 (a) Powers and duties relating to the purpose of the corporation to create general
2713 public benefit or specific public benefit provided:

2714 (i) By the bylaws; or

2715 (ii) Absent controlling provisions in the bylaws, by resolutions or orders of
2716 the Board of Directors.

2717 (b) The duty to oversee and prepare the annual benefit report required by section
2718 5.01.

2719 4.05 Right of Action.

2720 (1) Limitations. The duties under this Chapter, and the general public benefit purpose
2721 and any specific public benefit purpose of a benefit corporation, may be enforced only in a
2722 benefit enforcement proceeding.

2723 (a) Except in a benefit enforcement proceeding, no person may bring an action or
2724 assert a claim against a benefit corporation or its directors or officers with respect:

2725 (i) Failure to pursue or create general or specific public benefit set forth in
2726 its articles; or

2727 (ii) Violation of a duty or standard of conduct under this Chapter.

2728 (b) A benefit corporation shall not be liable for monetary damages under this
2729 Chapter for any failure of the benefit corporation to pursue or create general public benefit or a
2730 specific public benefit.

2731 (2) Standing. A benefit enforcement proceeding may be commenced or maintained only:

2732 (a) Directly by the benefit corporation; or

2733 (b) Derivatively by:

2734 (i) A shareholder;

2735 (ii) A director;

2736 (iii) A person or group of persons that owns beneficially or of record 5%
2737 or more of the equity interests in an association of which the benefit corporation is a subsidiary;
2738 or

2739 (iv) Other persons as specified in the articles, bylaws, or shareholder
2740 agreement of the benefit corporation.

2741 SECTION 5. Transparency.

2742 5.01 Annual Benefit Report.

2743 (1) Contents. A benefit corporation shall prepare an annual benefit report including all
2744 of the following information:

2745 (a) A narrative description of:

2746 (i) The ways in which the benefit corporation pursued general public
2747 benefit during the year and the extent to which general public benefit was created.

2748 (ii) The ways in which the benefit corporation pursued a specific public
2749 benefit that the articles state it is the purpose of the benefit corporation to create, and the extent
2750 to which that specific public benefit was created.

2751 (iii) Any circumstances that have hindered the creation by the benefit
2752 corporation of general public benefit or specific public benefit.

2753 (iv) The process and rationale for selecting or changing the third-party
2754 standard used to prepare the benefit report.

2755 (b) An assessment of the overall social and environmental performance of the
2756 benefit corporation against a third-party standard:

2757 (i) Applied consistently with any application of that standard in prior
2758 benefit reports; or

2759 (ii) Accompanied by an explanation of the reasons for any inconsistent
2760 application.

2761 (c) The name of the benefit director and the benefit officer, if any, and the address
2762 to which correspondence to each of them may be directed.

2763 (d) The compensation paid by the benefit corporation during the year to each
2764 director in the capacity of a director.

2765 (e) The name of each person that owns 5% or more of the outstanding shares of
2766 the benefit corporation either:

2767 (i) Of record; or

2768 (ii) Beneficially, to the extent known to the benefit corporation without
2769 independent investigation.

2770 (f) The statement of the benefit director described in subsection 4.02(3).

2771 (g) A statement of any connection between the organization that established the
2772 third-party standard, or its directors, officers or any holder of 5 percent or more of the
2773 governance interests in the organization, and the benefit corporation or its directors, officers or
2774 any holder of 5 percent or more of the outstanding shares of the benefit corporation, including
2775 any financial or governance relationship which might materially affect the credibility of the use
2776 of the third-party standard.

2777 (h) If the benefit corporation has dispensed with, or restricted the discretion or
2778 powers of, the board of directors, a description of:

2779 (i) The persons that exercise the powers, duties and rights and who have
2780 the immunities of the board of directors; and

2781 (ii) The benefit director, as required by subsection 4.02(4).

2782 (2) Audit Not Required. Neither the benefit report nor the assessment of the
2783 performance of the benefit corporation in the benefit report required by subsection (1)(B) needs
2784 to be audited or certified by a third party standards provider.

2785 SECTION 5.02 Publication and Filing of Annual Benefit Report.

2786 (1) Timing of Report. The Annual Benefit Report shall be sent annually to each
2787 shareholder at the same time that the benefit corporation delivers any other annual report to its
2788 shareholders, or within 120 days following the end of the fiscal year of the benefit corporation.

2789 (2) Internet Website Posting. A benefit corporation shall post its most recent annual
2790 benefit report on the public portion of its Internet website, if any, but the compensation paid to

2791 directors and financial, confidential, or proprietary information included in the benefit report
2792 may be omitted from the benefit report as posted.

2793 (3) Availability of copies. If a benefit corporation does not have an Internet website, the
2794 benefit corporation shall provide a copy of its most recent benefit report, without charge, to any
2795 person that requests a copy, but the compensation paid to directors and financial or proprietary
2796 information included in the benefit report may be omitted from the copy of the benefit report
2797 provided.

2798 (4) Filing of Report. The benefit corporation shall deliver a copy of the benefit report to
2799 the Office of the Secretary of the Commonwealth for filing, but the compensation paid to
2800 directors and financial, confidential, or proprietary information included in the benefit report
2801 may be omitted from the benefit report as filed. The Office of the Secretary of the
2802 Commonwealth shall charge a fee of $75 for filing a benefit report.

2803 SECTION 6. Effective Date. (1) This act shall take effect September 1, 2012.