

UNCORRECTED PROOF.

The Commonwealth of Massachusetts

JOURNAL OF THE HOUSE.



TUESDAY, JULY 10, 2018.

[76]*

JOURNAL OF THE HOUSE.

Tuesday, July 10, 2018.

Met according to adjournment at eleven o'clock A.M., in an Informal Session, with Mr. Donato of Medford in the Chair (having been appointed by the Speaker, under authority conferred by Rule 5, to perform the duties of the Chair).

At the request of the Chair (Mr. Donato), the members, guests and employees joined with him in reciting the pledge of allegiance to the flag.

Pledge of
allegiance.

Silent Prayer.

During the session (Mrs. Haddad of Somerset being in the Chair), at the request of the Chair, the members, guests and employees stood in a moment of silent tribute to the memory of long-time Hampden County Registrar of Deeds Donald E. Ashe, the father of Representative Brian M. Ashe, who passed away this morning, at the age of 83.

Donald E.
Ashe.

A Springfield native, Registrar Ashe was a graduate of Cathedral High School, Cornwall Academy and the University of Massachusetts Institute of Government Services.

He served as Registrar of Deeds in Hampden County for over 35 years. He worked as the director of relocation services and property manager for the Springfield Redevelopment Authority before becoming Registrar.

Statement Concerning Representative Rogers of Norwood.

A statement of Mrs. Haddad of Somerset concerning Mr. Rogers of Norwood was spread upon the records of the House, as follows:

MR. SPEAKER: I would like to call to the attention of the House the fact that one of our colleagues, Representative Rogers of Norwood, is unable to be present in the House Chamber for today's sitting due to personal reasons. His missing of roll calls today and for the remainder of the week is due entirely to the reason stated.

Statement
concerning
Mr. Rogers
of Norwood.

Petitions.

Representative Fernandes of Falmouth and Senator Cyr presented a joint petition (accompanied by bill, House, No. 4727) of Dylan Fernandes and Julian Cyr (by vote of the town) that the town of Oaks Bluff be authorized to further regulate the rental of mopeds and motor scooters in said town; and the same was referred to the committee on Municipalities and Regional Government. Sent to the Senate for concurrence.

Oak Bluffs,—
motorized
scooters.

A petition (subject to Joint Rule 9) of Adrian Madaro for legislation to exempt a certain parcel of land in the East Boston section of the city of Boston from any

East Boston,—
designated
port area.

designated port area (having been returned by the State Secretary with a letter stating that the petitioner had failed to file proof of notice of publication), was placed on file.

Paper from the Senate.

A petition of Viriato M. deMacedo and David T. Vieira for legislation to authorize the Division of Capital Asset Management and Maintenance to grant easements to NSTAR electric company d/b/a Eversource Energy in return for NSTAR releasing or modifying easements for the benefit of the Commonwealth, came from the Senate referred, under suspension of Joint Rule 12, to the committee on State Administration and Regulatory Oversight.

Bourne,—
NSTAR
easements.

The House then concurred with the Senate in the suspension of said rule; and the petition (accompanied by bill, Senate, No. 2593) was referred, in concurrence, to the committee on State Administration and Regulatory Oversight.

Reports of Committees.

Mr. Galvin of Canton, for the committee on Rules, reported (under the provisions of House Rules 7B and 7C) an Order relative to special procedures for consideration of the House Bill for prevention and access to appropriate care and treatment of addiction [House, No. 4470] (for order, see House, No. 4722). The order was considered forthwith; and it was adopted.

Addiction
treatment,—
procedures.

By Mr. Galvin of Canton, for the committee on Rules and the committees on Rules of the two branches, acting concurrently, that Joint Rule 12 be suspended on the following petitions:

Joint petition (accompanied by bill) of Paul W. Mark, Anne M. Gobi and Susannah M. Whipps relative to the financial condition of the Pioneer Valley Regional School District. To the committee on Education.

Pioneer Valley
Regional School
District.

Petition (accompanied by bill) of Shawn Dooley for legislation to establish a commission (including members of the General Court) to investigate the advertising practices of the solar energy industry. To the committee on Telecommunications, Utilities and Energy.

Solar
industry,—
advertising.

Under suspension of the rules, on motion of Mr. Kafka of Stoughton, the reports were considered forthwith. Joint Rule 12 then was suspended, in each instance. Severally sent to the Senate for concurrence.

By Mr. Murphy of Weymouth, for the committee on Steering, Policy and Scheduling, that the Senate Bill establishing a sick leave bank for Norma Jean Silva, an employee of the Trial Court of the Commonwealth (Senate No. 2572), be scheduled for consideration by the House.

Norma Jean
Silva,—
sick leave.

Under suspension of Rule 7A, on motion of Mr. McMurtry of Dedham, the bill was read a second time forthwith; and it was ordered to a third reading.

Subsequently, under suspension of the rules, on motion of Ms. Gifford of Wareham, the bill (having been reported by the committee on Bills in the Reading to be correctly drawn) was read a third time; and it was passed to be engrossed, in concurrence.

By Mr. Murphy of Weymouth, for the committee on Steering, Policy and

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Scheduling, that the following bills be scheduled for consideration by the House:

The Senate Bill providing for recall elections in the town of Uxbridge (Senate, No. 2589) [Local Approval Received]; and

Uxbridge,—
elections.

House bills

Amending the charter of the town of Stoneham to change the name of the board of selectmen (House, No. 4629) [Local Approval Received];

Stoneham,—
charter.

Establishing a sick leave bank for Carol Poladian, an employee of the Public Employee Retirement Administration Commission (House, No. 4653); and

Carol Poladian,—
sick leave.

Authorizing the town of Andover to establish a means-tested senior citizen property tax exemption (House, No. 4661) [Local Approval Received];

Andover,—
exemption.

Under suspension of Rule 7A, in each instance, on motion of Mr. McMurtry of Dedham, the bills severally were read a second time forthwith; and they were ordered to a third reading.

By Ms. Peisch of Wellesley, for the committee on Education, on House, Nos. 270, 291, 294, 297, 298, 2052, 2055, 2057, 2856, 2881, 2882, 3476 and 3483, an Order relative to authorizing the committee on Education to make an investigation and study of certain House documents concerning education (House, No. 4723).

Special
education,
etc.,—
study.

By the same member, for the same committee, on House, No. 4378, an Order relative to authorizing the committee on Education to make an investigation and study of a certain House document concerning health and personnel (House, No. 4724).

School resource
officers,—
study.

By Ms. Cronin of Easton, for the committee on the Judiciary, on House, Nos. 869, 873, 980, 2263, 2277, 2348, 2354, 3027, 3083, 3584, 3835, 3904, 4142, 4322, 4323 and 4338, an Order relative to authorizing the committee on the Judiciary to make an investigation and study of certain House documents concerning the judiciary (House, No. 4721).

Judiciary,—
study.

Severally referred, under Joint Rule 29, to the committees on Rules of the two branches, acting concurrently.

Subsequently, Mr. Galvin of Canton, for said committees, reported, in each instance, asking to be discharged from further consideration of the orders; and recommending that the same severally be referred to the House committee on Rules.

Under Rule 42, the reports severally were considered forthwith; and they were accepted.

Motion to Discharge a Certain Matter in the Orders of the Day.

The House Bill establishing a sick leave bank for Keri Volk, an employee of the Department of Correction (House, No. 4616), reported by the committee on Bills in the Third Reading to be correctly drawn, was discharged from its position in the Orders of the Day and read a third time forthwith, under suspension of Rule 47, on motion of Mr. Zlotnik of Gardner; and it was passed to be engrossed. Sent to the Senate for concurrence.

Keri Volk,—
sick leave.

Recess.

At the eight minutes after eleven o'clock A.M., on motion of Mr. Wong of Saugus (Mr. Donato of Medford being in the Chair), the House recessed subject to the call of the Chair; and at one minute before one o'clock P.M., the House was

Recess.

called to order with Mr. Donato in the Chair.

Reports of Committees.

Mr. Galvin of Canton, for the committee on Rules, reported (under the provisions of House Rules 7B and 7C) an Order relative to special procedures for consideration of the House Bill relative to effective resource allocation in schools [House, No. 2871] (for order, see House, No. 4726). The order was considered forthwith; and it was adopted.

School
funding,—
procedures.

Mr. Sánchez of Boston, for the committee on Ways and Means, reported that the Bill for prevention and access to appropriate care and treatment of addiction (House, No. 4470), ought to pass with an amendment substituting therefor a bill with the same title (House, No. 4725). Referred, under Rule 7A, to the committee on Steering, Policy and Scheduling.

Addiction,—
treatment.

Mr. Murphy of Weymouth, for said committee, then reported that the matter be scheduled for consideration by the House.

Under suspension of Rule 7A, on motion of Ms. Garlick of Needham, the bill was read a second time forthwith. The amendment recommended by the committee on Ways and Means then was adopted; and the substituted bill was ordered to a third reading.

Recess.

At the three minutes after one o'clock P.M., on motion of Mr. Wong of Saugus (Mr. Donato of Medford being in the Chair), the House recessed until half past one o'clock; and at eighteen minutes before two o'clock P.M., the House was called to order with Mr. Donato in the Chair.

Recess.

Order.

On motion of Mr. Galvin of Canton,—

Ordered, That, notwithstanding any rule to the contrary, a court officer shall be assigned to cast roll call votes, except quorum roll calls, for Representatives Mariano of Quincy, Roy of Franklin, Hunt of Sandwich, Cronin of Easton, Lawn of Watertown and DeCoste of Norwell, during conference committee negotiations during today's session.

Health care
and veterans
bills conferees,—
voting.

Reports of Committees.

Mr. Sánchez of Boston, for the committee on Ways and Means, reported that the Bill relative to effective resource allocation in schools (House, No. 2871), ought to pass with an amendment substituting therefor a Bill relative to findings of the foundation budget review commission (House, No. 4730). Referred, under Rule 7A, to the committee on Steering, Policy and Scheduling.

Schools,—
funding.

Mr. Murphy of Weymouth, for said committee, then reported that the matter be scheduled for consideration by the House.

Under suspension of Rule 7A, on motion of Mr. Michlewitz of Boston, the bill was read a second time forthwith. The amendment recommended by the committee

on Ways and Means then was adopted; and the substituted bill was ordered to a third reading.

Mr. Sánchez of Boston, for the committee on Ways and Means, reported that the Bill authorizing the commissioner of Capital Asset Management and Maintenance to convey a certain parcel of land to the Salem Redevelopment Authority (House, No. 4635), ought to pass. Referred, under Rule 7A, to the committee on Steering, Policy and Scheduling.

Salem,—
land.

Mr. Murphy of Weymouth, for said committee, then reported that the matter be scheduled for consideration by the House.

Under suspension of Rule 7A, on motion of Mr. Michlewitz of Boston, the bill was read a second time forthwith; and it was ordered to a third reading.

Engrossed Bill — Land Taking.

The engrossed Bill authorizing the town of Boylston to convey a certain parcel of land (see House, No. 4197) (which originated in the House), having been certified by the Clerk to be rightly and truly prepared for final passage, was put upon its final passage.

Boylston,—
land.

On the question on passing the bill to be enacted, the sense of the House was taken by yeas and nays (this being a bill providing for the taking of land or other easements used for conservation purposes, etc., as defined by Article XCVII of the Amendments to the Constitution); and on the roll call 145 members voted in the affirmative and 0 in the negative.

Bill enacted
(land taking),—
yea and nay
No. 391.

[See Yea and Nay No. 391 in Supplement.]

Therefore the bill was passed to be enacted; and it was signed by the acting Speaker and sent to the Senate.

Motion to Discharge a Certain Matter in the Orders of the Day.

Prior to the noon recess, the House Bill relative to economic development in the Commonwealth (House, No. 4592), was discharged from its position in the Orders of the Day, and read a second time forthwith, under suspension of Rule 47, on motion of Mr. Wagner of Chicopee.

Economic
development,—
bonding.

The amendment previously recommended by the committee on Bonding, Capital Expenditures and State Assets,— that the bill be amended by substitution of a bill with the same title (House, No. 4702),— was rejected.

The amendment previously recommended by the committee on Way and Means,— that the bill be amended by substitution of a bill with the same title (House, No. 4714),— was adopted; and the substituted bill was ordered to a third reading.

Subsequently, the noon recess having terminated, under suspension of the rules, on motion of Mr. Wagner of Chicopee, the bill (having been reported by the committee on Bills in the Third Reading to be correctly drawn) was read a third time.

After remarks on the question on passing the bill to be engrossed, Messrs. Roy of Franklin and Murray of Milford moved to amend it by adding the following six sections:

“SECTION 54. Notwithstanding any general or special law to the contrary, for the days of August 11, 2018 and August 12, 2018, an excise shall not be

imposed upon nonbusiness sales at retail of tangible personal property, as defined in section 1 of chapter 64H of the General Laws. For the purposes of this act, tangible personal property shall not include telecommunications services, tobacco products subject to the excise imposed by chapter 64C of the General Laws, marijuana or marijuana products subject to the excise tax imposed by chapter 64H of the General Laws, gas, steam, electricity, motor vehicles, motorboats, meals or a single item the price of which is in excess of \$2,500.

SECTION 55. Notwithstanding any general or special law to the contrary, for the days of August 11, 2018 and August 12, 2018, a vendor shall not add to the sales price or collect from a nonbusiness purchaser an excise upon sales at retail of tangible personal property, as defined in section 1 of chapter 64H of the General Laws. The commissioner of revenue shall not require a vendor to collect and pay excise upon sales at retail of tangible personal property purchased on August 11, 2018 and August 12, 2018. An excise erroneously or improperly collected during the days of August 11, 2018 and August 12, 2018, shall be remitted to the department of revenue. This section shall not apply to the sale of telecommunications services, tobacco products subject to the excise imposed by chapter 64C of the General Laws, marijuana or marijuana products subject to the excise tax imposed by chapter 64H of the General Laws, gas, steam, electricity, motor vehicles, motorboats, meals or a single item the price of which is in excess of \$2,500.

SECTION 56. Reporting requirements imposed upon vendors of tangible personal property, by law or by regulation, including, but not limited to, the requirements for filing returns required by chapter 62C of the General Laws, shall remain in effect for sales for the days of August 11, 2018 and August 12, 2018.

SECTION 57. On or before December 31, 2018, the commissioner of revenue shall certify to the comptroller the amount of sales tax forgone, as well as new revenue raised from personal and corporate income taxes and other sources, pursuant to this act. The commissioner shall file a report with the joint committee on revenue and the house and senate committees on ways and means detailing by fund the amounts under general and special laws governing the distribution of revenues under chapter 64H of the General Laws which would have been deposited in each fund, without this act.

SECTION 58. The commissioner of revenue shall issue instructions or forms, or promulgate rules or regulations, necessary for the implementation of this act.

SECTION 59. Eligible sales at retail of tangible personal property under sections 1 and 2 are restricted to those transactions occurring on August 11, 2018 and August 12, 2018. Transfer of possession of or payment in full for the property shall occur on 1 of those days, and prior sales or layaway sales shall be ineligible.”.

After debate on the question on adoption of the amendment, the sense of the House was taken by yeas and nays at the request of Mr. Roy of Franklin; and on the roll call 127 members voted in the affirmative and 18 in the negative.

[See Yeas and Nays No. 392 in Supplement.]

Therefore the amendment was adopted.

Mr. Brodeur of Melrose then moved to amend the bill by striking out section 9 and inserting in place thereof the following section:

“SECTION 9. Subsection (b) of section 2RR of chapter 29 of the General Laws, as so appearing, is hereby amended by inserting after paragraph (2) the following paragraph:-

‘(3) To supplement the training of unemployed and underemployed workers as provided for in section 2WWW by providing grants for pipeline training for

Amendment
adopted,—
yeas and nays
No. 392.

unemployed persons by an employer with a job vacancy, an employer association, local workforce investment board, labor organization, community-based organization, including an adult basic education provider, institution of higher education, vocational education institution, one-stop career center, local workforce development entity, or a nonprofit education, training or other service provider; provided, however, that the director shall not allocate more than 5 per cent of the annual capitalization of the fund to provide for such grants. In determining grant recipients, the director shall contract with the Commonwealth Corporation to distribute the grants in a need-based, competitive process in accordance with the rules and parameters outlined in section 2WWW. The grants shall be performance based and 50 per cent funded upon enrollment in the program, with the balance to be paid contingent upon job placement and retention outcomes that demonstrate placement of a participant in a training-related position requiring not less than 30 hours per week for not less than 2 months.’”; and

By striking out section 22 and inserting in place thereof the following section:

“SECTION 22. Section 14L of chapter 151A of the General Laws, as so appearing, is hereby amended by inserting after subsection (b) the following subsection:-

‘(c) Annually, not later than September 1 of each year, the director of the department of career services shall file a report with the joint committee on labor and workforce development and the house and senate committees on ways and means concerning the collection of the workforce training contributions, pursuant to subsection (a), during the calendar year ending on the preceding December 31. The report shall include, but not be limited to, (1) the amount collected in each quarter and the total amount collected for the year; (2) the total number of employers that contributed to the fund and the total number of employees employed by that group of employers; and (3) the contribution rate, to the extent it differs from 0.056 per cent.’”.

The amendments were adopted.

Ms. Ferrante of Gloucester and other members of the House then moved to amend the bill by adding the following section:

“SECTION 60. Section 6 of Chapter 62 of the General Laws, as appearing in the 2008 Official Edition, is amended by adding the following section:-

Section 38DD. There shall be established a live theater tax credit program under which a live theater company doing business with a Massachusetts based theater venue, theater company, theater presenter or producer may be eligible. The credit may be claimed against the taxes due pursuant to this chapter. The credit shall be established to support the expansion of pre-Broadway, National Tour launches of Broadway shows and pre off-Broadway live theater and Broadway tour launches and shall assist in the development of long run show development and growth.

(a) As used in this section the following words shall, unless the context clearly requires otherwise, have the following meanings:

‘Commissioner’, the commissioner of revenue.

‘Eligible theater production’ means a live stage musical, dance or theatrical production or tour being presented in a qualified production facility, as defined in this chapter that is either: (a) a Pre-Broadway production, or (b) a pre off-Broadway production, or (c) a National Tour Launch.

‘Eligible theater production certificate’ means a certificate issued by the Massachusetts Office of Travel and Tourism certifying that the production is an eligible theater production that meets the guidelines of this chapter.

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‘Advertising and public relations expenditure’ means costs incurred within the state by the Eligible theater productions for goods or services related to the marketing, public relations, creation and placement of print, electronic, television, billboards and other forms of advertising to promote the Eligible theater production.

‘Office’ means the Massachusetts office of travel and tourism.

‘Payroll’ means all salaries, wages, fees, and other compensation wages including, but not limited to, taxes, benefits, and any other consideration incurred or paid to talent and non-talent employees of the applicant for services rendered to and on behalf of an eligible theater production. The expenditure shall be incurred or paid by the applicant for services related to any portion of an eligible theater production from its pre-production stages, including, but not limited to, (a) the writing of the script, (b) casting, (c) hiring of service providers, (d) purchases from vendors, (e) marketing, (f) advertising, (g) public relations, (h) load in, (i) rehearsals, (j) performances, (k) other Eligible theater production related activities (l) load out; provided further, said labor expenditure shall be directly attributable to the eligible theater production and shall be limited to the first \$100,000 of wages incurred or paid to each employee of an eligible theater production in each tax year.

‘Pre-Broadway Production’ means a live stage production that, in its original or adaptive version, is performed in a qualified production facility having a presentation scheduled for New York City’s Broadway theater district within (24) months after its Massachusetts presentation.

‘Pre-Off Broadway Production’ means a live stage production that, in its original or adaptive version, is performed in a qualified production facility having a presentation scheduled for New York City’s Off-Broadway’s theater district within (24) months after its Massachusetts presentation.

‘National Tour Launch’ means a live stage production that, in its original or adaptive version, is performed in a qualified production facility and opens its National tour in Massachusetts.

‘Production and Performance Expenditures’ means a contemporaneous exchange of cash or cash equivalent for goods or services related to development, production, performance or operating expenditures incurred in this state for a qualified theater production including, but not limited to, expenditures for design, construction and operation, including sets, special and visual effects, costumes, wardrobes, make-up, accessories, costs associated with sound, lighting, staging, payroll, transportation expenditures, advertising and public relations expenditures, facility expenses, rentals, per diems, accommodations and other related costs.

‘Qualified Production Facility’ means a facility located in the State of Massachusetts in which live theatrical productions are, or are intended to be, exclusively presented that contains at least one stage, a seating capacity of one hundred seventy five (175) or more seats, and dressing rooms, storage areas, and other ancillary amenities necessary for the Eligible theater production.

‘Massachusetts Office of Travel and Tourism’ means the office within the secretariat of economic development that has been established in order to market Massachusetts as a leisure travel destination in order to generate state and local tax revenues, create jobs, and support travel-related businesses.

‘Transportation expenditures’ means expenditures for the packaging, crating, and transportation both to the state for use in a qualified theater production of sets, costumes, or other tangible property constructed or manufactured out of state, and/or from the state after use in a qualified theater production of sets, costumes, or

other tangible property constructed or manufactured in this state and the transportation of the cast and crew to and from the state. Such term shall include the packaging, crating, and transporting of property and equipment used for special and visual effects, sound, lighting, and staging, costumes, wardrobes, make-up and related accessories and materials, as well as any other performance or production-related property and equipment.

(b) Any person, firm, partnership, trust, estate or other entity that receives an eligible theater production certificate shall be allowed a tax credit equal to thirty-five percent (35%) of the total in state labor costs and twenty-five percent (25%) of the production and performance expenditures and transportation expenditures as well as all out of state labor costs for the eligible theater production and to be computed as provided in this chapter against a tax imposed by this chapter. Said credit shall not exceed five million dollars (\$5,000,000) and shall be limited to certified production cost directly attributable to activities in the state and transportation expenditures defined above. The total production budget shall be a minimum of one hundred thousand dollars (\$100,000).

(c) No more than five million dollars (\$5,000,000) in total may be issued for any tax year for musical and theatrical production tax credits pursuant to this chapter.

(d) The tax credit shall be allowed against the tax for the taxable period in which the credit is earned and can be carried forward for not more than five (5) succeeding tax years.

(e) Credits allowed to a company, which is a subchapter S corporation, partnership, or a limited liability company that is taxed as a partnership, shall be passed through respectively to persons designated as partners, members or owners of such companies on a pro rata basis or pursuant to an executed agreement among such persons designated as subchapter S corporation shareholders, partners, or members documenting an alternate distribution method without regard to their sharing of other tax or economic attributes of such entity.

(f) If the company has not claimed the tax credits in whole or part, taxpayers eligible for the tax credits may assign, transfer or convey the tax credits, in whole or in part, by sale or otherwise to any individual or entity and such assignee of the tax credits that have not claimed the tax credits in whole or part may assign, transfer or convey the tax credits, in whole or in part, by sale or otherwise to any individual or entity. The assignee of the tax credits may use acquired credits to offset up to one hundred percent (100%) of the tax liabilities otherwise imposed pursuant to this chapter. The assignee may apply the tax credit against taxes imposed on the assignee for not more than three (3) succeeding tax years. The assignor shall perfect the transfer by notifying the commissioner of revenue, in writing, within thirty (30) calendar days following the effective date of the transfer and shall provide any information as may be required by the commissioner to administer and carry out the provisions of this section.

(g) For purposes of this chapter, any assignment or sales proceeds received by the assignor for its assignment or sale of the tax credits allowed pursuant to this section shall be exempt from this title.

(h) In the case of a corporation, this credit is only allowed against the tax of a corporation included in a consolidated return that qualifies for the credit and not against the tax of other corporations that may join in the filing of a consolidated tax return, provided, however, that in the case of a corporation that files a consolidated return with one or more other corporations with operations in Massachusetts, the credit will be allowed to be included in a consolidated return with respect to such

corporations with operations in Massachusetts only.

(i) The applicant or applicants shall properly prepare, sign and submit to the Massachusetts office of travel and tourism an application for initial certification of the theater production. The application shall include such information and data as the office deems reasonably necessary for the proper evaluation and administration of said application, including, but not limited to, any information about the theater production company or their related partners/presenters and a specific Massachusetts live theater or musical production. The office shall review the completed applications and determine whether it meets the requisite criteria and qualifications for the initial certification for the production and/or presentation. If the initial certification is granted, the office shall issue a notice of initial certification of the eligible theater production and/or presentation to the theater production company, co-producer or presenter and to the commissioner. The notice shall state that, after appropriate review, the initial application meets the appropriate criteria for conditional eligibility. The notice of initial certification will provide a unique identification number for the production/presentation and is only a statement of conditional eligibility for the production/presentation and, as such, does not grant or convey any Massachusetts tax benefits.

(j) Upon completion of an eligible theater production, the applicant or applicants shall properly prepare, sign and submit to the office an application for final certification of the eligible theater production. The final application shall also contain a cost report and an ‘accountant’s certification.’ The office and commissioner may rely without independent investigation, upon the accountant’s certification, in the form of an opinion, confirming the accuracy of the information included in the cost report. Upon review of a duly completed and filed application and upon no later than thirty (30) days of submission thereof, the commissioner will make a determination pertaining to the final certification of the eligible theater production and the resultant tax credits.

(k) Upon determination that the company qualifies for final certification and the resultant tax credits, the commissioner shall issue to the company: (1) an eligible theater production certificate; and (2) a tax credit certificate in an amount in accordance with this section (b) hereof. A musical and theatrical production company is prohibited from using state funds, state loans or state guaranteed loans to qualify for the live theater infrastructure tax credit. All documents that are issued by the office pursuant to this section shall reference the identification number that was issued to the production as part of its initial certification.

(l) The Massachusetts office of travel and tourism, in consultation as needed with the commissioner of revenue, shall promulgate such rules and regulations as are necessary to carry out the intent and purposes of this chapter in accordance with the general guidelines provided herein for the certification of the production and the resultant production credit.

(m) If information comes to the attention of the Massachusetts Office of Travel and Tourism that is materially inconsistent with representations made in an application, the office may deny the requested certification. In the event that tax credits or a portion of tax credits are subject to recapture for ineligible costs and such tax credits have been transferred, assigned and/or allocated, the state will pursue its recapture remedies and rights against the applicant of the theater production tax credits. No redress shall be sought against assignees, sellers, transferees or allocates of such credits.

(n) No credits shall be issued on or after January 1, 2021 unless the production has received initial certification under this section prior to January 1, 2021.”

The amendment was adopted.

Mr. Nangle of Lowell then moved to amend the bill by adding the following section:

“SECTION 61. Section 12 of chapter 172 of the General Laws, as appearing in the 2016 Official Edition, is hereby amended by inserting after the words ‘residents therein’, in line 4, the following words: - ; provided, however, upon application in writing by a bank engaged in a global custody business, the commissioner may waive or modify this requirement and may take into consideration factors including, but not limited to, the impact on the safety and soundness of the bank, or the current or prospective board composition and their expertise, experience and qualifications”.

The amendment was adopted.

Mr. Kulik of Worthington and other members of the House then moved to amend the bill by adding the following two sections:—

SECTION 62. Chapter 63 of the General Laws is hereby amended by inserting after section 38FF the following section:-

Section 38GG. (a) The purpose of this section shall be to attract capital investment to businesses in rural areas of the commonwealth in order to promote the retention and expansion of existing jobs, stimulate the creation of new jobs, and attract new business and industry to rural areas of the commonwealth.

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

“Affiliate”, an entity that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with another entity. An entity is “controlled by” another entity if: (i) the controlling entity holds, directly or indirectly, the majority voting or ownership interest in the controlled entity; or (ii) has control over the day-to-day operations of the controlled entity by contract or by law.

“Closing date”, the date on which a rural growth fund has collected all of the amounts specified by subsection (c).

“Credit-eligible capital contribution”, an investment of cash by a person subject to tax under this chapter in a rural growth fund that equals the amount specified on a tax credit certificate issued by the MOBD under paragraph (5) of subsection (c) of this section; provided, however, that the investment shall purchase an equity interest in the rural growth fund or purchase, at par value or premium, a debt instrument that has a maturity date at least 5 years from the closing date.

“MOBD”, the Massachusetts office of business development established in section 3A of Chapter 23A.

“Investment authority”, the amount stated on the notice issued under paragraph (5) of subsection (c) of this section certifying the rural growth fund; provided, however, that at least 60 per cent of a rural growth fund’s investment authority shall be comprised of credit-eligible capital contributions.

“Jobs created”, newly created positions of employment that were not previously located in the commonwealth at the time of the initial rural growth investment in the rural business concern and that require a minimum of 35 hours worked each week, measured each year by subtracting the number of employment positions at the time of the initial rural growth investment in the rural business concern from the monthly average of employment positions for the applicable year. The monthly average shall be calculated by adding together the number of employment positions existing on the last day of each month of the applicable year

and dividing by 12. Such number shall not be less than zero.

“Jobs retained”, positions requiring a minimum of 35 hours worked each week that existed prior to the initial rural growth investment. Retained jobs shall be counted each year based on the monthly average of employment positions for the applicable year. The monthly average shall be calculated by adding together the number of employment positions existing on the last day of each month of the applicable year and dividing by 12. Such number shall not exceed the initial amount of retained jobs reported and shall be reduced each year if employment at the rural business concern drops below such number.

“Principal business operations”, the principal operations of a business are located at the place or places where at least 60 per cent of its employees work or where employees that are paid at least 60 per cent of its payroll work; provided, however, that an out-of-state business that has agreed to relocate employees using the proceeds of a rural growth investment to establish its principal business operations in a rural area in the commonwealth shall be deemed to have its principal business operations in this new location if it satisfies this definition within 180 days after receiving the rural growth investment, unless the MOBD agrees to a later date.

“Rural area”, an area not in a city or town that has a population of more than 50,000 according to the latest decennial census of the United States or in the urbanized area contiguous and adjacent to a city or town that has a population of more than 50,000 inhabitants; or any area determined to be “rural in character” by the under-secretary of agriculture for rural development within the United States department of agriculture.

“Rural business concern”, a business that, at the time of the initial investment in the company by a rural growth fund: (i) has less than 250 employees and not more than \$10,000,000 in revenue for the preceding taxable year; (ii) has its principal business operations in one or more rural areas in the commonwealth; and (iii) is engaged in industries related to manufacturing, plant sciences, services or technology or, if not engaged in such industries, the MOBD makes a determination that the investment will be highly beneficial to the economic growth of the commonwealth.

“Rural growth fund”, an entity certified by the MOBD under subsection (c).

“Rural growth investment”, any capital or equity investment in a rural business concern or any loan to a rural business concern with a stated maturity at least one year after the date of issuance.

(c)(1) The MOBD shall accept applications for approval as a rural growth fund; provided, however, that the application shall include:

(i) the total investment authority sought by the applicant under the business plan;

(ii) the following documents and other evidence:

(A) a copy of the applicant’s or an affiliate of the applicant’s license as a rural business investment company under 7 U.S.C. 2009cc, or as a small business investment company under 15 U.S.C. 681; and

(B) evidence sufficient to prove, to the satisfaction of the MOBD, that as of the date the application is submitted, the applicant or affiliates of the applicant have invested at least \$100,000,000 in non-public companies located in rural areas;

(iii) an estimate of the number of jobs created and jobs retained in the commonwealth as a result of the applicant’s rural growth investments;

(iv) a business plan that includes a revenue impact assessment projecting state and local tax revenue to be generated by the applicant’s proposed rural growth

investments prepared by a nationally recognized third-party independent economic forecasting firm using a dynamic economic forecasting model that analyzes the applicant's business plan over the 10 years following the date the application is submitted to the MOBD;

(v) a signed affidavit from each investor stating the amount of credit-eligible capital contributions each taxpayer commits to make; and

(vi) a non-refundable application fee of \$5,000.

(2) The MOBD shall make an application determination within 30 days of receipt in the order in which the applications are received. The MOBD shall deem applications received on the same day to have been received simultaneously. The MOBD shall not approve more than \$200,000,000 in investment authority and not more than \$120,000,000 in credit-eligible capital contributions under this section. If a request for investment authority exceeds this limitation, the MOBD shall reduce the investment authority and the credit-eligible capital contributions for that application as necessary to avoid exceeding the limit. If multiple applications received on the same day request a combined investment authority that exceeds this limitation, the MOBD shall proportionally reduce the investment authority and the credit eligible capital contributions for those applications as necessary to avoid exceeding the limit.

(3) The MOBD shall deny an application submitted under this section if any of the following are true:

(i) the application is incomplete or the application fee is not paid in full;

(ii) the applicant does not satisfy all the criteria described in clause (ii) of paragraph (1) of this subsection;

(iii) the revenue impact assessment submitted under clause (iv) of paragraph (1) of this subsection does not demonstrate that the applicant's business plan will result in a positive economic impact on the commonwealth over a 10-year period that exceeds the cumulative amount of tax credits that would be issued to the applicant's investors under subsection (d) of this section if the application were approved;

(iv) the credit-eligible capital contributions described in affidavits submitted under clause (v) of paragraph (1) of this subsection do not equal at least 60 per cent of the total amount of investment authority sought under the applicant's business plan; or

(v) the MOBD has already approved the maximum amount of investment authority and credit eligible capital contributions allowed under paragraph (2) of this subsection.

(4) If the MOBD denies an application, the applicant may provide additional information to the MOBD to complete, clarify, or cure defects in the application identified by the MOBD within 15 days of the notice of denial for reconsideration and determination. If the applicant completes, clarifies or cures its application within 15 days after the date of the notice of denial, the application must be considered complete as of the original date of submission. If the applicant fails to provide the information to complete, clarify or cure its application within the 15-day period, the application remains denied and must be resubmitted in full with a new date of submission. The MOBD shall review and reconsider such applications within 30 days and before any pending application submitted after the original submission date of the reconsidered application.

(5) The MOBD shall not deny a rural growth fund application or reduce the requested investment authority for reasons other than those described in paragraphs (2) and (3) of this subsection. Upon approval of an application, the MOBD shall

provide a written approval to the applicant as a rural growth fund specifying the amount of the applicant's investment authority and a tax credit certificate to each investor whose affidavit was included in the application specifying the amount of the investor's credit-eligible capital contribution.

(6) After receiving the approval issued under paragraph (5) of this subsection, a rural growth fund shall:

(i) within 60 days:

(A) collect the credit-eligible capital contributions from each taxpayer issued a tax credit certificate under paragraph 5 of this subsection, and

(B) collect one or more investments of cash that, when added to the contributions collected under clause (A) of this paragraph, equal the rural growth fund's investment authority; provided, however, that at least 10 per cent of the rural growth fund's investment authority shall be comprised of equity investments contributed by affiliates of the rural growth fund, including employees, officers, and directors of such affiliates; and

(ii) within 65 days, send to the MOBD documentation sufficient to prove that the amounts described in clause (i) of this paragraph have been collected.

(7) If the rural growth fund fails to fully comply with paragraph (6) of this subsection, the rural growth fund's approval shall lapse and the corresponding investment authority and credit-eligible capital contributions under paragraph (6) will not count toward the limits on the program size prescribed by paragraph (2) of this subsection. The MOBD shall first award lapsed investment authority pro rata to each rural growth fund that was awarded less than the requested investment authority under said paragraph (2) which a rural growth fund may allocate to its investors in its discretion. Any remaining investment authority may be awarded by the MOBD to new applicants.

(8) Application fees submitted to the MOBD under clause (vi) of paragraph (1) of this subsection shall be credited to the Massachusetts rural jobs fund, which is hereby created, and used by the MOBD to administer the provisions of this section.

(d)(1) There is hereby allowed a nonrefundable tax credit for taxpayers that made a credit-eligible capital contribution to a rural growth fund and were issued a tax credit certificate under paragraph 5 of subsection (c) of this section. The credit may be claimed against the tax imposed by this chapter. The credit may not be sold, transferred or allocated to any other entity other than an affiliate subject to the tax imposed by this chapter.

(2) On the closing date, the taxpayer shall earn a vested credit equal to the amount of the taxpayer's credit-eligible capital contribution to the rural growth fund as specified on the tax credit certificate. The taxpayer may claim up to 25 per cent of the credit authorized under this subsection for each of the taxable years that includes the third through sixth anniversaries of the closing date, exclusive of amounts carried forward pursuant to paragraph 3 of this subsection.

(3) If the amount of the credit for a taxable year exceeds the tax otherwise due for that year, the excess shall be carried forward to ensuing taxable years until fully used. A taxpayer claiming a credit under this section shall submit a copy of the tax credit certificate with the taxpayer's return for each taxable year for which the credit is claimed.

(e)(1) The MOBD shall revoke a tax credit certificate issued under subsection (c) if any of the following occurs with respect to a rural growth fund before it exits the program in accordance with paragraph (5) of this subsection:

(i) the rural growth fund in which the credit-eligible capital contribution was

made does not invest 100 per cent of its investment authority in rural growth investments in this commonwealth within 2 years of the closing date; provided, however, that, for the purpose of satisfying the requirements of this subparagraph, the maximum amount of rural growth investments that a rural growth fund may count with respect to a single rural business concern, including amounts invested in affiliates of the rural business concern, may not exceed the greater of \$5,000,000 or 20 per cent of the rural growth fund's investment authority;

(ii) the rural growth fund, after satisfying clause (i), fails to maintain rural growth investments equal to 100 per cent of its investment authority until the sixth anniversary of the closing date; provided, however, that an investment is "maintained" even if the investment is sold or repaid so long as the rural growth fund reinvests an amount equal to the capital returned or recovered by the fund from the original investment, exclusive of any profits realized, in other rural growth investments in this commonwealth within 12 months of the receipt of such capital; provided further, that amounts received periodically by a rural growth fund shall be treated as continually invested in rural growth investments if the amounts are reinvested in 1 or more rural growth investments by the end of the following calendar year; provided further, that for purposes of satisfying the requirements of this sub-paragraph, the maximum amount of rural growth investments that a rural growth fund may count with respect to a single rural business concern, including amounts invested in affiliates of the rural business concern, may not exceed the greater of \$5,000,000 or 20 per cent of the rural growth fund's investment authority;

(iii) the rural growth fund, before exiting the program in accordance with paragraph (4) of this subsection, makes a distribution or payment that results in the rural growth fund having less than 100 per cent of its investment authority invested in rural growth investments in this commonwealth or available for investment in rural growth investments and held in cash and other marketable securities; or

(iv) the rural growth fund makes a rural growth investment in a rural business concern that directly or indirectly through an affiliate owns, has the right to acquire an ownership interest, makes a loan to, or makes an investment in the rural growth fund, an affiliate of the rural growth fund, or an investor in the rural growth fund; provided, however, that this clause does not apply to investments in publicly traded securities by a rural business concern or an owner or affiliate of such concern; and provided further, that a rural growth fund will not be considered an affiliate of a rural business concern solely as a result of its rural growth investment.

(2) Before revoking one or more tax credit certificates under this subsection, the MOBD shall notify the rural growth fund of the reasons for the pending revocation. The rural growth fund shall have 90 days from the date the notice was received to correct any violation outlined in the notice to the satisfaction of the MOBD and avoid revocation of the tax credit certificate.

(3) If tax credit certificates are revoked under this subsection, the associated investment authority and credit-eligible capital contributions shall not count toward the limit on total investment authority and credit-eligible capital contributions described in paragraph (2) of subsection (c). The MOBD shall first award reverted authority pro rata to each rural growth fund that was awarded less than the requested investment authority under paragraph (5) of subsection (c). The MOBD may award any remaining investment authority to new applicants.

(4) On or after the sixth anniversary of the closing date, a rural growth fund may apply to the MOBD to exit the program and no longer be subject to regulation hereunder. The MOBD shall respond to the application within 30 days of receipt.

In evaluating the application, the fact that no tax credit certificates have been revoked and that the rural growth fund has not received a notice of revocation that has not been cured under paragraph (2) of this subsection shall be sufficient evidence to prove that the rural growth fund is eligible for exit. The MOBD shall not unreasonably deny an application submitted under this paragraph. If the application is denied, the notice shall include the reasons for the determination.

(5) The MOBD shall not revoke a tax credit certificate after the rural growth fund's exit from the program.

(6) Once a rural growth fund has been determined to be eligible to exit under paragraph (4), if the number of jobs created or jobs retained by the rural business concerns that received rural growth investments from the rural growth fund, calculated pursuant to reports filed by the rural growth fund pursuant to subsection (g), is:

(i) less than 60 per cent of the number projected in the rural growth fund's business plan filed as part of its application for certification under subsection (c) of this section, then the commonwealth shall receive 20 per cent of any distribution or payment made to the equity holders of the rural growth fund in excess of the rural growth fund's investment authority and an amount equal to any projected increase in the equity holders' federal or state tax liability, including penalties and interest, related to the equity holders' ownership, management or operation of the fund; or

(ii) greater than 60 per cent but less than 80 per cent of the number projected in the rural growth fund's business plan filed as part of its application for certification under subsection (c) of this section, then the state shall receive 10 per cent of any distribution or payment made to the equity holders of the rural growth fund in excess of the rural growth fund's investment authority and an amount equal to any projected increase in the equity holders' federal or state tax liability, including penalties and interest, related to the equity holders' ownership, management or operation of the fund.

(7) If the rural growth fund's rural growth investments achieved a 20 per cent or greater internal rate of return, the state shall receive 10 per cent of any distribution or payment made to the equity holders of the rural growth fund in excess of the rural growth fund's investment authority and an amount equal to any projected increase in the equity holders' federal or state tax liability, including penalties and interest, related to the equity holders' ownership of the fund. Any amounts payable to the state pursuant to paragraph (6) of this subsection shall be in addition to amounts due under this paragraph.

(f) A rural growth fund, before making a rural growth investment, may request from the MOBD a written opinion as to whether the business in which it proposed to invest is a rural business concern. The MOBD, not later than the fifteenth business day after the date of receipt of the request, shall notify the rural growth fund of its determination. If the MOBD fails to notify the rural growth fund by the fifteenth business day of its determination, the business in which the rural growth fund proposes to invest shall be considered a rural business concern.

(g)(1) Each rural growth fund shall submit a report to the MOBD on or before the fifth business day after the second anniversary of the closing date. The report shall provide documentation as to the rural growth fund's rural growth investments and include:

(i) a bank statement evidencing each rural growth investment;

(ii) the name, location and industry of each business receiving a rural growth investment, including either the determination letter set forth in subsection (f) or evidence that the business qualified as a rural business concern at the time the

investment was made;

(iii) the number of jobs created or jobs retained as a result of the rural growth fund's rural growth investments as of the last day of the preceding two calendar years; provided, however, that job numbers shall be certified by each rural business concern's independent certified public accountant that is licensed to do business in the commonwealth or by the rural growth fund's nationally recognized independent certified public accounting firm. MOBD shall publish a list of nationally recognized independent certified public accounting firms, which must include at least 10 firms, within 12 months of certifying the first rural growth fund and periodically update such list as MOBD deems appropriate; and

(iv) any other information required by the MOBD.

(2) On or before the last day of February of each year following the year in which the report required under paragraph (1) of this subsection is due, the rural growth fund shall submit an annual report to the MOBD including the following:

(i) the number of jobs created or jobs retained as a result of the rural growth fund's rural growth investments as of the last day of the preceding calendar year, which number shall be independently certified in accordance with the provisions of subparagraph (iii) of paragraph (3) of this subsection;

(ii) the average annual salary of the positions described in clause (i) of this paragraph; and

(iii) any other information required by the MOBD.

(h) The MOBD shall adopt rules necessary to implement the provisions in this section.

SECTION 63. The MOBD shall accept applications for approval as a rural growth fund as required under subsection (c) of section 38GG of chapter 63 of the General Laws not more than 90 days after the effective date of this act.

The amendment was adopted.

Mr. Kaufman of Lexington then moved to amend the bill by adding the following three sections:—

“SECTION 64. Chapter 149 of the General Laws is hereby amended by adding the following 13 sections:-

Section 192. As used in this section and in sections 193 through 204, inclusive, the following words, unless the context clearly requires otherwise, shall have the following meanings:

‘Client’ or ‘client company’, a person who enters into a professional employer agreement with a professional employer organization.

‘Covered employee’, an individual employed in a PEO relationship where the individual's employment is subject to a professional employer agreement. Individuals who are officers, directors, shareholders, partners and managers of the client shall be covered employees, except to the extent the professional employer organization and the client have expressly agreed in the professional employer agreement that such individuals shall not be covered employees; provided, that such individuals meet the criteria of this paragraph and act as operational managers or perform day-to-day operational services for the client.

‘Director’, the director of the department of labor standards.

‘Employment agency’, as defined in section 46A of chapter 140.

‘PEO group’, 2 or more professional employer organizations that are majority owned or commonly controlled by the same entity, parent or controlling person or persons.

‘PEO relationship’, a co-employment relationship, in which all the rights, duties and obligations of an employer which arise out of an employment

relationship have been allocated between the PEO and the client pursuant to a professional employer agreement, provided however, that a staffing agency and an employment agency shall not be a PEO. In a PEO relationship: (i) the professional employer organization shall be entitled to enforce only such employer rights and is subject to only those obligations allocated in the professional employment agreement or as specifically required pursuant to section 192 to 204, inclusive; (ii) the client shall be entitled to enforce those rights, and obligated to provide and perform those employer obligations, allocated to the client by the written professional employer agreement; (iii) the client shall be entitled to enforce any right and obligated to perform any obligation of an employer not specifically allocated to the PEO or section 192 to 204, inclusive; and (iv) neither the client nor the PEO may delegate duties and responsibilities to the other unless such delegation is provided in the professional employer agreement and the covered employees are informed about this delegation of duties and responsibilities.

‘Person’, any individual, partnership, corporation, limited liability company, association or any other form of legally recognized entity.

‘Professional employer agreement’, a written contract by and between a client and a professional employer organization that: (i) provides for the PEO relationship of covered employees; (ii) allocates employer rights and obligations between the client and the professional employer organization with respect to the covered employees; and (iii) allocates the responsibilities between the professional employer organization and the client; provided, however, that a professional employer agreement shall not affect, modify or amend any employee rights under federal, state, local or municipal law and in no way abrogate obligations of the client or the PEO to covered employees under such laws.

‘Professional employer organization’ or ‘PEO’, any person engaged in the business of providing professional employer services who is subject to registration and regulation pursuant to sections 192 to 204, inclusive, regardless of its use of the term or conducting business as a professional employer organization staff leasing company, registered staff leasing company, employee leasing company, administrative employer or any other name provided that the following shall not be deemed to be professional employer organizations or providing professional employment services: (i) arrangements wherein a person, whose principal business activity is not entering into professional employer arrangements and which does not hold itself out as a PEO, shares employees with a commonly owned company within the meaning of section 414(b) and section 414(c) of the Internal Revenue Code of 1986, as amended; (ii) independent contractor arrangements as governed by section 148B; or (iii) services provided by an employment agency or staffing agency.

‘Professional employer services’, the service of entering into PEO relationships in which all or a majority of the employees providing services to a client or to a division or work unit of the client are covered employees.

‘Registrant’, a PEO registered pursuant to section 196.

‘Staffing agency’, as defined in section 159C.

‘Wages’, shall include all forms of remuneration for employment.

Section 193. (a) Nothing contained in sections 192 to 204, inclusive, or in any professional employer agreement shall affect, modify or amend any collective bargaining agreement, or the rights or obligations of any client, PEO or covered employee under chapter 150A, chapter 150E, the federal National Labor Relations Act, the federal Railway Labor Act or any other applicable federal or state law.

(b) Collective bargaining, if commenced after an agreement is entered into

between a PEO and a client, shall be conducted as required by federal and state law.

(c) Nothing in sections 192 to 204, inclusive, or in any professional employer agreement shall:

(1) diminish, abolish or remove rights of covered employees to a client or obligations of such client to a covered employee existing prior to the effective date of the professional employer agreement under federal or state law;

(2) affect, modify or amend any contractual relationship or restrictive covenant between a covered employee and any client in effect at the time a professional employer agreement becomes effective or prohibit or amend any contractual relationship or restrictive covenant that is entered into subsequently between a client and a covered employee; provided, however, that a PEO shall have no responsibility or liability in connection with, or arising out of, any such existing or new contractual relationship or restrictive covenant unless the PEO has specifically agreed otherwise in writing; or

(3) affect, modify or amend any employee rights under federal, state, local or municipal law.

Section 194. (a) Nothing in sections 192 to 204, inclusive, or any professional employer agreement shall affect, modify or amend any federal, state or local licensing, registration or certification requirement applicable to any client or covered employee.

(b) A covered employee who is required to be licensed, registered or certified according to law or regulation shall be deemed solely an employee of the client for purposes of any such license, registration or certification requirement.

(c) A PEO shall not be deemed to engage in any occupation, trade, profession or other activity that is subject to licensing, registration or certification requirements, or is otherwise regulated by a government agency solely by entering into and maintaining a PEO relationship with a covered employee who is subject to such requirements or regulation.

(d) A client shall have the sole right of direction and control of the professional or licensed activities of covered employees and of the client's business. Covered employees and clients shall remain subject to regulation by the regulatory or governmental entity responsible for licensing, registration or certification of such covered employees or clients.

Section 195. (a) For purposes of the determination of tax credits and other economic incentives provided by the commonwealth or other government entity and based on employment, covered employees shall be deemed solely the client's employees. A client shall be entitled to the benefit of any tax credit, economic incentive or other benefit arising as the result of the employment of covered employees of such client. Notwithstanding that the PEO is the reporting employer for the purposes of the federal Internal Revenue Service form W-2, the client shall continue to qualify for the benefit, incentive or credit. If the grant or amount of any benefit, incentive or credit is based on number of employees, then each client shall be treated as employing only those covered employees involved in a PEO relationship by such client. Covered employees working for other clients of the PEO shall not be counted. Each PEO shall provide, upon request by a client or by agency employment information reasonably required for administration of any tax credit or economic incentive and necessary to support any request, claim, application or other action by a client seeking any tax credit or economic incentive.

(b) With respect to a bid, contract, purchase order or agreement entered into with the commonwealth or a political subdivision thereof, a client company's

status or certification under federal or state law as a small, minority-owned, disadvantaged, woman-owned business or other underutilized class of enterprise shall not be affected because the client company has entered into a PEO relationship.

Section 196. (a) Except as otherwise provided in sections 192 to 204, inclusive, no person shall provide, advertise or otherwise hold itself out as providing professional employer services in the commonwealth, unless such person is registered pursuant to this section.

(b) Each applicant for registration shall provide the department with the following information:

(1) the name or names under which the PEO conducts business or will conduct business;

(2) the address of the principal place of business of the PEO and the address of each office it maintains in the commonwealth;

(3) the taxpayer or employer identification number of the PEO;

(4) a list by jurisdiction of each name under which the PEO has operated in the preceding 5 years, including any alternative names, names of predecessors and, if known, successor business entities;

(5) a statement of ownership, which shall include the name and evidence of the business experience of any person that, individually or acting in concert with one or more other persons, owns or controls or will own or control if known or reasonably known at the time of registration, directly or indirectly, not less than 25 per cent of the equity interests of the PEO;

(6) a statement of management, which shall include the name and evidence of the business experience of any person who serves or will serve, if known or reasonably known at the time of registration, as president, chief executive officer or otherwise has the authority to act as senior executive officer of the PEO;

(7) A financial statement setting forth the financial condition of the PEO or PEO group. At the time of application for a new license, as part of the financial statement, the applicant shall submit an audit of the applicant, which shall be the most recent audit available and shall not be more than 13 months old; provided, that nothing in this clause shall be construed as to require the department to conduct the audit; provided, further, that a PEO or PEO group shall file on an annual basis, at the time of renewal, a succeeding audit; provided, further, that an applicant may apply for an extension with the department but any such request shall be accompanied by a letter from the auditors stating the reasons for the delay and the anticipated audit completion date; provided, further, that the financial statement shall be prepared in accordance with generally accepted accounting principles, and the audit shall be conducted by an independent certified public accountant licensed to practice in the jurisdiction in which such accountant is located, and shall be without qualification as to the going concern status of the PEO; provided, further, that a PEO group or a PEO that is part of an organizational structure in which it is majority owned or commonly controlled by an entity, parent or controlling person may submit combined or consolidated audited financial statements to meet the requirements of this section; and provided, further, that a PEO that has not had sufficient operating history to have audited financials based upon at least 12 months of operating history shall meet the financial capacity requirements in subsections (l) and (m) and shall present financial statements reviewed by a certified public accountant; and

(8) a list of clients including client name, physical address, telephone number and federal identification number.

(c) A PEO shall complete its initial registration prior to initiating operations within the commonwealth. If a PEO that is not registered in the commonwealth becomes aware that an existing client not based in the commonwealth has employees and operations in the commonwealth, the PEO shall decline to provide PEO services for those employees or notify the department within 5 business days of its knowledge of the fact and file a full business registration within 5 business days if there are more than 15 covered employees. The department may issue an interim operating permit for the period the registration applications are pending if: (i) the PEO is currently registered or licensed by another state and (ii) the department determines it to be in the best interests of the potential covered employees.

(d) Upon expiration of its registration, the registrant shall renew its registration by notifying the department of any changes in the information provided in the registrant's most recent registration or renewal. A registrant's existing registration shall remain in effect during the pendency of a renewal application.

(e) PEOs in a PEO group may satisfy the reporting and financial requirements established pursuant to this section on a combined or consolidated basis; provided, each member of the PEO group guarantees the financial capacity obligations pursuant to clause (7) of subsection (b) for each member of the PEO group. In the case of a PEO group that submits a combined or consolidated audited financial statement, including entities that are not PEOs or that are not in the PEO group, the controlling entity of the PEO group under the consolidated or combined statement shall guarantee the obligations of the PEOs in the PEO group.

(f) A PEO that is part of an organizational structure in which it is majority owned or commonly controlled by an entity, parent or controlling person may submit a combined or consolidated audited financial statement provided the controlling entity under the consolidated or combined statement guarantees the obligations of the PEO.

(g) The department shall maintain a list of PEOs registered pursuant to this section and shall make said list readily available to the public by electronic or other means.

(h) The department may prescribe forms necessary to promote the efficient administration of this section.

(i) Applications, documents, reports and other filings shall be submitted in a manner determined by the director, which may also include the acceptance of electronic filings and other assurance by an independent and qualified assurance organization approved by the director that provides satisfactory assurance of compliance acceptable to the director consistent with or in lieu of the requirements of subsections (b) to (g), inclusive, and subsection (k), and other requirements of sections 192 to 204, inclusive or the regulations promulgated pursuant to those sections. The director shall permit a PEO to authorize such an approved assurance organization to act on the PEO's behalf in complying with the registration requirements pursuant to this section, including electronic filings of information and payment of registration fees. Use of such an approved assurance organization shall be optional and not mandatory for a registrant. Nothing in this subsection shall limit or change the department's authority to register or terminate registration of a professional employer organization or to investigate or enforce this chapter.

(j) All records, reports and other information obtained from a PEO for the purposes of section 196 except to the extent necessary for the department's proper administration of this chapter, shall be confidential and shall not be published or open to public inspection except public employees in the performance of their

public duties or otherwise in accordance with federal or state law.

(k) The department shall establish by regulation any fee to be charged for initial registration, renewal or group registration.

(l) Except as provided by subsection (e) and (f), each PEO or collectively each PEO group shall maintain:

(1) positive working capital, as defined by generally accepted accounting principles, proof of which shall be submitted at registration as reflected in the financial statements submitted to the department with the initial registration and each annual renewal; and

(2) a surety bond in the amount of \$250,000, proof of which shall be submitted at the time of registration. The surety bond required shall be in a form acceptable to the director and maintained while the license remains in effect or any obligations or liabilities of the registrant remain outstanding.

(m) A PEO or PEO group without positive working capital may provide a bond, irrevocable letter of credit or securities with a minimum market value equaling the deficiency plus \$250,000. Such bond shall be held by a depository designated by the department, securing payment by the PEO of all taxes, wages, benefits or other entitlement due to or with respect to covered employees, if the PEO does not make such payments when due.

Section 197. (a) Except as specifically provided in sections 192 to 204, inclusive, and in the professional employer agreement pursuant to this section, or under any subsequent written agreement or amendment, in each PEO relationship:

(1) the client shall be entitled to exercise all rights, and shall be obligated to perform all duties and responsibilities, otherwise applicable to an employer in an employment relationship;

(2) the PEO shall be entitled to exercise only those rights, and obligated to perform only those duties and responsibilities, specifically required pursuant to sections 192 to 204, inclusive, or those set forth in the professional employer agreement. The rights, duties and obligations of the PEO with respect to any covered employee shall be limited to those arising pursuant to the professional employer agreement and those required pursuant to this chapter during the term of the PEO relationship with such covered employee; and

(3) unless otherwise expressly agreed to by the PEO and the client in a professional employer agreement, the client retains the exclusive right to direct and control the covered employees as is necessary to conduct the client's business, to discharge any of the client's fiduciary responsibilities or to comply with any licensure requirements applicable to the client or to the covered employees.

(b) Except as specifically provided in sections 192 to 204, inclusive, the PEO relationship between the client and the PEO, the relationship between the PEO and each covered employee and the relationship between the client and each covered employee shall be governed by the professional employer agreement.

Each professional employer agreement shall include the following:

(1) the allocation of rights, duties and obligations as described in subsection (a);

(2) the extent that the PEO has assumed responsibility in the professional employer agreement; (i) where the PEO shall have responsibility to pay such wages to covered employees; (ii) to withhold, collect, report and remit payroll-related and unemployment taxes; and (iii) to make payments for employee benefits for covered employees; and

(3) that the PEO shall have a right to hire and terminate a covered employee as may be necessary to fulfill the PEO's responsibilities pursuant to sections 192 to

204, inclusive, the professional employer agreement, or as actually delegated by the client. The client shall have a right to hire, discipline and terminate a covered employee.

(c) Upon initiation of the PEO relationship: (i) the PEO shall provide the client a notice; (ii) the client shall post said notice in a conspicuous place at the client's worksite; and (iii) depending on the customary way that the client communicates with its employees, the client shall either provide a hard copy or an electronic copy of said notice to said employees. Said notice shall contain the following information:

(1) notice of the general nature of the co-employment relationship between and among the professional employer organization, the client and such covered employees, including the rights, responsibilities and duties that the PEO and the client have with respect to the covered employees;

(2) the name and telephone number of the department;

(3) the name and telephone number of the PEO;

(4) disclosure if the benefit plan is self-funded or is not fully insured;

(5) the name of the workers' compensation carrier and the policy number; whether the PEO or the client maintains the workers' compensation policy and performs safety inspections at the workplace; and a phone number or contact to report injuries and hazardous worksite conditions; and

(6) a multilingual tagline on the notice provided by the department in languages required under clause (iii) of subsection (d) of section 62A of chapter 151A that includes the name and telephone number of the department and states that the notice contains important information that should be translated.

(d) Upon termination, and in accordance with applicable federal and state law, the PEO shall provide covered employees with written notice of the termination of the PEO relationship. The notice can be provided electronically if that is the customary manner in which the client and the PEO communicate with the covered employee.

(e) Except to the extent otherwise expressly provided by the applicable professional employer agreement:

(1) A client shall be solely responsible for the quality, adequacy or safety of the goods or service produced or sold in the client's business.

(2) A client shall be solely responsible for directing, supervising, training and controlling the work of the covered employees with respect to the business activities of the client and solely responsible for the acts, errors or omissions of the covered employees with regard to such activities.

(3) A client shall be solely responsible for the payment of any wages to covered employees and to make payments for employee benefits for covered employees.

(4) A client shall be solely responsible for safety, risk and hazard control at the worksite and compliance with related state and federal laws.

(5) Upon termination of the PEO relationship, the client shall be solely responsible for providing employees with information regarding the handling of claims and benefits.

(6) A client shall not be liable for the acts, errors or omissions of a PEO, or of any covered employee of the client and a PEO, when such covered employee is acting under the express direction and control of the PEO.

(7) A PEO shall not be liable for the acts, errors or omissions of a client, or of any covered employee of the client, when such covered employee is acting under the express direction and control of the client.

(8) Nothing in this subsection shall serve to limit any contractual liability or obligation specifically provided in the written professional employer agreement.

(9) A covered employee is not, solely as the result of being a covered employee of a PEO, an employee of the PEO for purposes of general liability insurance, fidelity bonds, surety bonds, employer's liability which is not covered by workers' compensation or liquor liability insurance carried by the PEO unless the covered employees are included by specific reference in the professional employer agreement and applicable prearranged employment contract, insurance contract or bond.

(10) Nothing in this section shall in any way limit the liabilities and obligations of any PEO or client to covered employees as required by this chapter.

(11) The client shall be solely responsible for notifying the PEO of all covered employees. Where the client has failed to notify the PEO, the client will be deemed to be the sole employer of the employee.

(12) The client shall retain all records in compliance with state and federal law, including, but not limited to section 52C of this chapter and section 15 of chapter 151.

Section 198. (a) Any tax assessed or assessment or mandated expenditure on a per capita or per employee basis shall be assessed against the client for covered employees and against the PEO for its employees who are not covered employees involved in a PEO relationship with a client. Benefits or monetary consideration that meet the requirements of mandates imposed on a client and that are received by covered employees through the PEO either through payroll or through benefit plans sponsored by the PEO shall be credited against the client's obligation to fulfill such mandates.

(b) In the case of a tax or an assessment imposed or calculated upon the basis of total payroll, the PEO shall be eligible to apply any small business allowance or exemption available to the client for the covered employees for purpose of computing the tax.

Section 199. (a) A client or a PEO shall each be deemed an employer under the laws of this state for purposes of sponsoring welfare benefit plans for its covered employees.

(b) A fully-insured employee welfare benefit plan as defined in 29 U.S. Code § 1002 offered to the covered employees of a single PEO shall be treated for purposes of state law as a single-employer plan.

(c) For purposes of chapter 176J a PEO shall be considered the employer of all of its covered employees and all covered employees of one or more clients participating in a health benefit plan sponsored by a single PEO shall be considered employees of that PEO.

(d) If a PEO offers to its covered employees any health benefit plan which is not fully-insured by an authorized insurer, the plan shall:

(1) utilize a third-party administrator licensed to do business in this commonwealth;

(2) hold all plan assets, including participant contributions, in a trust account consistent with the requirements of section 403 of the Employee Retirement Income Security Act of 1974, or 'ERISA'; and

(3) provide sound reserves for such plan as determined using generally accepted actuarial standards of practice and consistent with the prudence and loyalty standards of care for ERISA fiduciaries.

(e) A PEO shall not be engaged in the sale of insurance or in acting as a third party administrator by offering, marketing, selling, administering or providing

professional employer services which include services and employee benefit plans for covered employees.

Section 200. (a) Workers' compensation coverage shall be provided pursuant to section 14A of chapter 152 and regulations promulgated pursuant to said chapter 152.

(b) PEOs and clients shall comply with employer posting notices pursuant to sections 21 and 22 of said chapter 152.

(c) To the extent the PEO has assumed responsibility in the professional employer agreement, the PEO shall maintain responsibility for the management of workers' compensation claims.

(d) The professional employer agreement shall specify the allocation of responsibilities between the PEO and the client for workplace safety, risk and hazard control including the responsibility for disclosing information about workplace injuries and illness required by the federal Occupational Safety and Health Act and for performing workplace safety inspections of all premises where covered employees are employed.

(e) Where the PEO has workers' compensation coverage and has executed an alternate employer endorsement naming the client as an additional insured, both the client and the PEO shall be considered the employer for purpose of coverage under said chapter 152.

(f) Where the client has workers' compensation coverage and has executed an alternate employer endorsement naming the PEO as an additional insured, both the client and the PEO shall be considered the employer for the purpose of coverage under said chapter 152.

Section 201. (a) For purposes of chapter 151A, covered employees of a PEO shall be considered the employees of the client, and the PEO shall be responsible for the payment of contributions, penalties and interest on wages paid by the PEO to its covered employees during the term of the applicable professional employer agreement.

(b) The PEO shall report and pay all required contributions to the unemployment compensation fund using the state employer account number and the experience rate of the client company pursuant to chapter 151A and the regulations promulgated pursuant to said chapter.

Section 202. Except as otherwise provided in this chapter, for the purposes of federal, state or local laws relating to employee count, including but not limited to paid and unpaid leave, health and transportation benefits and protection under fair employment laws, the employee count shall include all of the client company's employees, including the client's employees who are covered employees under the PEO relationship between the client and the PEO.

Section 203. (a) A person shall not knowingly and intentionally:

(1) offer or provide professional employer services or use the names PEO, professional employer organization, staff leasing, employee leasing, administrative employer or other title representing professional employer services without registering with the department pursuant to section 196;

(2) provide false or fraudulent information to the department in conjunction with any registration, renewal or in any report required pursuant to sections 192 through 204, inclusive;

(3) enter into a PEO relationship and split a client workforce for the sole purpose of avoiding compliance with federal, state or municipal laws; or

(4) make a material misrepresentation to the department, to other governmental agencies or to covered employees.

(b) Disciplinary action may be taken by the department for violation of sections 192 through 204, inclusive, including for:

(1) the conviction of a PEO or a controlling person of a PEO of a crime that relates to the operation of a PEO or the ability of the licensee or a controlling person of a licensee to operate a PEO;

(2) knowingly making a material misrepresentation to the department, or other governmental agency; or

(3) a willful violation of sections 192 through 204, inclusive, or any related order or regulation.

(c) Any individual may file a complaint with the department against a PEO, PEO group, controlling person of a PEO, person offering professional employer services, or client. The complaint shall be filed in writing, with the department, in a form prescribed by the director.

(1) Upon receipt of a complaint, the department shall proceed to review and investigate the complaint to determine if further action is warranted.

(2) If the director, after investigation, has cause to believe that there have been violations of this chapter, the director may refer the complaint to the office of the attorney general.

(d) Upon finding, after notice and opportunity for hearing, that a PEO, PEO group, controlling person of a PEO, person offering professional employer services, or client has violated 1 or more provisions of this chapter, including the failure to furnish records and requested information to the department and its inspectors, or has hindered or interfered with any authorized inspector while in the performance of their duties, subject to any appeal, the director may:

(1) deny an application for a license;

(2) revoke, suspend, restrict or refuse to renew a license;

(3) impose an administrative penalty in an amount not to exceed \$1,000 for each material violation;

(4) place the licensee on probation for the period and subject to conditions that the department specifies; or

(5) issue a cease and desist order.

Section 204. Wages shall be paid in accordance with section 148 of this chapter and any minimum wage and overtime requirements as provided for in chapter 151. A PEO who fails to pay wages, to the extent the PEO has assumed responsibility in the professional employer agreement or subsequent written agreement and as required under this chapter, shall be subject to penalties under this chapter.

SECTION 65. Each professional employment organization as defined by section 192 of chapter 149 of the General Laws operating within the commonwealth as of the effective date of this act shall complete its initial registration not later than 180 days after the effective date of this act. Initial registration shall be valid for 1 year after the date of issuance.

SECTION 66. The department of labor standards shall promulgate regulations to effectuate the purposes of this act.”

The amendment was adopted.

Mrs. Haddad of Somerset being in the Chair,—

Ms. Peake of Provincetown then moved to amend the bill by adding the following section:

“SECTION 67. There shall be a special commission to investigate, analyze and study any barriers and hindrances to the ‘last mile’ connections to the broadband internet initiatives. The special commission shall consist of thirteen

members including: six members appointed by the governor, one of whom shall be from western Massachusetts; one of whom shall be from central Massachusetts; one of whom shall be from Cape Cod and the Islands; one of whom shall be the director of a community development corporation located in Barnstable county; one of whom shall be the director of a community development corporation located in Berkshire county; and one of whom shall be the director of a community development corporation located elsewhere in the Commonwealth; the secretary of energy and environmental affairs, or a designee; the secretary of housing and economic development, or a designee; one member of the house appointed by the speaker; one member of the house appointed by the minority leader; one member of the senate appointed by the senate president; one member of the senate appointed by the minority leader; and the director of the Massachusetts broadband institute.

The commission study shall include, but not be limited to, any economic, technical, statutory or regulatory barriers or other hindrances to close ‘last mile’ connections being made. The commission shall submit its findings and recommendations, together with drafts of legislation necessary to carry those recommendations into effect by filing the same with the clerks of the house of representatives and senate, the house and senate committees on ways and means, and the joint committee on economic development and emerging technologies not later than January 31, 2019.”

The amendment was adopted.

Ms. Atkins of Concord then moved to amend the bill by adding the following section:

“SECTION 68. Section 1A of chapter 128 of the General Laws, as so appearing, is hereby amended by inserting at the end thereof, after the word ‘market’, the following words:- ‘; and shall include agritourism, which is any educational, recreational, or social activity, including weddings performed on a farm, which serves to promote the farm and its products, provided however that income from agritourism activities do not exceed 50 per cent of the annual farm revenue from the sale of farm product over any 5 year period”.

The amendment was rejected.

Mr. Jones of North Reading and other members of the House then moved to amend the bill by adding the following four sections:

“SECTION 68. Section 1 of chapter 64H of the General Laws, as appearing in the 2016 Official Edition, is hereby amended by inserting, after the definition of ‘Retail establishment’, the following definition:-

‘Rolling stock’, trucks, tractors, and trailers, used by common carriers to transport goods in interstate commerce.

SECTION 69. Section 6 of said chapter 64H, as so appearing, is hereby amended by inserting, after subsection (xx), the following new subsection:-

(yy) Sales of rolling stock.

SECTION 70. Section 1 of chapter 64I, as so appearing, is amended by inserting in line 5, after the words ‘retail establishment’, the following words:-
, ‘rolling stock’.

SECTION 71. Section 7 of said chapter 64I, as so appearing, is hereby amended by inserting, after subsection (e), the following new subsection:-

(f) Storage, use or other consumption of rolling stock.”

The amendment was adopted.

The Chair (Mrs. Haddad of Somerset) then placed before the House the question on suspension of Rule 1A in order that the House might continue to meet

Suspension
of Rule 1A.

to meet beyond the hour of nine o'clock P.M.

On the question on suspension of Rule 1A, the sense of the House was taken by yeas and nays, as required under the provisions of said rule; and on the roll 112 members voted in the affirmative and 32 in the negative.

[See Yea and Nay No. 393 in Supplement.]

Therefore Rule 1A was suspended.

Mr. Sánchez of Boston and other members of the House then moved to amend the bill in section 2A by inserting before item 6720-1351 the following item:

“7008-1116 For the commonwealth’s local economic development projects; provided that \$250,000 shall be expended for the facilitation and support of the Massachusetts-Israel Economic Connection operated by the New England Israel Business Council to pursue economic collaboration between Israel and Massachusetts; provided further, that not less than \$150,000 shall be expended for the Black Economic Council of Massachusetts; provided further, that not less than \$500,000 shall be expended for the fit-out of the ground floor of the Union Station garage in the city of Worcester for commercial use; provided further, that not less than \$250,000 shall be expended to the City of Melrose for the expansion and improvement of the Victorian Downtown Business District; provided further that not less than \$100,000 shall be expended for the development of a water and sewer economic infrastructure feasibility study and master plan in the Town of Leicester; provided further, that \$400,000 shall be expended for the design and construction of connecting the Methuen Rail Trail to the Spicket River Greenway in the City of Methuen and the City of Lawrence; provided further that not less than \$225,000 shall be expended for the purpose a feasibility study and business plan for an Applied Climate/Coastal Resilience Innovation Center in the Town of Barnstable; provided further, that not less than \$350,000 shall be used to renovate the Chevalier Theater in the City of Medford; provided further, that \$250,000 shall be used for Street and sidewalk construction on Commercial Street in City of Medford; provided further, that \$200,000 shall be expended for engineering improvements to the slip ramp for Route 1A and I-495 in the Town of Wrentham; provided further, that not less than \$350,000 shall be expended for parking improvements in the Town of Holliston; provided further, that not less than \$350,000 shall be expended for the establishment of a building code upgrade fund in the City of Pittsfield; provided further, that not less than \$200,000 shall be expended to the Falmouth Economic Development and Industrial Corporation to fund fiber optic cable expansion in Falmouth; provided further, that the Secretary shall expand \$100,000 for mitigation of or contribution toward any costs associated with or arising out of design, construction or infrastructure improvements related to the redevelopment of the intersection of Carew and Cass Street in Springfield; provided further, that \$200,000 shall be expended for improvements to Goddard Park and Auburn Pond in the town of Auburn; provided further, that not less than

Rule 1A
suspended,—
yea and nay
No. 393.

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\$50,000 shall be expended for sidewalk projects for the new Village Center in the town of Pelham; provided further, that not less than \$50,000 shall be expended for a commercial kitchen in the Community Hall in Pelham; provided further, that not less than \$75,000 shall be expended for the Sweetser Park Foundation in the town of Amherst; provided further, that not less than \$100,000 shall be expended for the construction of secure bicycle shelters and marked bicycle lanes on State Route 4/225 in the town of Bedford; provided further, that not less than \$150,000 shall be expended for the construction of bus transit shelters in the town of Burlington; provided further that not less than \$250,000 be allocated to infrastructure improvements to Lincoln Street in Marlborough for the revitalization of the French Hill area; provided further, that not less than \$350,000 shall be expended to the City of Fitchburg for the implementation of a municipal fiber-optic telecommunication infrastructure; provided that not less than \$300,000 shall be expended for improving sewer infrastructure along Route 20 in the Town of Shrewsbury; provided further, that \$100,000 shall be expended for an erosion study located in the town of Salisbury; provided further, that not less than \$100,000 shall be expended to the City of Newton, to improve external marketing of economic development services offered by the city; provided further, that not less than \$200,000 shall be expended to the City of Newton, to conduct a market analysis and community engagement process in order to develop a strategic vision plan for the future of Newton Centre; provided further, that not less than \$100,000 shall be expended to the City of Newton, to expand the capacity of the Newton Innovation Center; provided further, that not less than \$200,000 shall be expended to the City of Newton, for new bathroom and locker room facilities at Gath Pool; provided further, that \$150,000 shall be expended for the MetroWest Tourism and Visitors Bureau; provided further, that not less than \$100,000 shall be expended for sidewalk, road, and parking improvement projects in commercial and retail areas within the town of Ashland; provided further, that not less than \$100,000 shall be expended for sidewalk, road, and parking improvement projects in commercial and retail areas within the city of Framingham; provided further, that not less than \$250,000 shall be expended for park development costs for North Mountain Park in the Town of Dalton; provided further, that not less than \$100,000 shall be expended for repairs and the beautification of Sullivan Park in the City of Lawrence; provided further, that not less than \$100,000 shall be expended for repairs and the beautification of Stockton Park in the City of Lawrence; provided further, that not less than \$100,000 shall be expended for the renovation and repair of Burgoin Square Park Soccer Field in the City of Lawrence; provided further, that not less than \$100,000 for the improvement of sidewalks and bike path infrastructure in the city of Lawrence; provided further, that not

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less than \$250,000 shall be expended for the University of Massachusetts at Lowell for technical assistance, mentoring, prototyping, product development, and manufacturing referral services for medical device, manufacturing and technology-based startups within the Hamilton Canal Innovation District and to promote industry and supply chain partnerships; provided further, that no less than \$40,000 be provided to the town of Sterling for the implementation of an online, E-Permitting program; provided further, that not less than \$75,000 shall be expended for the Downtown Taunton Foundation to facilitate commercial and residential housing development; provided further, that \$50,000 shall be expended for the Southeastern Massachusetts Convention and Visitors Bureau; provided further, that not less than, \$250,000 shall be expended for the installation of lights at the baseball fields located at Aaron Krock Memorial Park in Worcester; provided further, that not less than \$75,000 shall be expended for administrative costs related to the operation of the Life Sciences Consortium of the North Shore run through North Shore InnoVentures in Beverly; provided further that not less than \$50,000 be expended to the Essex National Heritage Commission for the purposes of improving signage on Essex Heritage Sites; provided further, that not less than \$250,000 shall be allocated to the Roxbury Trust Fund for the creation of jobs, job training and placement, business development and expansion, financial workshops for individuals and small businesses, education, literacy and English language acquisition in the Roxbury neighborhood of the City of Boston; provided further, that not less than \$25,000 shall be expended for career and technical training programs held at the Malden YWCA; provided further, that not less than \$150,000 shall be expended for sidewalk, road, and parking improvement projects in commercial and retail areas within the city of Malden; provided further, that not less than \$100,000 shall be expended to the City of Haverhill for the advancement of redevelopment on Merrimack Street; provided further, that not less than \$100,000 shall be expended to the City of Haverhill for a grant program to support rental costs for new small businesses in the City’s Central Business District; provided further, that not less than \$75,000 shall be expended for the establishment of a feasibility study, site assessment, and pre-development work through the City of Haverhill on the former Dutton Airport parcels; provided further, that not less than \$250,000 be expended to the City of Peabody for the design, manufacturing, and implementation of a wayfinding plan and signage for Centennial Business Park; and provided further that not less than \$200,000 shall be expended for coastal culvert repair in the Blish Point section of the Town of Barnstable.....\$8,840,000”; and

By inserting after item 6720-1351 the following item:

“7002-1120 For grants to municipalities and other public instrumentalities for design, construction, building, land acquisition, rehabilitation,

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repair and other improvements to publicly-owned infrastructure, or those owned or operated by nonprofit organizations; provided, that not less than \$3,000,000 shall be expended on land acquisition for the purposes of market rate housing in the City of Fall River; provided further, that not less than \$1,000,000 shall be expended for the City of Newton Parks and Recreation Department for the purpose of replacing the bath house located at Crystal Lake in Newton, a Great Pond under MGL Chapter 91; provided further, that not less than \$1,000,000 shall be expended for provided that \$1,000,000 shall be expended for the Clippership Connector, a multi-use path in the City of Medford; provided further, that not less than \$2,000,000 shall be expended to the Town of Adams for the construction of the Greylock Glen Outdoor Center; provided that \$5,000,000 shall be expended for the Harbor Development Commission in the City of New Bedford for the construction of a Fisheries Innovation Center; provided further, that not less than \$1,000,000 shall be expended to the development and improvement of the Waterfield lot in the Town of Winchester; provided further, that not less than \$1,000,000 shall be expended for the implementation of a pilot Transportation Management Association to address mobility and connectivity gaps in the Town of Stoneham; provided further, that not less than \$1,000,000 shall be expended for the growth of the startup and small business ecosystem in the City of Worcester including the operation of incubators, accelerators and other new ventures; provided further, that not less than \$1,000,000 shall be allocated for dredging of Milton Landing in the Town of Milton; provided further, that not less than \$1,000,000 shall be expended for the continued maintenance and development of Powers Farm Park in the Town of Randolph; provided further, that not less than \$1,000,000 shall be expended for site readiness and storm water management at the William Stanley Business Park in Pittsfield; provided further, that not less than \$1,000,000 be allocated to the Marine Biological Laboratory to be used for the restoration of the seawall located at Waterfront Park in the town of Falmouth; provided further, that not less than \$1,000,000 shall be allocated for dredging in the Town of Tisbury; provided further, that not less than \$1,300,000 shall be expended for new equipment and technological improvements to combine Next-Gen Sequencing with High Performance Technology and Big Data Analytics to mine the rich genetic diversity of marine organisms for a joint proposal of the Ocean Genome Legacy/Northeastern Marine Science Center (OGL/MSC) and Gloucester Marine Genomics Institute; provided further, that \$1,500,000 shall be expended to support improvements to the water and sewer infrastructure system along state highway route 20 in the town of Oxford; provided further, that not less than \$900,000 shall be expended for implementing infrastructure improvements and development strategies of the Drury Square Plan in the town of Auburn;

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provided further, that not less than \$1,000,000 shall be expended for economic development of the Avon Industrial Park in the Town of Avon; provided further, that not less than \$1,000,000 shall be expended for the Paul Revere Heritage Site in the Town of Canton; provided further, that not less than \$3,500,000 shall be expended for an extended care career ladder grant program, consistent with section 410 of chapter 159 of the Acts of 2000; provided further, that not less than \$3,500,000 shall be expended for the establishment of a pilot program in the city of Lowell administered by a local 501(c)3 that has the capability to provide zero to 3% loans to local commercial businesses to implement energy efficiency updates to increase commercial activity, contribute to downtown revitalization, promote job creation in economically depressed areas, or advance other local economic development goals; provided further, that not less than \$2,000,000 shall be expended to Way Finders, Inc.; provided further, that not less than \$1,000,000 shall be expended to New North Citizens Council, Inc., a City Wide Neighborhood and community agency in Springfield, for infrastructure improvements and capital investments to support the low income Neighborhood revitalization, Business Corridor redevelopment, financing for Facade for Micro/small businesses, and other community economic development initiatives; provided further that not less than \$500,000 be allocated for the design and construction of a regional cultural arts center at the Burlington Mall or other suitable location in the town of Burlington; provided further, that not less than \$10,000,000 shall be expended for dredging in the waterways and the construction, rehabilitation and repair of on-shore facilities located at Brayton Point in the Town of Somerset to support the growth and expansion of the off-shore wind-driven electricity generating projects; provided further, that not less than \$1,000,000 shall be expended for the design of a pedestrian and bicycle bridge connecting businesses, housing and public transit in the Alewife section of Cambridge; provided further, that not less than \$750,000 shall be expended for the renovation and rehabilitation of the Patton Homestead in the Town of Hamilton; provided further, that not less than \$500,000 shall be expended for the reconfiguration and renovation to the downtown area in the Town of Topsfield; provided further, that not less than \$500,000 shall be expended for the replacement and renovation for the water main in the Town of Ipswich; provided further, that not less than \$500,000 shall be expended for signalization on Main Street in the Town of Wenham; provided further, that not less than \$500,000 shall be expended for signalization on Route 1 in the Town of Rowley; provided further, that not less than \$1,000,000 shall be expended for the redevelopment of the Old Town Hall building in the Town of Walpole; provided further, that not less than \$2,700,000 shall be expended for infrastructure and road improvements at the intersection of Interstate Highway Route

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95, South Main Street, and Old Post Road in the Town of Sharon; provided further, that not less than \$2,000,000 shall be expended for the economic redevelopment in the Downtown Mixed Use Overlay District in the Town of Stoughton; provided further, that not less than \$1,000,000 shall be expended for business development along Pleasant Street in the City of Worcester; provided further, that \$1,000,000 shall be expended for the demolition of the former Microfab building in the city of Amesbury; provided further, that \$500,000 shall be expended for improvements and repairs to the Route 1 corridor located in the city of Newburyport; provided further, that \$500,000 shall be expended for improvements to the Welcome Center in the town of Salisbury; provided further, that not less than \$3,000,000 shall be expended to promote facilities that produce mass timber products for building construction located in Massachusetts gateway cities, provided that such facilities use or produce responsibly harvested wood products certified by the Forest Stewardship Council or Programme for the Endorsement of Forest Certification; provided further, that not less than \$3,000,000 shall be allocated to municipalities for upgrading traffic signals to light-emitting diode technology and intelligent transportation system applications, such as autonomous and connected vehicle-related technology, performing regional operations such as re-timing, developing special event plans and monitoring traffic signals and for maintaining and operating traffic signals; provided further, that not less than \$2,000,000 shall be made available to the Municipal Americans with Disabilities Act Improvement Grant Program, operated by the Massachusetts Office on Disability, for the purposes of supporting capital improvements specifically dedicated to improving access for persons with disabilities while enhancing economic development in cities and towns across the Commonwealth; provided further, that not less than \$1,000,000 shall be expended for the construction of an Anaerobic Digester for the City of Greenfield for sludge disposal; provided further, that \$1,000,000 shall be expended for construction, renovations, and infrastructure improvements for the Italian Home for Children campuses located in the Jamaica Plain district of the city of Boston and in the East Freetown section of the town of Freetown; provided further, that not less than \$1,500,000 shall be expended for the construction of a police station facility in the town of Newbury; provided further, that not less than \$700,000 be expended to the town of Grafton for the Westboro Road-Route 30 Sewer Extension Project; provided further, that not less than \$500,000 be expended to the town of Northbridge for the urban renewal and redevelopment of the downtown area; provided further, that not less than \$525,000 be expended to the town of Upton for the revitalization of the town center; provided further, that not less than \$500,000 be expended to the town of Grafton for the Fisherville Mill 40R Streetscape and Infrastructure

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Improvements Project; provided further, that not less than \$400,000 be expended to the town of Northbridge for the property redevelopment study; provided further, that not less than \$2,000,000 shall be allocated for dredging of Plymouth Harbor; provided that not less than \$500,000 shall be expended for career training and costs associated with equipment upgrades for the Career and Technical Services program at Weymouth High School; provided further, than not less than \$500,000 be expended for the dredging of the Back River in the area of the Weymouth Back River boat launch facility and the nourishment of George Lane Beach; provided further, that \$3,000,000 shall be expended for the city of Lowell for the design and engineering of a 1,000 space parking garage on the site of a current surface parking lot; provided further, that \$3,000,000 shall be spent for the restoration of downtown sidewalks, lighting, street furnishings, street trees and other plantings and facade restoration grants in the city of Lowell; provided further, that not less than \$1,200,000 shall be expended for a site assessment to Rockbestos in the Town of Clinton; provided further, that not less than \$1,000,000 shall be expended for water and sewage infrastructure in the town of Northborough; provided further, that not less than \$5,000,000 shall be expended for the creation and development of a cultural highway along state highway route 62 in the towns of Hudson, Berlin, Clinton, Sterling, Princeton, Stow, and Maynard, which shall ensure the preservation of the economic, cultural, historical, agricultural and scenic aspects unique to the route and its host municipalities; provided further, that not less than \$500,000 shall be expended for the development and expansion of the Life Sciences Education and Training Center located in the Myles Standish Industrial Park in the city of Taunton; provided further, that not less than \$2,000,000 shall be expended for the façade improvement program and streetscape improvements in neighborhood business districts in the City of Worcester; provided further, that not less than \$3,500,000 shall be expended for new construction of 4,500 lineal feet of Riverside Drive with accompanying infrastructure as a Public Way within the Ludlow Mills complex; provided further, that not less than \$8,000,000 shall be expended to the town of Lee for the planning, design, and construction of a new water line from the water treatment plant into downtown Lee, for increased access to water and public safety, and to make possible the continued development of the former Eagle Mill into a mixed-use residential, retail, and hotel establishment; provided further, that not less than \$3,000,000 shall be expended to commence investigation, develop, refine, and build prototype vehicles/vessels utilizing nonpolluting sources such as photovoltaic power; said project being the beginning of a continuing process which will create long term jobs within the Commonwealth and the above work being accomplished at Massachusetts higher learning facilities; provided further, that

not less than \$2,000,000 shall be expended for the restoration and rehabilitation of the historic Everett Square Theatre in the Hyde Park section of the City of Boston; provided further, that not less than \$1,000,000 shall be expended to the City of Haverhill for the establishment of a building code upgrade fund; provided further, that not less than \$2,000,000 will be appropriated to the Massachusetts International Festival of the Arts for the restoration of the Victory Theater in Holyoke; provided further, that not less than \$2,000,000 shall be expended for Jackson Square Recreation Center in the Roxbury neighborhood of Boston; provided further, that not less than \$2,000,000 shall be expended to the Blessed Sacrament in Jamaica Plain; and provided further, that not less than \$1,000,000 shall be allocated to the Town of Dennis toward the dredging of the Sesuit Harbor.....\$116,975,000”.

On the question on adoption of the consolidated amendments, the sense of the House was taken by yeas and nays, as required under the provisions of House Rule 33F, and on the roll call 143 members voted in the affirmative and 1 in the negative.

Consolidated amendments adopted,—yea and nay No. 394.

[See Yea and Nay No. 394 in Supplement.]

Therefore the consolidated amendments were adopted.

Mr. Sánchez of Boston then moved to amend the bill in section 1, in line 2, by striking out the following: “2A and 2B” and inserting in place thereof the following: “2B and 2C”;

By inserting before item 6720-1351 the following:

“SECTION 2B.

EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT
Office of the Secretary”;

In line 44 by striking out the following: “2B” and inserting in place thereof the following: “2C”;

In section 46, in line 783, by striking out the figures: “1,000,000” and inserting in place thereof the figures: “2,000,000”;

In section 48, in line 806, by striking out the following: “2A” and inserting in place thereof the following: “2B”;

and in line 808 by striking out the figures: “441,250,000” and inserting in place thereof the figures: “558,225,000”;

In section 49, in line 818, by striking out the following: “2B” and inserting in place thereof the following: “2C”;

and

By inserting after section 49 the following section:

“SECTION 49A. There shall be a commission to plan, develop, and implement strategies to support and promote minority-owned real estate and financial services corporations in the commonwealth. The commission shall also identify barriers to professional licensure for socially or economically disadvantaged persons including, but not limited to, barriers to obtaining mortgage lending and broke licenses, state bank charters and insurance or carrier licenses.

The commission shall consist of the commissioner of banks, or a designee; the director of the division of professional licensure, or a designee, 1 representative of the National Association of Real Estate Brokers; and 2 minority business enterprise owners, as described in section 58 of chapter 7 of the General Laws, as appointed by the governor. The commission shall file a report of its findings and recommendations with the clerks of the senate and house of representatives and the chairs of the senate and house committees on ways and means no later than June

30, 2019.”;

And by inserting before the enacting clause the following emergency preamble:

“Whereas, The deferred operation of this act would tend to defeat its purpose, which is to finance forthwith improvements to the commonwealth’s economic infrastructure and promote economic opportunity, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.”.

The amendments were adopted.

On the question on passing the bill, as amended, to be engrossed, the sense of the House was taken by yeas and nays, at the request of Mr. Wagner of Chicopee; and on the roll call 142 members voted in the affirmative and 1 in the negative.

[See Yea and Nay No. 395 in Supplement.]

Therefore the bill (House, No. 4732, published as amended) was passed to be engrossed. Sent to the Senate for concurrence.

Bill passed to
be engrossed,—
yea and nay
No. 395.

Recess.

At eighteen minutes after nine o’clock P.M. (Tuesday, July 10, 2018), on motion of Mr. Hill of Ipswich (Mrs. Haddad of Somerset being in the Chair), the House recessed until the following day at eleven o’clock A.M.; and at that time, the House was called to order with Mr. Donato of Medford in the Chair.

Recess.