

Massachusetts House of Representatives Bill Summary

Bill #: H.498

Title: An Act to support rural job creation and business expansion

Sponsor: Rep. Margaret Scarsdale

Committee: Economic Development and Emerging Technologies

Hearing Date: June 5, 2025

Reporting Deadline: August 4, 2025 (subject to extensions under House Rule 27)

Prior History: 2023-2024 (H.404)-Ordered to a House Study-See Study Order H.4593

Key Terms: MGL refers to the Massachusetts General Laws.

Massachusetts Development Finance Agency, commonly known as MassDevelopment, is a state agency under the Executive Office of Administration and Finance that serves as the state's economic development and finance authority, working with businesses, nonprofits, banks, and communities to stimulate economic growth and improve areas across the state. They provide financing, real estate, and community development services.

Rural Policy Advisory Commission was created by the General Court in section 66 of chapter 23A of MGL to enhance the economic vitality and quality of life in rural areas of Massachusetts. This commission serves as a voice and advocate for rural communities in state government. The commission includes 15 members: the speaker of the house (or designee); the president of the senate (or designee); the secretary of economic development (or designee); and 12 persons appointed by the governor (who shall represent many different parts of the state). This commission meets regularly to identify and advocate for legislative and policy priorities important to rural municipalities and works closely with state agencies and other partners to advance a rural Massachusetts agenda. The commission also advises the General Court and the executive branch on the impact of existing and proposed state laws, policies, and regulations on rural communities, advocates to ensure that rural communities

receive a fair share of state investment, promotes collaboration among rural communities to improve efficiency in the delivery of services and helps to develop and support new leadership in rural communities.

Rural communities are defined in section 66 of chapter 23A of MGL as municipalities with population densities of less than 500 people per square mile.

- Current Law:** Chapter 6A of MGL outlines the executive offices of the state.
- Section 16G of this chapter deals with the executive office of economic development and lists which offices and departments shall be housed within this executive office.

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

- Section 66 of this chapter creates the rural policy advisory commission, which shall be within but not under the control of the executive office of housing and economic development. This section outlines the membership and the powers and duties of this commission, governs the commission's meetings, and requires an annual report from the commission regarding the commission's findings, activities from the preceding year, and its recommendation for the governor and the General Court.

Chapter 23G of MGL governs the Massachusetts Development Finance Agency.

- Section 2 of this chapter creates the Massachusetts Development Finance Agency, which is within the executive office of administration and finance but is not subject to the supervision or control of said office. This section outlines the organizational structure of this agency and how the agency shall be the successor of the Massachusetts Industrial Finance Agency and governs how the agency shall handle trade secrets.

- Summary:** This bill amends section 16G of chapter 6A of MGL, which concerns the executive of economic development, by adding a new subsection, subsection (o). This new subsection requires the secretary of the office of economic development, in consultation with the rural policy advisory commission, to establish a rural development initiative. This initiative shall be administered by the executive office of economic development through a contract with the Massachusetts Development Finance Agency (MassDevelopment). The initiative shall provide technical assistance to identify and implement strategies that will spur

direct investment in rural communities to create jobs and expand businesses, identify cross-sector partnerships, accelerate the engagement of community members in actionable planning, and implement local economic development initiatives.