## **Massachusetts House of Representatives Bill Summary**

Bill #: H.482

Title: An Act relative to designated port areas

Sponsor: Rep. Ann-Margaret Ferrante

Committee: **Economic Development and Emerging Technologies** 

Hearing Date:

Thursday, September 25, 2025

Reporting Deadline:

November 24, 2025 (Subject to extensions under House Rule 27)

Prior History: 2023-2024 (H.408): Reported favorably, Referred to House Ways and

Means

2021-2022 (H.509): Reported favorably, Referred to House Ways and

Means

2019-2020 (H.370): Reported favorably, Referred to House Ways and

Means

2017-2018 (H.2006): Ordered to a House Study-See Study Order

H.4584

2015-2016 (H.3219): No action taken

**Key Terms:** MGL refers to the Massachusetts General Laws.

> EDIP, which is also known as the Economic Development Incentive Program, is a program administered by the Economic Assistance Coordinating Council. This program is designed to foster job creation and stimulate business growth. A company that participates in this program may receive state tax credits and local property tax incentives in exchange for a commitment to create new jobs, retain existing jobs, and commit private investment to the project.

Designated Port Areas (DPA) are areas that have the necessary physical and operational features needed to support businesses that require close proximity to the ocean, such as commercial fishing, shipping, and other vessel-related activities associated with waterborne commerce-as well as to support manufacturing, processing, and production activities that require marine transportation or the withdrawal or discharge of large volumes of water. There are currently 11 DPAs in Massachusetts: Gloucester Inner Harbor, Beverly Harbor, Salem Harbor, Lynn, Mystic River, Chelsea Creek, East Boston, South Boston, Weymouth Fore River, New Bedford-Fairhaven, and Mount Hope Bay.

Harbor planning allows a community to articulate its vision for its harbor, explore key issues, balance potentially competing uses, and identify goals, formulate policy, and develop recommendations that can move the community toward achieving its vision for the harbor. The development of this plan may illuminate issues and clarify solutions and next steps towards achieving these goals. Projects occurring within Chapter 91 jurisdiction on the harbor are required to meet current state Chapter 91 regulatory requirements, unless a plan approved by the Secretary of EEA has modified state Chapter 91 standards to meet local planning objectives.

Municipal harbor planning is a voluntary process that allows a community to modify some aspects of the state Chapter 91 regulatory requirements, as long as these modifications are consistent with state tidelands policy. These plans must be reviewed and approved by the Secretary of EEA and meet the requirements of the state Municipal Harbor Plan Regulations (301 CMR 23.00). Once approved, the specified "substitute" or "amplified" provisions of the MHP will replace the Chapter 91 regulations for DEP decisions in Chapter 91 licensing.

The General Fund is the primary fund in Massachusetts that accounts for all revenues and spending not specifically directed to other funds. It serves as the primary source of funding for most state government operations.

## Current Law:

Chapter 21F of MGL governs coastal facilities improvement.

Section 2 of this chapter provides definitions for various terms related to coastal facilities improvement. This section defines a designated port area as any port area suitable for maritime-industrial uses and so designated in accordance with the procedures established by the department of environmental protection under chapter 91 of MGL.

Chapter 23A of MGL deals with the department of economic development.

 Section 3A establishes an economic development incentive program, also known as EDIP, which shall be administered by the Economic Assistance Coordinating Council (EACC) to provide incentives that stimulate job creation and investment of private capital and to promote economic growth and expand economic opportunity to all areas of the commonwealth. EDIP may include the issuance of tax credits and other incentives to stimulate job creation, attract new business activity and promote investment that would not otherwise occur in Massachusetts.

Chapter 23G of MGL establishes the Massachusetts Development Finance Agency, also known as Mass Development.

Chapter 29 of MGL concerns state finance.

Chapter 91 of MGL concerns waterways and provides regulations for designated port areas.

 Section 1 defines water-dependent uses as those uses and facilities which require direct access to, or location in, marine or tidal waters and which therefore cannot be located inland, including but not limited to: marinas, recreational uses, navigational and commercial fishing and boating facilities, water-based recreational uses, navigation aids, basins and channels, industrial uses dependent upon waterborne transportation or requiring large volumes of cooling or process water which cannot reasonably be located or operated at an inland site.

State Regulations (Implemented by the Coastal Zone Management Program which is under the Executive Office of Energy and Environmental Affairs)

- 301 CMR 23.00 govern the review and approval of Municipal Harbor Plans, which show how local communities plan for and manage their harbors and designated port areas.
- 301 CMR 25.00 outlines the regulations for the designation, review, and approval of DPA Master Plans, to ensure the protection of water-dependent industries.
- 310 CMR 9.00 sets specific standards and requirements for projects within DPAs, focusing on the protection of waterdependent industries.

## Summary:

This bill amends the definition of gateway municipality so that the definition allows municipalities that contain or include a designated port area to be considered a gateway municipality without meeting the population, median income, and educational attainment levels. This bill also establishes a new fund known as the Designated Port Area

Community Fund, which shall be administered by the Massachusetts Development Finance Agency (MassDevelopment).

The Designated Port Area Community Fund shall consist of any appropriations, grants, gifts or other monies authorized by the General Court or other parties; any money specifically designated to be credited to the fund; and any income derived from the investment of amounts credited to the fund. The fund shall be used to develop and provide economic assistance to properties located within a designated port area.

Section 1 amends section 3A of chapter 23A of MGL by striking out the existing definition of "gateway municipality" and inserting a new definition for "gateway municipality". With this change, a gateway municipality shall now refer to a municipality with a population greater than 35,000 and less than 250,000, a median household income below the commonwealth's average and a rate of educational attainment of a bachelor's degree or a higher degree that is below the commonwealth's average; or a municipality that contains or includes a designated port area. This new definition allows a municipality that contains or includes a designated port area to qualify as a gateway municipality without needing to meet certain population, educational attainment, or median household income characteristics.

Section 2 amends chapter 29 of MGL, which concerns state finance, by adding a new section, section 2RRRR. This new section establishes the Designated Port Area Community Fund, which shall be administered by the Massachusetts Development Finance Agency, which is otherwise known as MassDevelopment.

The Designated Port Area Community Fund shall consist of any appropriations, grants, gifts or other monies authorized by the general court or other parties; any money specifically designated to be credited to the fund; and any income derived from the investment of amounts credited to the fund. All amounts credited to the fund shall be used without further appropriation for the purpose of developing and providing economic assistance to properties located within a designated port area.

No spending from the fund shall cause the fund to be in deficiency at the close of a fiscal year. Money deposited in the fund that is not spent at the end of a fiscal year shall not revert to the General Fund and shall be available for spending in the following year. This fund shall be exempt from the indirect and fringe benefits that would otherwise be assessed pursuant to this chapter.