

**HOUSE . . . . . No. 4045**

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The Commonwealth of Massachusetts



DEVAL L. PATRICK  
GOVERNOR

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LIEUTENANT GOVERNOR

EXECUTIVE DEPARTMENT  
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*April 10, 2014*

To the Honorable Senate and House of Representatives,

I am filing for your consideration legislation entitled “An Act to Promote Growth and Opportunity.”

Guided by our growth strategy of committing to education, innovation and infrastructure, we have made the investments necessary to stimulate growth across the Commonwealth. Our economy is strong and is growing faster than the national economy. We must continue to build upon the foundation that we have established with further investment and commitment to reforms we know are successful to ensure long-term growth and economic opportunity in Massachusetts.

The bill I am filing will provide new tools and training so our workforce is prepared to meet the needs of employers, invests in our Gateway Cities to promote development across the entire state, and provides incentives to create jobs and stimulate the economy.

Among other things this bill:

- Establishes grants to finance the training of students and workers for middle skill careers in advanced manufacturing and IT.

- Provides incentives to companies that create a significant number of new jobs without making large capital expenditures;
- Creates a new program to assist skilled and creative foreign students to extend their time as residents of — and budding entrepreneurs in — the Commonwealth;
- Funds programs to support entrepreneurship education and mentoring, and recapitalizes the state's vehicles for investing in small businesses, venture capital and innovation.
- Places authority for granting liquor licenses in the hands of municipalities to allow local communities to make responsible decisions regarding their economic development and growth.

I urge your prompt consideration and enactment of this bill and I look forward to working with you on this effort.

Respectfully submitted,

Deval L. Patrick,  
*Governor*

# HOUSE . . . . . No. 4045

Message from His Excellency the Governor recommending legislation relative to to promote growth and opportunity.

## The Commonwealth of Massachusetts

In the Year Two Thousand Fourteen

An Act to promote growth and opportunity.

*Whereas*, The deferred operation of this act would tend to defeat its purpose, which is to provide forthwith a business-friendly environment that will stimulate job growth and improve the ease with which businesses can operate in the markets they serve, and to coordinate economic development activities funded by the commonwealth, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. To provide for certain obligations of the commonwealth, and to meet  
2 certain requirements of law, for fiscal year 2014 the sums set forth in section 2A are hereby  
3 appropriated from the Economic Development Projects Fund established by section A, for the  
4 several purposes and subject to the conditions specified in said section 2A and subject to laws  
5 regulating the disbursement of public funds. Unexpended balances of appropriations in said  
6 section 2A shall not revert and shall be available for expenditure in fiscal years 2015, 2016, and  
7 2017. The secretary of administration and finance, after consulting the secretary of housing and  
8 economic development, may reduce amounts appropriated in section 2A, or the amount  
9 transferred by section 71, if the secretary of administration and finance determines that capital  
10 funds equal in amount will be expended for the same purpose.

11           SECTION 2A.

12           EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT

13           Office of the Secretary

14           7002-1501   For the operations, including but not limited to equity investments, of the  
15 Massachusetts Technology Development Corporation, currently doing business as  
16 MassVentures, established by section 2 of chapter 40G of the General Laws.....\$5,000,000

17           7002-1502     For the operations, including but not limited to loans and technical  
18 assistance grants, of the Massachusetts Growth Capital Corporation, established by section 2 of  
19 chapter 40W of the General Laws ..... \$5,000,000

20           7002-1503     For the operations of the John Adams Innovation institute within the  
21 Massachusetts Technology Collaborative established by section 6A of chapter 40J of the General  
22 Laws; provided that funds in this item shall be available for expenditure until June 30, 2018  
23 .....\$6,000,000

24           7002-1504     For the Massachusetts Technology Park Corporation doing business as the  
25 Massachusetts Technology Collaborative, established under section 3 of chapter 40J of the  
26 General Laws, to establish programs that provide advice and training from successful,  
27 experienced entrepreneurs for start-up enterprises and that create a talent pipeline to technology  
28 startups and innovation companies; provided, that \$2,000,000 shall be expended to establish an  
29 entrepreneur and startup mentoring program, in consultation with the Massachusetts Technology  
30 Development Corporation, doing business as MassVentures, established by section 2 of chapter  
31 40G of the General Laws, that would provide assistance, mentoring, and advice to startups and  
32 innovation companies by connecting early-stage entrepreneurs, technology startups, and small  
33 businesses with successful, experienced business enterprises and capital financing; provided  
34 further, that \$2,000,000 shall be expended to fund paid internships for students seeking careers in  
35 technology and innovation industries to work with companies competing actively in those fields;  
36 provided further, that in the design and implementation of these programs, the Massachusetts  
37 Technology Collaborative shall consult with and review the talent pipeline and mentoring  
38 programs that are administered by the Venture Development Center at the university of  
39 Massachusetts at Boston established under chapter 123 of the acts of 2006 in order to model and  
40 bring to scale successful talent pipeline programs and practices; provided further, that as a  
41 condition of such grants being awarded, the Massachusetts Technology Collaborative shall  
42 reach agreement with the grant recipient on performance measures and indicators that will be  
43 used to evaluate the performance of the grant recipient in carrying out the activities described in  
44 the recipient's application; provided further, that the Massachusetts Technology Collaborative  
45 shall file annual reports for the duration of the programs with the chairs of the house and senate  
46 committee on ways and means and the chairs of the joint committee on economic development  
47 and emerging technologies, on or before January 1; provided further, the paid internship program  
48 report shall include the number of placements of students in paid internships during the academic  
49 year, an analysis of the impact of the program on the ability of participants in the program to  
50 enter the full-time job market in the technology and innovation industries after graduation and  
51 shall be filed by [June 15] of each year; provided further that the entrepreneurship program  
52 report shall include an overview of the activities of the programs, the number of participants in  
53 the programs, and an analysis of the impact of said programs on the success of the participants'  
54 startup business ventures; and provided further that funds in this item shall be available until  
55 June 30, 2018.....\$4,000,000

56           7002-1505    For the Massachusetts Development Finance Agency as established by  
57 section 2 of Chapter 23G of the General laws; provided that funds in this item shall be used for  
58 the gateway city collaborative workspace program, established in SECTION 30 of this  
59 act..... \$4,000,000

60           7002-1506    For the Massachusetts Development Finance Agency, as established by  
61 section 2 of Chapter 23G of the General laws; provided that funds in this item shall be used for  
62 the gateway cities transformational projects program as established in SECTION 30 of this  
63 act.....\$11,000,000

64           7002-1507    For the purpose of the Brownfields Redevelopment Fund as established by  
65 section 29A of chapter 23G of the General Laws.....\$10,000,000

66           7002-1508    For the manufacturing and information technology workforce training  
67 program as established by SECTION 31 of this act.....\$20,000,000

68           7002-1509    For the Massachusetts Technology Park Corporation currently doing  
69 business as the Massachusetts Technology Collaborative for a program to offer students on  
70 nonimmigrant visas the opportunity to remain in the Commonwealth to pursue practical training  
71 in entrepreneurship; provided that funds in this item shall be deposited in the Massachusetts  
72 Entrepreneur in Residence Fund established by SECTION 34 of this act  
73 .....\$3,000,000

74           Massachusetts Marketing Partnership

75           7008-1015    For costs to supplement the Massachusetts Office of Travel and Tourism  
76 annual appropriation; provided, that no funds in this appropriation are intended to supplant the  
77 funding appropriated in 7008-0900; provided further that funds in this item shall be used for  
78 marketing Massachusetts in international markets to travelers and to enhance business  
79 opportunities with those markets; provided further that funds from this item shall be focused on  
80 increasing visitation and spending from countries which now have, or for which the office has  
81 reason to believe may soon have, direct air service; and provided further that funds from this  
82 item shall be available for expenditure until December 31, 2016  
83 .....\$7,000,000

84           SECTION 3. Chapter 6 of the General Laws is hereby amended by inserting the  
85 following new section after section 215:-

86           Section 216. Science, Technology, Engineering, and Math (STEM) Advisory Council.

87           (a)       There is hereby established the Science, Technology, Engineering, and Math  
88 (STEM) Advisory Council. The Council shall advise the Governor and assist in informing the  
89 work of the secretaries of education, labor and workforce development, and housing and

90 economic development on issues relating to STEM education and STEM careers in the  
91 commonwealth.

92 (b) The Council shall:

93 (1) Confer with participants and parties from the public and private sector involved  
94 with STEM planning and programming;

95 (2) Assess how best to dramatically increase student interest in, and preparation for,  
96 careers in STEM;

97 (3) Advise concerning the creation, implementation of and updates to a statewide  
98 STEM Plan that contains clear goals and objectives to guide the commonwealth's future STEM  
99 efforts, including the creation of benchmarks for improvements.

100 (c) The Council shall be chaired by the governor of the commonwealth or his  
101 designees (the "chair") and shall consist of not more than 47 members, including the chair and ex  
102 officio members. Each member shall be appointed by the governor and shall serve at the  
103 governor's pleasure, without compensation, solely in an advisory capacity.

104 (d) Council members shall be persons with demonstrated interest, experience and  
105 expertise in STEM education and shall be selected by the governor from the following groups:

106 2 of whom shall be members from the Massachusetts state senate, recommended by the  
107 senate president;

108 2 of whom shall be from the Massachusetts house of representatives, recommended by  
109 the speaker of the house;

110 1 of whom shall be of a U.S. senator from Massachusetts or his staff designee who serves  
111 on the commerce, science, and transportation committee or the health, education, labor and  
112 pensions committee;

113 1 of whom shall be a member of the U.S. house of representatives from Massachusetts or  
114 his staff designee who serves on the house committee on science, space, and technology or the  
115 house committee on education and the workforce.

116 The following 9 state officials, or their designees, as ex officio members: secretary of  
117 education, secretary of labor and workforce development, secretary of housing and economic  
118 development, commissioner of higher education, commissioner of elementary and secondary  
119 education, commissioner of early education and care, executive director of the massachusetts  
120 technology collaborative, CEO of the massachusetts clean energy center and president/CEO of  
121 the massachusetts life sciences center.

122 1 member from each of the following 7 fields: advanced manufacturing, computing  
123 technology, energy, engineering, health care, information systems, life sciences, and 3 at-large  
124 seats to be filled by representatives from high-demand fields.

125 20 leaders shall be selected to represent each segment of the education system along with  
126 the STEM advocacy and stakeholder community. Members shall include: president of the  
127 University of Massachusetts, or designee; president of a public state university, or designee;  
128 president of a private university, or designee; president of a public community college, or  
129 designee; superintendent of a public school district, or designee; superintendent of a vocational  
130 technical school, or designee; Chamber of Commerce executive, or designee; leader of a  
131 Regional STEM Network; early education provider; science or mathematics department chair  
132 from a public school district; out-of-school time or informal educator with expertise in the STEM  
133 fields; parent representative; teacher and 3 at-large education seats.

134 4 additional individuals shall be selected to represent key STEM stakeholder groups  
135 including, but not limited to, education, workforce development, non-profit organizations,  
136 organized labor, foundations and philanthropic organizations.

137 All terms of the ex officio members shall be conterminous with that of the governor. The  
138 other members shall be appointed for a term of two years, except for the Regional STEM  
139 Network seat, which shall be for a term of one year and shall rotate among the Regional STEM  
140 Networks annually.

141 (e) The Council shall establish an Executive Committee composed of up to 7  
142 members who shall provide guidance on the recommendations of the Council and plan future  
143 meetings and initiatives.

144 The chair shall determine the membership of the executive committee.

145 (f) The administrative operations of the Council shall rest with an executive director,  
146 who shall be appointed by, and serve at the pleasure of, the governor. The executive director  
147 shall be housed within the executive office of education.

148 (g) The Council and its executive committee shall meet at such times and places as  
149 determined by the chair.

150 (h) The chair, or the executive director with the chair's approval, may direct the  
151 Council to form subcommittees to focus on particular challenges facing STEM education and the  
152 STEM fields in the commonwealth. The composition and nature of each committee shall be  
153 determined by the chair.

154 (i) All agencies, departments and boards of the commonwealth, including the  
155 community colleges, state universities and the university of Massachusetts, shall fully cooperate  
156 with the Council. The Council may call and rely upon the expertise and services of individuals

157 and entities outside of its membership for research, advice, support or other functions necessary  
158 and appropriate to accomplish its mission.

159 (j) The Council shall report any findings or recommendations, including any  
160 recommendations for legislation or regulations, to the Governor periodically but not less than  
161 annually.

162 SECTION 4. Chapter 6C of the General Laws is hereby amended by striking out section  
163 20, and inserting in place thereof the following section:-

164 Section 20. Except as otherwise provided by law, any sale of real property shall be  
165 awarded, utilizing appropriate, competitive and customarily acceptable real estate disposition  
166 processes and procedures, to the bidder who is the highest responsible bidder, subject to any  
167 restrictions, covenants or conditions the department shall find that sound reasons in the public  
168 interest require. Such processes and procedures may include, but shall not be limited to, absolute  
169 auction, contractual listing agreements with Massachusetts licensed real estate brokers, sealed  
170 bids and requests for price and development proposals. The department shall have the right to  
171 reject all bids submitted under such processes and procedures and to re-advertise for bids.  
172 Before any real property shall be so sold or conveyed, notice that such real property is for sale  
173 shall be publicly advertised in a newspaper with a circulation sufficient to inform the people of  
174 the city or town in which the real property to be sold is located, once a week for 3 successive  
175 weeks. Such advertisements shall state the time and place where all pertinent information  
176 relative to the real property to be sold or conveyed may be obtained, the time and location of the  
177 auction, or the time and place for the submission of such bids and for the opening thereof, and  
178 that the department reserves the right to reject any or all such bids. The department may require,  
179 as evidence of good faith, that a deposit of a reasonable sum, to be fixed by the department,  
180 accompany the proposals or bids. This paragraph shall not be applicable to any sale of real  
181 property by the department to the commonwealth or any city, town or public instrumentality, nor  
182 to a sale of real property which is determined by the department to have a fair market value of  
183 \$100,000 or less.

184 SECTION 5. Section 4A of chapter 15A of the General Laws is hereby repealed.

185 SECTION 6. Section 3A of chapter 23A of the General Laws, as appearing in the 2012  
186 Official Edition, is hereby amended by striking out the definition of "Certified project" and  
187 inserting in place thereof the following definition:-

188 "Certified project", an expansion project, an enhanced expansion project, a job creation  
189 project, or manufacturing retention project that has been approved by the economic assistance  
190 coordinating council for participation in the economic development incentive program pursuant  
191 to section 3F.



192 SECTION 7. Said section 3A of chapter 23A, as so appearing, is hereby further amended  
193 by inserting after the definition of "Economic assistance coordinating council" the following  
194 definition:-

195 "Economic benefit", awards of tax credits approved under this chapter, any tax increment  
196 financing approved under section 3F and section 59 of chapter 40, or special tax assessment  
197 approved under section 3F of this chapter.

198 SECTION 8. Said section 3A of chapter 23A, as so appearing, is hereby further amended  
199 by striking out the definition of "Economic development incentive program" and inserting in  
200 place thereof the following definition:-

201 "Economic development incentive program" or "EDIP", a program designed to promote  
202 increased business development and expansion in the commonwealth to be administered by the  
203 EACC.

204 SECTION 9. Said section 3A of chapter 23A, as so appearing, is hereby further amended  
205 by striking out the definition of "enhanced expansion project" and inserting in place thereof the  
206 following definition:-

207 "Enhanced expansion project", a facility that in its entirety and as of the project proposal  
208 date: (i) is located or will be located within the commonwealth; (ii) generates substantial sales  
209 from outside of the commonwealth; and (iii) generates a net increase of at least 100 full-time  
210 employees within 2 years after project certification, and which shall be maintained for a period  
211 of not less than 5 years; provided, however, that in the case of a facility that as of the project  
212 proposal date is already located in the commonwealth, enhanced expansion project shall refer  
213 only to a facility at which the controlling business has expanded or proposed to expand the  
214 number of permanent full-time employees at such facility and the expansion shall represent: (1)  
215 an increase in the number of permanent full-time employees employed by the controlling  
216 business within the commonwealth; and (2) not a replacement or relocation of permanent full-  
217 time employees employed by the controlling business at any other facility located within the  
218 commonwealth; provided, further, that in the case of a facility to be located within the  
219 commonwealth after the project proposal date, "enhanced expansion project" shall refer only to a  
220 facility that is: (a) the first facility of the controlling business to be located within the  
221 commonwealth; or (b) a new facility of such business and not a replacement or relocation of an  
222 existing facility of such controlling business located within the commonwealth; or an expansion  
223 of an existing facility of the controlling business that results in an increase in permanent full-time  
224 employees.

225 SECTION 10. Said section 3A of chapter 23A, as so appearing, is hereby further  
226 amended by striking out the definition of "Expansion project" and inserting in place thereof the  
227 following definition:-

228 “Expansion project”, a facility that in its entirety and as of the project proposal date: (i)  
229 generates substantial sales from outside of the commonwealth; and (ii) generates a net increase  
230 of full-time employees within 2 years after project certification, and which shall be maintained  
231 for a period of not less than 5 years; provided, however, that in the case of a facility that as of the  
232 project proposal date already is in existence, “expansion project” shall refer only to a facility at  
233 which the controlling business has proposed to expand the number of permanent full-time  
234 employees at such facility to occur after the project proposal date and the expansion shall  
235 represent: (1) an increase in the number of permanent full-time employees employed by the  
236 controlling business within the commonwealth; and (2) not a replacement or relocation of  
237 permanent full-time employees employed by the controlling business at any other facility located  
238 within the commonwealth; and provided further, that in the case of a facility to be constructed or  
239 relocated after the project proposal date, “expansion project” shall refer only to a facility which  
240 is: (a) the first facility of the controlling business to be located within the commonwealth; or (b)  
241 a new facility of such business and not a replacement or relocation of an existing facility of such  
242 controlling business located within the commonwealth or an expansion of an existing facility of  
243 the controlling business that results in an increase in permanent full-time employees.

244 SECTION 11. Said section 3A of chapter 23A, as so appearing, is hereby further  
245 amended by striking out the definition of "Expansion project EOA".

246 SECTION 12. Said section 3A of chapter 23A, as so appearing, is hereby further  
247 amended by striking out the definition of "Expansion project ETA".

248 SECTION 13. Said section 3A of chapter 23A, as so appearing, is hereby further  
249 amended by striking out the definition of " Expansion project proposal" and inserting in place  
250 thereof the following definition:-

251 “Expansion project proposal”, a proposal submitted by a controlling business to the  
252 EACC pursuant to section 3F for designation of a project as a certified expansion project,  
253 provided that: (i) the proposal is submitted in a timely manner, in such form and with such  
254 information as is prescribed by the EACC, supported by independently verifiable information  
255 and signed under the penalties of perjury by a person authorized to bind the controlling business;  
256 (ii) the proposal includes specific targets by year for the subsequent 5 calendar year period  
257 relative to the projected increase in the number of permanent full-time employees of the  
258 controlling business to be employed by and at the project from among residents of the  
259 commonwealth; and provided further, that in the case of a project that already is in existence as  
260 of the project proposal date, such projected increase shall not be less than 25 per cent over the  
261 subsequent 5-year period; and (iii) in the case of a project that is a new facility within the  
262 meaning of clause (b) of the definition of expansion project, such proposal shall include the  
263 number of permanent full-time employees employed by the controlling business at other  
264 facilities located in the commonwealth.

265 SECTION 14. Said section 3A of chapter 23A, as so appearing, is hereby further  
266 amended by inserting after the definition of "Gateway municipality" the following 2 definitions:-

267 "Job creation project", a project or investment by a controlling business that (i) is located  
268 or will be located within the commonwealth; (ii) generates substantial sales from outside of the  
269 commonwealth; (iii) does not involve a significant investment in the construction or expansion  
270 of an existing facility, or otherwise result in an increase in the value of the real property where  
271 new jobs are to be located; and (iv) generates a net increase of at least 100 permanent full-time  
272 employees within 2 years after project certification, and which shall be maintained for a period  
273 of not less than 5 years; provided, however, that in the case of a facility that as of the project  
274 proposal date is already located in the commonwealth, job creation project shall refer only to a  
275 facility at which the controlling business has expanded or proposed to expand the number of  
276 permanent full-time employees at such facility and the expansion shall represent: (1) an increase  
277 in the number of permanent full-time employees employed by the controlling business within the  
278 commonwealth; and (2) not a replacement or relocation of permanent full-time employees  
279 employed by the controlling business at any other facility located within the commonwealth;  
280 provided, further, that in the case of a facility to be located within the commonwealth after the  
281 project proposal date, "job creation project" shall refer only to a facility that is: (a) the first  
282 facility of the controlling business to be located within the commonwealth; or (b) a new facility  
283 of such business and not a replacement or relocation of an existing facility of such controlling  
284 business located within the commonwealth; or an expansion of an existing facility of the  
285 controlling business that results in an increase in permanent full-time employees.

286 "Job creation project proposal", a proposal submitted by a controlling business to the  
287 EACC pursuant to section 3F for designation of a project as an job creation certified project,  
288 provided that: (i) the proposal is submitted in a timely manner, in such form and with such  
289 information as is prescribed by the EACC, supported by independently verifiable information  
290 and signed under the penalties of perjury by a person authorized to bind the controlling business;  
291 (ii) the proposal includes specific targets by year for the subsequent 5 calendar year period  
292 relative to the projected increase in the number of permanent full-time employees of the  
293 controlling business to be employed by and at the project from among residents of the  
294 commonwealth; provided further, that in the case of a project that is a new facility within the  
295 meaning of clause (b) of the definition of job creation project, such proposal shall include, in  
296 addition, the number of permanent full-time employees employed by the controlling business at  
297 other facilities located in the commonwealth.

298 SECTION 15. Said section 3A of chapter 23A, as so appearing, is hereby further  
299 amended by inserting after the definition of "Municipal application" the following definition:-

300 "Municipal project endorsement", the endorsement by the municipality or municipalities  
301 in which a proposed project is located as required by clause (b) of subsection (1) of section 3F.

302 SECTION 16. Said section 3A of chapter 23A, as so appearing, is hereby further  
303 amended by striking out the definition of " Project" and inserting in place thereof the following  
304 definition:-

305 "Project", an expansion project, an enhanced expansion project, a job creation project, or  
306 a manufacturing retention project.

307 SECTION 17. Said section 3A of chapter 23A, as so appearing, is hereby further  
308 amended by striking out the definition of "Project proposal" and inserting in place thereof the  
309 following definition:-

310 "Project proposal", a proposal submitted by a controlling business to the EACC pursuant  
311 to section 3F for designation as a certified expansion project, an enhanced expansion project, a  
312 job creation project, or manufacturing retention project.

313 SECTION 18. Said section 3A of chapter 23A, as so appearing, is hereby further  
314 amended by adding the following 2 definitions:-

315 "Special tax assessment", a binding agreement between a municipality and a controlling  
316 business consistent with the requirements of subsection (7) of Section 3F.

317 "Tax increment financing agreement", a binding agreement between a municipality and a  
318 controlling business consistent with the requirements of subsection (6) of Section 3F of this  
319 chapter and section 59 of chapter 40.

320 SECTION 19. Said chapter 23A, as so appearing, is hereby further amended by striking  
321 out section 3B and inserting in place thereof the following section:-

322 Section 3B. There shall be an economic assistance coordinating council, established  
323 within the Massachusetts office of business development consisting of 15 members. Said  
324 council shall consist of: the director of the office of business development or his designee who  
325 shall serve as co-chairperson; the director of housing and community development or his  
326 designee who shall serve as co-chairperson; the director of career services, or his designee; the  
327 secretary of labor and workforce development, or his designee; a representative of MOBD  
328 designated by the director of the office of business development; the director of economic  
329 assistance in the office of business development, or his designee; the president of the  
330 Commonwealth Corporation or his designee; and eight members to be appointed by the  
331 governor, one of whom shall be from the western region of the commonwealth, one of whom  
332 shall be from the central region of the commonwealth, one of whom shall be from the eastern  
333 region of the commonwealth, one of whom shall be from the southeastern region of the  
334 commonwealth, one of whom shall be from Cape Cod or the islands, one of whom shall be a  
335 representative of a higher educational institution within the commonwealth and one of whom  
336 shall be from the Merrimack valley, all of whom shall have expertise in issues pertaining to

337 training, business relocation and inner-city and rural development, and all of whom shall be  
338 knowledgeable in public policy and international and state economic and industrial trends. Each  
339 member appointed by the governor shall serve at the pleasure of the governor. Said council shall  
340 adopt bylaws to govern its affairs.

341 SECTION 20. Section 3C of Said chapter 23A, as so appearing, is hereby further  
342 amended by striking out clauses (d) to (h), inclusive, of subsection (1) and inserting in place  
343 thereof the following 4 clauses:-

344 (d) certify and approve tax increment financing agreements and special tax  
345 assessments pursuant to section 3F of this chapter and clause (vii) of section 59 of chapter 40.

346 (e) assist municipalities in obtaining state and federal resources and assistance for  
347 certified projects and other job creation and retention opportunities within the commonwealth;

348 (f) provide appropriate coordination with other state programs, agencies, authorities,  
349 and public instrumentalities to enable certified projects and other job creation and retention  
350 opportunities to be more effectively promoted by the commonwealth;

351 (g) monitor the implementation and operation of the economic development incentive  
352 program; and

353 SECTION 21. Section 3D of said chapter 23A, as so appearing, is hereby further  
354 amended by adding the following subsection:-

355 (2) The EACC may amend the boundaries of an ETA to address unique situations in  
356 which a commercial or industrial facility, which is the location for a prospective certified  
357 expansion project candidate, is located within the boundaries of 2 or more municipalities, with at  
358 least one of the municipalities in an existing ETA. Under such circumstance, if all of the  
359 municipalities involved wish to certify the proposed project, the boundaries of the ETA may  
360 deviate from census tract boundaries to include the parcel or parcels occupied by said  
361 commercial or industrial facility. The EACC may consider such an application for amending the  
362 boundaries of an ETA; provided, however, that:

363 (a) inclusion of the facility and underlying parcels in the pre-existing contiguous  
364 ETA does not alter the eligibility of said ETA as determined pursuant to subclause (ii) of clause  
365 (a) of section 3D;

366 (b) evidence that said commercial or industrial facility is physically located in 2 or  
367 more municipalities can be provided;

368 (c) the amended ETA application is jointly filed by the municipalities in which the  
369 facility and parcels are located, and the EACC approves said amended ETA application; and

370 (d) the filing municipalities represent in their joint application that a certified project  
371 application will be submitted to the EACC within a reasonable period of time for the project  
372 proposing to occupy said facility and parcels.

373 SECTION 22. Section 3E of said chapter 23A, as so appearing, is hereby further  
374 amended by striking out subclause (iii) of clause (f) of subsection (2) and inserting in place  
375 thereof the following subclause:-

376 (iii) a statement which describes the municipality's proposals to secure access to  
377 publicly or privately sponsored training programs to be made available to employees of certified  
378 projects, or others who reside in the ETA which contains the area proposed for designation, if  
379 applicable; and

380 SECTION 23. Said section 3E of chapter 23A, as so appearing, is hereby further  
381 amended by striking out subsection (3) and inserting in place thereof the following subsection:-

382 (3) receipt with the municipal application of a binding written offer from the  
383 municipality, subject only to acceptance by the EACC through designation of the area proposed  
384 therefor, in the municipal application as an EOA, to provide to certified projects within the  
385 project EOA and pursuant to section 59 of chapter 40 either tax increment financing or a special  
386 tax assessment consistent with clause (f) of subsection (1) of section 3F.

387 SECTION 24. Said section 3E of chapter 23A, as so appearing, is hereby further  
388 amended by striking out the second paragraph of clause (d) of subsection (4) and inserting in  
389 place thereof the following paragraph:-

390 An EOA shall retain its designation for at least 5 years and not more than 20 years from  
391 the date it is so designated, as determined by the EACC, unless such designation is revoked prior  
392 to the expiration of the specified period; provided, however, that the EACC shall not specify a  
393 duration in excess of that requested in the municipal application. The designation of an EOA  
394 may be revoked only by the EACC, and only upon the following grounds: (a) upon the petition  
395 of the municipality which requested the designation which petition satisfies the authorization  
396 requirements for a municipal application, and which petition shall be granted as a matter of  
397 course; or (b) if the EACC determines, based on its own investigation, that plans and  
398 commitments incorporated with the municipal application for such designation are materially at  
399 variance with the conduct of the municipality subsequent to the designation and such variance is  
400 found to frustrate the public purpose which such designation was intended to advance. Any such  
401 revocation of an EOA designation shall only be applied prospectively to deny certification to any  
402 projects located or to be located in such EOA and not certified prior to such revocation and shall  
403 not apply to, nor revoke any benefits due to or which may become due to, any certified project  
404 already in existence in said EOA, including but without limitation any benefits included in any  
405 plans and commitments incorporated with the municipal application for such designation;  
406 provided, however, that in no event shall a certified project receive any benefits arising from its

407 status as a certified project for a period of longer than that specified by the EACC in its  
408 certification designation, including any renewals thereof, or 20 years, whichever period is of  
409 shorter duration. No designation of an area as an EOA may be renewed or extended except  
410 pursuant to the provisions of paragraphs (1) to (4), inclusive.

411 SECTION 25. Said section 3E of chapter 23A, as so appearing, is hereby further  
412 amended by adding the following subsection:-

413 (6) Upon application from a city or town, the EACC may also from time to time  
414 designate one or more areas of a city or town as areas presenting exceptional opportunities for  
415 increased economic development. In making such designation, the EACC shall consider whether  
416 there is a strong likelihood that one or more of the following will occur within the area in  
417 question within a specific and reasonably proximate period of time:

418 (a) a significant influx or growth in business activity,

419 (b) the creation of a significant number of new jobs and not merely a replacement or  
420 relocation of current jobs within the commonwealth, and

421 (c) a private project or investment that will contribute significantly to the resiliency  
422 of the local economy.

423 SECTION 26. Said chapter 23A, as so appearing, is hereby further amended by striking  
424 out section 3F and inserting in place thereof the following section:-

425 Section 3F. (1) The EACC may from time to time designate one or more projects as a  
426 certified expansion project, a certified enhanced expansion project, a certified job creation  
427 project, or a certified manufacturing retention project, and take any and all actions necessary or  
428 appropriate thereto, upon compliance with the following:

429 (a) receipt of a project proposal therefor requesting such designation from the  
430 controlling business;

431 (b) receipt of a municipal project endorsement, which includes the following findings  
432 based on the information submitted with said project proposal and such additional investigation  
433 as the municipality shall make:

434 (i) the project proposal complies with the definition of a project proposal set forth in  
435 section 3A;

436 (ii) in the case of an expansion project proposal, that the expansion project is  
437 consistent with and can reasonably be expected to benefit from the municipality's plans relative  
438 to the project EOA, if and to the extent applicable;

439 (iii) together with all other projects previously certified and located in the same  
440 municipality, will not overburden the municipality's supporting resources, including but without  
441 limitation those set forth in clause (f) of said paragraph (2) of section 3E;

442 (iv) the project proposal includes a workable plan, with precise goals and objectives,  
443 by which the controlling business proposes to realize the increased employment objectives for  
444 the project and the business' plan to employ aggressive affirmative action goals, objectives and  
445 identification and recruitment techniques and, in the case of an expansion project, the plan for  
446 increased employment from among residents of the expansion project ETA, if applicable;

447 (v) the project proposal contains documentation regarding an agreement, if any,  
448 between the controlling business and area banking institutions by which said controlling business  
449 agrees to establish one or more accounts in said banks and said banks agree to commit a  
450 specified percentage of the funds deposited in said accounts for loans made thereby to businesses  
451 located within the expansion project area pursuant to the Massachusetts capital access program  
452 established pursuant to section 57 of chapter 23A;

453 (vi) the project as described in the proposal, together with the municipal resources  
454 committed thereto, will, if certified, have a reasonable chance of increasing or retaining  
455 employment opportunities as advanced in said proposal; and

456 (vii) In the case of an expansion project, the municipality or municipalities in which  
457 the expansion project is located or will be located each has offered to enter into a tax increment  
458 financing agreement meeting the requirements of paragraph (6) or paragraph of Section 3F, or to  
459 provide a special tax assessment meeting the requirements of paragraph (7) of Section 3F;

460 (c) receipt with the municipal project endorsement of a request by the municipality  
461 for a designation of the project as a certified project for a specified number of years, which shall  
462 be not less than 5 years nor more than 20 years; and

463 (d) the following findings are made by the EACC, based on the project proposal,  
464 documents submitted therewith, the municipal project endorsement, and such additional  
465 investigation as the EACC shall make, and incorporate in its minutes, that:

466 (i) the project proposal complies with the definition of a project proposal set forth in  
467 section 3A, with all other applicable statutory requirements, and with such other criteria that  
468 EACC may prescribe; and

469 (ii) the project as described in the proposal, and as further described in the written  
470 determination of the municipality made pursuant to clause (b) will, if certified, have a reasonable  
471 chance of increasing or retaining employment opportunities for residents of the ETA or  
472 municipality, as applicable.



473 (e) Notwithstanding any provisions of sections 3 to 3H, inclusive, to the contrary, as  
474 of July 1, 2014 it shall no longer be a requirement that a certified expansion project be located  
475 within an ETA and an EOA; provided that an expansion project proposal shall be accompanied  
476 by a municipal project endorsement that meets the requirements clause (b) of subsection (1) of  
477 section 3F.

478 (2) A certified project shall retain its certification for the period specified by the  
479 EACC in its certification decision; provided, however, that such specified period shall be not less  
480 than 5 years from the date of certification nor more than: (i) 20 years from such date; or (ii) the  
481 number of years requested by the municipality approving the project proposal, whichever is  
482 lesser, unless such certification is revoked prior to the expiration of the specified period. The  
483 certification of a project may be revoked only by the EACC and only upon: (a) the petition of the  
484 municipality that approved the project proposal, if applicable, if the petition satisfies the  
485 authorization requirements for a municipal application, or the petition of the director of  
486 economic development; and (b) the independent investigation and determination of the EACC  
487 that representations made by the controlling business in its project proposal are materially at  
488 variance with the conduct of the controlling business subsequent to the certification and such  
489 variance is found to frustrate the public purpose that such certification was intended to advance;  
490 provided, however, that for an expansion project where the actual number of permanent full-time  
491 employees employed by the controlling business at the project is less than 50 per cent of the  
492 number of such permanent full-time employees projected in the project proposal, then this shall  
493 be deemed a material variance for the purposes of a revocation determination. Upon such a  
494 revocation, any and all tax credits available to the controlling business as a result of project  
495 certification shall be revoked and forfeited for the year in which revocation occurred and all  
496 subsequent years, and the commonwealth, and the municipality, in the case of a certified  
497 expansion project, shall have causes of action against the controlling business for the value of  
498 any economic benefit received by the controlling business prior or subsequent to such  
499 revocation.

500 Under this section, revocation shall take effect on the first day of the tax year in which  
501 the material variance occurred, as determined by the EACC.

502 The revocation of a project certification shall not revoke any benefits due to the project  
503 that relate to years prior to the year in which the revocation determination is made, unless the  
504 controlling business does not proceed with the certified project or EACC determines that the  
505 controlling business made a material misrepresentation in its project proposal, or failed to act in  
506 good faith to create and maintain the jobs described in its project proposal. In any such case,  
507 both the commonwealth and the municipality shall have causes of action against the controlling  
508 business for the value of any economic benefits received subsequent to the date on which such  
509 material misrepresentation was made. The commissioner of revenue may, consistent with this  
510 paragraph, disallow or recapture any credits, exemptions or other tax benefits allowed by the  
511 original certification under this section. The department of revenue shall issue regulations to

512 recapture the value of any credits, exemptions or other tax benefits allowed by the certification  
513 under this section.

514           Annually, on or before the first Wednesday in December, the EACC shall file a report  
515 detailing its findings of the review of all certified projects that it evaluated in the prior fiscal year  
516 to the commissioner of revenue, to the chairs of the joint committee on revenue and the chairs of  
517 the joint committee on economic development and emerging technologies.

518           (3)     The EACC shall evaluate and either grant or deny a project proposal within 90  
519 days of its project proposal date and failure to do so by the EACC shall result in approval of the  
520 project for a term of 5 years. Approval of a project under this section shall not constitute an  
521 approval by the EACC of any tax incentives provided for under chapters 62 and 63.

522           (4)     The EACC may award to a certified project tax credits available under subsection  
523 (g) of section 6 of chapter 62 and section 38N of chapter 63. The amount and duration of the  
524 credit awarded shall be based on the following factors:

525           (a)     for expansion projects:

526           (i)     the degree to which the project is expected to generate net new economic activity  
527 within the commonwealth by generating substantial sales from outside of the commonwealth, or  
528 otherwise;

529           (ii)    the degree to which the project is expected to increase employment opportunities  
530 for residents of the project ETA, if applicable, and of the commonwealth; and

531           (iii)   the economic need of the project ETA as measured by the income and  
532 employment levels of the ETA, if applicable;

533           (b)     for enhanced expansion projects:

534           (i)     the degree to which the project is expected to generate net economic activity  
535 within the commonwealth by generating substantial sales from outside of the commonwealth, or  
536 otherwise; and

537           (ii)    the degree to which the project is expected to increase employment opportunities  
538 for residents of the commonwealth;

539           (c)     for manufacturing retention projects:

540           (i)     the degree to which the project is expected to generate economic activity within  
541 the commonwealth by generating substantial sales from outside of the commonwealth, or  
542 otherwise; and

543 (ii) the degree to which the project is expected to retain or increase manufacturing  
544 employment opportunities for residents in the project gateway municipality and the  
545 commonwealth.

546 (d) for job creation projects:

547 (i) the degree to which the project is expected to generate net economic activity  
548 within the commonwealth by generating substantial sales from outside of the commonwealth, or  
549 otherwise; and

550 (ii) the degree to which the project is expected to increase employment opportunities  
551 for residents of the commonwealth; and

552 (iii) the degree to which the project qualifies for certification as an expansion project,  
553 an enhanced expansion project or a manufacturing retention project, with the expectation that the  
554 EACC will certify a proposed project as a job creation project only if the proposed project does  
555 not otherwise qualify for certification.

556 (5) The EACC may limit any incentive or credit available to a project pursuant to  
557 subsection (g) of section 6 of chapter 62 and section 38N of chapter 63 to a specific dollar  
558 amount or time duration or in any other manner deemed appropriate by EACC, including limits  
559 or restrictions on the right of the controlling business to carry unused credits forward to future  
560 tax years.

561 (6) Where a municipal project endorsement includes an offer by the municipality to  
562 provide the certified project with tax increment financing, said binding written offer shall contain  
563 a tax increment financing agreement adopted in accordance with the provisions of section 59 of  
564 chapter 40. The EACC may approve such tax increment financing plan pursuant to regulations  
565 adopted by the EACC. Any such approval shall include a finding, reflected in the EACC's  
566 minutes, that the tax increment financing plan complies with the requirements of said section 59  
567 of chapter 40 and will further the public purpose of encouraging increased industrial and  
568 commercial activity in the commonwealth.

569 (7) Where a municipal project endorsement includes an offer by the municipality to  
570 provide the certified project with a special tax assessment, the municipal project endorsement  
571 shall include a binding written setting forth the following assessment schedule for each parcel of  
572 real property in and on which is located, and which is otherwise a part of, a certified project:

573 (i) in the first year, an assessment of zero per cent of the actual assessed valuation of  
574 the parcel; provided, that such assessment shall be granted for the year designated in the binding  
575 written offer;

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

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

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

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

584 For the purposes of this clause the term “municipality’s fiscal year” shall refer to a period  
585 of 365 days beginning, in the first instance, with the, calendar year in which the assessed  
586 property is purchased or acquired by the controlling business or the calendar year in which the  
587 assessed property becomes part of a certified project, whichever is last to occur; provided,  
588 further, that no such written offer from a municipality shall be considered to be binding as  
589 aforesaid unless and until it is authorized.

590 Notwithstanding anything to the contrary in section 3F, a municipality may offer a  
591 special tax assessment to a controlling business without a certified project, provided that (i) the  
592 municipality shall make a formal determination that the controlling business is making an  
593 investment that will contribute to economic revitalization of the municipality and significantly  
594 increase employment opportunities for residents of the municipality; (ii) the municipality shall  
595 apply to the EACC for approval of the special tax assessment; and (iii) the EACC shall make a  
596 formal finding, based on information presented by the municipality and incorporated into its  
597 minutes, that the special tax assessment is reasonably necessary to enable the controlling  
598 business’s investment and will further the public purpose of encouraging increased industrial and  
599 commercial activity in the commonwealth.

600 SECTION 27. Said chapter 23A, as so appearing, hereby is further amended by striking  
601 out subsections (a) and (b) of section 63 and inserting in place thereof the following subsections:

602 (a) There shall be established within the executive office of housing and economic  
603 development a MassWorks infrastructure program: (i) to issue public infrastructure grants to  
604 municipalities and other public instrumentalities for design, construction, building, land  
605 acquisition, rehabilitation, repair and other improvements to publicly-owned infrastructure  
606 including, but not limited to, sewers, utility extensions, streets, roads, curb-cuts, parking, water  
607 treatment systems, telecommunications systems, transit improvements and pedestrian and  
608 bicycle ways; (ii) for commercial and residential transportation and infrastructure development,  
609 improvements and various capital investment projects under the growth districts initiative  
610 administered by the executive office of housing and economic development; (iii) to assist  
611 municipalities to advance projects that support job creation and expansion, housing development  
612 and rehabilitation, community development projects, and small town transportation projects  
613 authorized under subsection (e); provided, however, that projects supporting smart growth as  
614 defined by the state's sustainable development principles shall be preferred; or (iv) to match

615 other public and private funding sources to build or rehabilitate transit-oriented housing located  
616 within .25 miles of a commuter rail station, subway station, ferry terminal, or bus station, at least  
617 25 per cent of which shall be affordable.

618 (b) Eligible public infrastructure projects authorized by the preceding paragraph (a)(i)  
619 shall be located on public land or on public leasehold, right-of-way or easement. A project that  
620 uses grants to municipalities for public infrastructure provided by this section shall be procured  
621 by a municipality in accordance with chapter 7, section 39M of chapter 30, chapter 30B and  
622 chapter 149.

623 SECTION 28. Said chapter 23A, as so appearing, is hereby further amended by adding  
624 the following section:

625 Section 65. The secretary of housing and economic development shall establish a  
626 Massachusetts financial services advisory council, within the executive office of housing and  
627 economic development, which shall have the sole purpose to advise the governor or his designee  
628 on policies, strategies, and initiatives designed to preserve and advance the competitiveness and  
629 leadership of the state's financial services industry, including the banking, investment  
630 management, and insurance sectors.

631 The council shall be composed of senior state government officials that work with the  
632 financial services industry, and financial services industry leaders with an interest in promoting  
633 hiring, investment, and competitiveness issues on behalf of the industry in Massachusetts.

634 The council shall have 15 members, and be chaired by the secretary of executive office of  
635 housing and economic development. In addition to the chair, 6 members shall be from state  
636 government: the chairs of the legislature's joint committee on economic development &  
637 emerging technologies, the chairs of the legislature's joint committee on financial services, the  
638 commissioner of higher education, and the executive director of the massachusetts office of  
639 international trade and investment. 8 members shall be representatives of business, with a  
640 minimum of two members from each of the banking, investment management, and insurance  
641 sectors. Business members shall be appointed by the secretary of executive office of housing  
642 and economic development for 2 year terms, and may be reappointed without limit to the number  
643 of terms.

644 The council shall convene a minimum of 3 meetings per calendar year to exchange ideas  
645 and develop strategies for business and government to work together to strengthen the  
646 Massachusetts financial services industry in areas such as public policy, workforce development,  
647 international trade and direct foreign investment, and industry promotion.

648 SECTION 29. Section 1 of chapter 23G of the General Laws, as appearing in the 2012  
649 Official Edition, is hereby amended by inserting after the definition of "Economic development  
650 project" the following definition:

651 “Equity investments” means investments that result in the agency holding a controlling  
652 ownership interest in any company; any membership interest that constitutes controlling voting  
653 rights in any company; any controlling interest in real estate or other assets; any transaction  
654 which in substance falls into any of these categories even though it may be structured as some  
655 other form of business transaction; and includes an equity security. The term "equity  
656 investment" does not include any of the foregoing if the interest is taken as security for a loan.

657 Said section 1 of chapter 23G, as so appearing, is hereby further amended by inserting  
658 after the definition of “Sponsor” the following definition:

659 “Transformative development” means redevelopment on a scale and character capable of  
660 catalyzing significant follow-on private investment, leading over time to transformation of an  
661 entire downtown or urban neighborhood, and consistent with local plans. Transformative  
662 development may involve major investment in new construction, rehabilitation and adaptive  
663 reuse, or multiple smaller investments on a sustained basis.

664 SECTION 30. Said chapter 23G, as so appearing, is hereby further amended by inserting  
665 after section 45 the following section:-

666 Section 46. (a) There shall be established and set up on the books of the commonwealth  
667 a separate fund to be known as the Transformative Development Fund within the Massachusetts  
668 development finance agency established in chapter 23G. In carrying out its duties under this  
669 section, the agency may utilize all the power and authority provided in chapter 23G.  
670 Notwithstanding any other provisions in chapter 23G, the agency shall have the power and  
671 authority to utilize the fund, as provided in this section, to make equity investments and provide  
672 technical assistance to revitalize and support residential, commercial, industrial and institutional  
673 development (or any mix of such uses) and provide financial assistance to promote collaborative  
674 workspaces in gateway municipalities, as defined in section 3A of chapter 23A. The fund will be  
675 administered and managed by the fund director, who shall be appointed by the executive  
676 director. The agency may adopt such guidelines as are necessary to implement the purposes of  
677 the program. The fund may coordinate with other agencies and instrumentalities of the  
678 commonwealth to effectuate the purposes of this section.

679 (b) The liabilities and obligations of the fund shall not extend beyond the monies  
680 which are deposited in the fund and shall not constitute a debt or pledge of the faith and credit of  
681 the commonwealth or any subdivision thereof.

682 (c) Moneys in or received for the fund may be deposited with and invested by any  
683 institution as may be designated by the treasurer of the agency at his or her sole discretion and  
684 paid as the fund director shall direct. Any return on investment received by the fund as a result  
685 of these deposits and the agency’s equity investments shall be deposited and held for the use and  
686 benefit of the fund. The treasurer of the agency may make payments from such deposit accounts  
687 for use in accordance with the provisions of this section. The agency may be reimbursed

688 annually from the fund for all reasonable and necessary direct costs and expenses incurred with  
689 its administration, management and operation of the fund, including reasonable staff time and  
690 out-of-pocket expenses and the reasonable administrative costs.

691 (d) The fund shall be eligible to apply for and accept subventions, grants, loans,  
692 advances and contributions from any source, of money, property, labor, or other things of value,  
693 to be held, used and applied in furtherance of the purposes articulated herein.

694 (e) The agency shall use the fund to make equity investments in property that the  
695 agency has determined has the potential to constitute transformative development in one or more  
696 gateway municipalities.

697 (f) With respect to any property acquired by the fund, the agency may pledge its  
698 ownership interest, physical assets held by the ownership entity, or any portion of the anticipated  
699 gross revenue resulting from the fund's equity investments, to secure loans related to  
700 development of the property. The agency may not cross-collateralize the fund's investments in  
701 such property.

702 (g) The fund director shall allocate a portion of the original capitalization of the fund,  
703 not to exceed 20% and not less than 10%, to provide technical assistance to revitalize and  
704 support development in gateway municipalities, utilizing any or all of the following methods of  
705 providing such assistance: (i) grants to support the hiring of professional staff or professional  
706 services by a gateway municipality or any instrumentality thereof; (ii) reimbursement for  
707 professional staff employed by the agency and imbedded in a gateway municipality; (iii) grants  
708 to pay for third-party professional services managed by the agency; and (iv) any other variation  
709 on the provision of technical assistance that is consistent with the purposes of this section.

710 (h) At its discretion, the agency may allocate the fund's technical assistance through a  
711 competitive process using criteria that include, without limitation, the existence of a long-term  
712 economic development strategy, commitment to effective use of the agency's technical  
713 assistance by the municipality and other local partners, and the potential for transformative  
714 development in the gateway municipality.

715 (i) The fund director shall allocate a portion of the original capitalization of the fund,  
716 not to exceed 25% and not less than 10%, to support the development in gateway municipalities  
717 of collaborative workspaces to spur innovative and creative business growth and economic  
718 activity and assist with the redevelopment of underutilized buildings. The program shall: (i)  
719 promote the creation of spaces, known as collaborative workspaces, by providing financial  
720 assistance for capital investments in underutilized buildings; (ii) foster collaboration and linkages  
721 among innovative and creative enterprises by providing central locations for such businesses or  
722 individuals to work in an environment designed to promote sharing of resources, experience and  
723 expertise; (iii) support partnerships between municipalities, property owners and businesses to  
724 establish such collaborative workspaces; and (iv) require such collaborative workspace to

725 provide shared space which promotes the interaction, socialization and coordination among  
726 tenants through the clustering of multiple businesses or individuals within the collaborative  
727 workspace. The agency shall, through grants, contracts, or loans, administer the program for the  
728 purpose of facilitating collaborative, co-working space to address a regional market demand for  
729 affordable work environments that support communication, information sharing and networking  
730 opportunities.

731 (j) Loans or grants made under this program may be made to property owners or  
732 collaborative workspace operators for building improvements which will be utilized by the  
733 collaborative workspace participants, provided that such use of the fund results in corresponding  
734 private investment that matches or exceeds the grants from the fund. In the case of a grant, any  
735 participating property owner or collaborative workspace operator must at least match the fund's  
736 investment. In connection with any loan, the agency must reasonably anticipate that its loan will  
737 leverage additional private investment in the property.

738 (k) The agency shall solicit applications for financial assistance that promotes  
739 collaborative workspaces through a request for proposals. The agency shall establish criteria for  
740 the submission of applications; provided, however, that the applications, at a minimum, shall  
741 include: (i) a description of the parties involved in the project, including the professional  
742 expertise and qualifications of the principals; (ii) a description of the scope of work that shall be  
743 undertaken by each party involved in the project; (iii) the proposed budget, including verification  
744 of funding from other sources; (iv) a statement of the project objective, including specific  
745 information on how the project shall promote the use of the space as collaborative, shared space;  
746 (v) a statement that sets forth the implementation plan, the facilities and resources available or  
747 needed for the project, and the proposed commencement and termination dates of the project;  
748 (vi) a description of the expected significance of the project, including a description of the  
749 market demand for the type of workspace proposed in the region that the space will be located  
750 and the number of businesses or individuals that will be served as a result of the project; and (vii)  
751 any other information that the agency shall deem necessary. The agency shall also establish  
752 guidelines for the review and approval of applications that include preferences for proposals that  
753 (i) redevelop at least 10,000 square feet in existing properties located in the downtown area of a  
754 gateway city; (ii) dedicate at least 25 per cent of accessible space to collaborative use; and (iii)  
755 support a cluster of at least 15 separate occupants.

756 (l) The agency shall enter into an agreement with each collaborative workspace  
757 operator that receives a grant or loan or enters into a contract under this section (i) on  
758 performance measures and indicators that shall be used to evaluate the performance of the  
759 collaborative workspace operator in carrying out the activities described in their application; or  
760 (ii) any other indicators determined to be necessary to evaluate the performance of the eligible  
761 entity. Each collaborative workspace operator shall submit an annual report for the agency's  
762 review for the duration of the collaborative workspace operation. The agency shall enter into an



763 agreement with each property owner that receives a grant or loan or enters into a contract under  
764 this section on use of funds and timeframe for use of funds.

765 (m) The agency shall, in coordination with the executive office of housing and  
766 economic development, submit an annual report to the clerks of the house of representatives and  
767 the senate who shall forward the report to the senate and house committees on ways and means,  
768 the joint committee on economic development and emerging technologies and the joint  
769 committee on labor and workforce development on or before December 31. The report shall  
770 include a current assessment of the progress of each project funded through the collaborative  
771 workspace program and the progress of the participants in the program.

772 SECTION 31. Said chapter 29, as so appearing, is hereby amended by inserting after  
773 section 2K K K K K the following section:-

774 Section 2L L L L L. There shall be established and set upon the books of the commonwealth  
775 a separate fund to be known as the Advanced Manufacturing and Information Technology  
776 Training Trust Fund, hereinafter called the fund. The objective of the fund is to establish and  
777 support training and education programs that address the workforce shortages of the advanced  
778 manufacturing and information technology industries in the commonwealth with the goal of  
779 training 4000 workers in four years to help meet the workforce and talent pipeline needs of  
780 employers. The fund shall be administered by the commonwealth corporation in consultation  
781 with the executive office of housing and economic development, executive office of labor and  
782 workforce development, department of higher education and the Massachusetts technology  
783 collaborative; commonwealth corporation shall make expenditures from the fund, without further  
784 appropriation; provided, however, that not more than 10 per cent of the amount held in the fund  
785 in any 1 year shall be used by commonwealth corporation for the combined cost of program  
786 administration, technical assistance to grantees and program evaluation; provided further that  
787 Commonwealth Corporation designates not less than \$2,000,000 to the Massachusetts  
788 Technology Park Corporation doing business as the Massachusetts Technology Collaborative,  
789 established under section 3 of chapter 40J of the 20 General Laws, to lead industry and employer  
790 engagement and cluster development efforts statewide and through regional partnerships, in  
791 conjunction Commonwealth Corporation.

792 (a) Remaining monies from the fund shall be expended on programs that have 2 or  
793 more of the following purposes, with a focus on aligning expenditures with industry needs:

794 (1) identify and support (or establish, if none exists) collaborative regional  
795 partnerships including but not limited to employers, workforce development and education  
796 organizations and economic development officials in every region of the state where  
797 manufacturers have a presence and/or where the IT industry and related IT occupations  
798 demonstrate demand;

799 (2) support these collaborations in becoming, or sustaining themselves as, high-  
800 functioning regional partnerships that make Massachusetts among the best places in the world  
801 for employers to find middle skill talent;

802 (3) address critical workforce shortages in advanced manufacturing and/or  
803 information technology;

804 (4) improve employment in the manufacturing and/or information technology  
805 industries for low-income individuals, women and minorities;

806 (5) provide training, educational, or career ladder services for currently employed or  
807 unemployed manufacturing and information technology workers who are seeking new positions  
808 or responsibilities within the manufacturing and/or information technology industry;

809 (6) Develop strong career awareness and advising programs for K-12, postsecondary,  
810 disconnected youth and under/unemployed adults;

811 (7) Increase support for internship and apprentice training;

812 (8) Boost industry-relevant instructor capacity for high school and postsecondary  
813 programs;

814 (9) Direct support for succession planning, worker retention and up skilling strategies  
815 for older and incumbent workers.

816 (b) Commonwealth corporation shall establish a competitive grant process for funds  
817 expended on programs under subsection (b). Eligible applicants shall include: employers and  
818 employer associations; local workforce investment boards; labor organizations; joint labor-  
819 management partnerships; community-based organizations; institutions of higher education; K-  
820 12 and vocational education institutions; private for-profit and non-profit organizations providing  
821 education and workforce training, one-stop career centers; local workforce development entities;  
822 and any partnership or collaboration between eligible applicants. Expenditures from the fund for  
823 such purposes shall complement and not replace existing local, state, private, or federal funding  
824 for training and educational programs.

825 (c) A grant proposal submitted under subsection (c) shall include, but not be limited  
826 to:

827 (1) a plan that defines specific goals for advanced manufacturing or information  
828 technology workforce training and educational improvements;

829 (2) the evidence-based programs the applicant shall use to meet the goals;

830 (3) a budget necessary to implement the plan, including a detailed description of any  
831 funding or in-kind contributions the applicant or applicants will be providing in support of the  
832 proposal;

833 (4) any other private funding or private sector participation the applicant anticipates  
834 in support of the proposal; and

835 (5) the proposed number of individuals who would be enrolled, complete training and  
836 be placed into employment in the targeted industries.

837 (d) Commonwealth corporation shall, in consultation with the executive office of  
838 housing and economic development, executive office of labor and workforce development,  
839 department of higher education and the Massachusetts technology collaborative, develop  
840 guidelines for an annual review of the progress being made by each grantee. Each grantee shall  
841 participate in any evaluation or accountability process implemented by or authorized by  
842 commonwealth corporation. The commonwealth corporation shall file annual reports for the  
843 duration of the programs with the chairs of the house and senate committee on ways and means,  
844 the chairs of the joint committee on labor and workforce development, and, the chairs of the joint  
845 committee on economic development and emerging technologies, on or before January 1;  
846 provided further, the report shall include an overview of the activities of the programs, the  
847 number of participants in the programs, and the employment outcomes in the programs.

848 SECTION 32. Section 2MMM (a) of Chapter 29 of the General Laws, as appearing in  
849 the 2008 Official Edition, is hereby amended by striking the last two sentences subsection (a) of  
850 section 2MMM of chapter 29 and inserting in place thereof:-

851 The department of higher education shall hold the Pipeline Fund in an account or  
852 accounts separate from other funds or accounts. Amounts credited to the Pipeline Fund shall be  
853 used by the commissioner of higher education, in consultation with the Governor's Science,  
854 Technology, Engineering, and Math (STEM) Advisory Council, established under section 216 of  
855 chapter 6, in this section, referred to as "the council".

856 SECTION 33. Chapter 40 of the General Laws is hereby amended by striking out section  
857 59, as appearing in the 2012 Official Edition, and inserting in place thereof the following  
858 section:-

859 Section 59. Notwithstanding any general or special law to the contrary, any city or town  
860 by vote of its town meeting, town council, or city council with the approval of the mayor where  
861 required by law, on its own behalf or in conjunction with one or more cities or towns, and  
862 pursuant to regulations issued by the economic assistance coordinating council established under  
863 section 3B of chapter 23A, may adopt and execute a tax increment financing agreement  
864 hereinafter referred to as TIF agreement, and do any and all things necessary thereto; provided,  
865 however, that the TIF agreement:

866 (i) includes a description of the parcels to be included in the agreement; provided,  
867 however, that the parcels are wholly within an economic target area or an area presenting  
868 exceptional opportunities for increased economic development, as defined by section 3D of  
869 chapter 23A and as may be defined further by regulations adopted by the economic assistance  
870 coordinating council; provided, further, that in the case of a TIF area that includes parcels  
871 located in one or more city or towns, the areas included in the TIF agreement shall be  
872 contiguous areas of such cities or towns;

873 (ii) describes in detail all construction and construction-related activity, public and  
874 private, contemplated for such TIF agreement as of the date of adoption of the TIF agreement;  
875 provided, however, that in the case of public construction as aforesaid, the TIF agreement shall  
876 include a detailed projection of the costs thereof and a betterment schedule for the defrayal of  
877 such costs; provided, further, that the TIF agreement shall provide that no costs of such public  
878 constructions shall be recovered through betterments or special assessments imposed on any  
879 party which has not executed an agreement in accordance with the provisions of clause (v); and  
880 provided, further, that in the case of private construction as aforesaid, the TIF agreement shall  
881 include the types of industrial and commercial developments which are projected to occur within  
882 such TIF area, with documentary evidence of the level of commitment therefore, including but  
883 not limited to architectural plans and specifications as required by said regulations;

884 (iii) authorizes tax increment exemptions from property taxes, under clause 51 of  
885 section 5 of chapter 59, for a specified term not to exceed 20 years, for any parcel of real  
886 property which is included in a TIF agreement; provided, however, that the TIF agreement shall  
887 specify the level of the exemptions expressed as exemption percentages, not to exceed 100 per  
888 cent to be used in calculating the exemptions for the parcel, and for personal property situated on  
889 that parcel, as provided under said clause 51 of said section 5 of said chapter 59; provided,  
890 further, that the exemption for each parcel of real property shall be calculated using an  
891 adjustment factor for each fiscal year of the specified term equal to the product of the inflation  
892 factors for each fiscal year since the parcel first became eligible for an exemption under this  
893 clause; provided, further that the inflation factor for each fiscal year shall be a ratio;

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

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

902 (iv) establishes a maximum percentage of the costs of any public construction,  
903 referenced in clause (ii) and initiated subsequent to the adoption of the TIF agreement, that can  
904 be recovered through betterments or special assessments against any parcel of real property  
905 eligible for tax increment exemptions from property taxes pursuant to clause (iii) during the  
906 period of such parcel's eligibility for exemption from annual property taxes pursuant to clause 51  
907 of section 5 of chapter 59, notwithstanding the provisions of chapter 80 or any other general or  
908 special law authorizing the imposition of betterments or special assessments;

909 (v) includes: (a) all material representations of the parties which served as the basis  
910 for the descriptions contained in the TIF agreement in accordance with the provisions of clause  
911 (ii); (b) a detailed recitation of the tax increment exemptions and the maximum percentage of the  
912 cost of public improvements that can be recovered through betterments or special assessments  
913 regarding such parcel of real property pursuant to clauses (iii) and (iv); (c) a detailed recitation of  
914 all other benefits and responsibilities inuring to and assumed by the parties to such agreement;  
915 and (d) a provision that such agreement shall be binding upon subsequent owners of such parcel  
916 of real property;

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

919 (vii) is certified as an approved TIF agreement by the economic assistance  
920 coordinating council pursuant to section 3F of chapter 23A and regulations adopted by said  
921 council; provided, however, that the economic assistance coordinating council shall certify in its  
922 vote that the TIF agreement is consistent with the requirements of this section and section 3F of  
923 chapter 23A, and will further the public purpose of encouraging increased industrial and  
924 commercial activity in the commonwealth;

925 (viii) requires of an owner of a parcel pursuant to clause (v) to submit to the city or  
926 town clerk and the economic assistance coordinating council a report detailing the status of the  
927 construction laid out in the agreement; the current value of the property; and the number of jobs  
928 created to date as a result of the agreement; provided, however, that a report shall be filed every  
929 two years for the term of the tax increment exemption allowed under clause 51 of section 5 of  
930 chapter 59; and provided further, that a final report shall be filed in the final year of the  
931 exemption.

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

935 SECTION 34. Chapter 40J of the General Laws, as appearing in the 2012 Official  
936 Edition, is hereby amended by adding the following section:-

937 Section 6H. (a) The corporation shall establish a fund to be known as the Massachusetts  
938 Entrepreneur in Residence Fund. The corporation shall hold the fund separate and apart from its  
939 other funds to finance the activities of the institute. The corporation shall credit to the fund any  
940 appropriations, bond proceeds or other moneys authorized by the general court and specifically  
941 designated to be credited to the fund, and any other moneys legally available to the corporation  
942 which the board of the corporation may determine to deposit in the fund. Amounts credited to  
943 the fund shall be available for reasonable expenditure by the corporation, without further  
944 appropriation, for any and all activities consistent with this section and supportive of the  
945 purposes specified in this section, including but not limited to, in the form of grants, contracts,  
946 loans and such other vehicles as the corporation may determine are appropriate. The corporation  
947 may make expenditures not to exceed \$3,000,000 annually, in support of costs related to the  
948 program established pursuant to this section, including funding for salaries, legal and  
949 administrative fees, training expenses or materials. Amounts credited to the fund shall be  
950 expended or applied only with the approval of the executive director of the corporation upon  
951 consultation with the secretary of housing and economic development.

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

954 "Affiliate" a nonprofit entity (including but not limited to hospitals and medical or  
955 research institutions) that is connected or associated with an institution through shared ownership  
956 or control, shared directors or trustees, or contractual rights and obligations.

957 "Entrepreneurship Institution," an institution of higher education as defined in section  
958 101(a) of the federal Higher Education Act of 1965 (20 U.S.C. 1001(a)), or a related nonprofit  
959 entity meeting the criteria set out in section 103 of the American Competitiveness in the Twenty-  
960 First Century Act of 2000 (8 U.S.C. 1184(g)(5)(A)) located in the commonwealth, that  
961 establishes a program and employs a resident entrepreneur pursuant subsection (c).

962 "Resident Entrepreneur," a student from outside the United States who desires to move to  
963 or remain in the commonwealth on a nonimmigrant status following a period of study for a  
964 masters or doctorate degree in the sciences, technological fields, engineering, mathematics,  
965 accounting, finance, economics, business or business administration, in order to obtain practical  
966 experience in their field of study, including the skills required in the organization and  
967 establishment of new business ventures. Resident entrepreneurs shall possess the necessary skill,  
968 experience or talents to perform a specialty occupation as defined in section 184 of the  
969 Immigration and Nationality Act of 1965 (8 U.S.C. 1184(i)).

970 (c) The corporation and each participating entrepreneurship institution may establish  
971 a program of part-time employment for qualified resident entrepreneurs. Resident entrepreneurs  
972 shall work within the program no less than eight and no more than fifteen hours per week and  
973 shall be assigned duties in their chosen academic fields providing services directly to their

974 employer or to one of its affiliates. Resident entrepreneurs shall work under the direct  
975 supervision of their employer on assignments that further the employer's interests while  
976 developing skills required for organizing and establishing successful new business ventures. The  
977 employer shall pay each resident entrepreneur a salary for their services at a market rate as  
978 established by the U.S. Department of Labor.

979           In order to allow resident entrepreneurs to remain in the commonwealth following the  
980 award of their masters or doctorate degree, the entity employing the resident entrepreneur shall  
981 apply to U.S. Customs and Immigration Services for a nonimmigrant visa under section  
982 101(a)(15)(h)(i)(b) of the federal Immigration and Nationality Act of 1965 (8 U.S.C.  
983 1101(a)(15)(h)(i)(b)).

984           Participating entrepreneurship institutions may apply to the corporation for funds to  
985 support expenditures related to the employment of resident entrepreneurs under rules that the  
986 corporation may adopt from time to time. Said rules shall establish the terms, procedures,  
987 standards and conditions which the corporation shall employ to identify qualified programs,  
988 review and approve applications, safeguard the fund, advance the objective of increasing  
989 employment opportunities, oversee the progress of qualified programs and secure the  
990 participation of other public instrumentalities, private institutions or the federal government in  
991 such programs.

992           SECTION 35. Section 4 of chapter 40V of the General Laws, as appearing in the 2012  
993 Official Edition, is hereby amended by striking line 7.

994           SECTION 36. Section 6 of chapter 62 of the General Laws, as appearing in the 2012  
995 Official Edition, is hereby amended by striking out the first paragraph of clause (1) of subsection  
996 (g) and inserting in place thereof the following paragraph:-

997           (1)     A credit shall be allowed against the tax liability imposed by this chapter, to the  
998 extent authorized by the economic assistance coordinating council established in section 3B of  
999 chapter 23A, up to an amount equal to 50 per cent of such liability in any taxable year; provided,  
1000 however, that the 50 per cent limitation shall not apply where the credit is refundable under  
1001 paragraph (5): (i) for certified expansion projects and certified enhanced expansion projects, as  
1002 defined in sections 3A and 3F of said chapter 23A, an amount up to 10 per cent, (ii) for certified  
1003 manufacturing retention projects, as defined in said sections 3A and 3F of said chapter 23A, an  
1004 amount up to 40 per cent of the cost of property that would qualify for the credit allowed by  
1005 section 31A of chapter 63 if the property were purchased by a manufacturing corporation or a  
1006 business corporation engaged primarily in research and development and used exclusively in a  
1007 certified project as defined in said sections 3A and 3F of said chapter 23A; and, (iii) for certified  
1008 job creation projects, as defined in said sections 3A and 3F of said chapter 23A, an amount up to  
1009 \$1,000 per job created, or up to \$5,000 per job created in a gateway municipality as defined by  
1010 section 3A of chapter 23A; provided, however, that the total award per project shall be no more

1011 than \$1,000,000; and further provided that a credit under this clause (iii) shall be allowed only  
1012 for the year subsequent to that in which the jobs are created. A lessee may be eligible for a credit  
1013 pursuant to this subsection for real property leased pursuant to an operating lease.  
1014 Notwithstanding any contrary provisions in section 3F of chapter 23A, if such property is  
1015 disposed of or ceases to be in qualified use within the meaning of section 31A or ceases to be  
1016 used exclusively in a certified project before the end of the certified project's certification period,  
1017 or if a project's certification is revoked, the recapture provisions of subsection (e) of section 31A  
1018 shall apply; the revocation shall take effect on the first day of the tax year in which a material  
1019 variance or material misrepresentation occurred as determined by the EACC. If such property is  
1020 disposed of after the certified project's certification period but before the end of such property's  
1021 useful life, the recapture provisions of subsection (e) of section 31A shall apply. The expiration  
1022 of a certified project's certification shall not require the application of the recapture provisions of  
1023 subsection (e) of section 31A.

1024 SECTION 37. Said section 6 of chapter 62, as so appearing, is hereby amended by  
1025 striking out the fourth sentence of clause (1) of subsection (g) and inserting in place thereof the  
1026 following sentence:-

1027 "To the extent applicable, paragraph (2) of section 3F of said chapter 23A shall apply to  
1028 tax benefits awarded under this section."

1029 SECTION 38. Section 6 of said Chapter 62, as so appearing, is hereby further amended  
1030 in line 169 by striking out the figure \$25,000,000 and inserting in place thereof the following  
1031 figure: \$30,000,000.

1032 SECTION 39. Said Section 6 of chapter 62, as so appearing, is further amended by  
1033 striking out clause (2) of subsection (g) and inserting in place thereof:-

1034 (2) Any taxpayer entitled to a credit under this subsection for any taxable year may,  
1035 to the extent authorized by the economic assistance coordinating council established in section  
1036 3B of chapter 23A, carry over and apply to the tax for any one or more of the next succeeding  
1037 ten taxable years, the portion, as reduced from year to year, of those credits which exceed the tax  
1038 for the taxable year; provided, however, that in no event shall the taxpayer apply the credit to the  
1039 tax for any taxable year beginning more than five years after the certified project or economic  
1040 opportunity area ceases to qualify as such under the provisions of chapter 23A. Notwithstanding  
1041 the foregoing, the EACC may limit or restrict carry-over of credits as set forth in paragraph (5)  
1042 of section 3F of said chapter 23A.

1043 SECTION 40. Said section 6 of chapter 62, as so appearing, is hereby further amended  
1044 by striking out clause (5) of subsection (g) and inserting in place thereof the following clause:-

1045 (5) If a credit allowed under clauses (ii) and (iii) of paragraph 1 for a certified  
1046 manufacturing retention project or a certified job creation project exceeds the tax otherwise due



1047 under this chapter, 100 per cent of the balance of such credit may, at the option of the taxpayer  
1048 and to the extent authorized by the economic assistance coordinating council, be refundable to  
1049 the taxpayer. Such refund shall be for the taxable year in which the qualified property giving rise  
1050 to that credit is placed in service, in the case of a manufacturing retention project, or for the  
1051 taxable year subsequent to the year in which the required jobs are added, in the case of a job  
1052 creation project. If such credit balance is refunded to the taxpayer, the credit carryover  
1053 provisions of paragraph (2) shall not apply.

1054 SECTION 41. Said section 6 of Chapter 62, as so appearing, is hereby amended in line  
1055 843 by striking the figure \$5,000,000 replacing it with \$10,000,000.

1056 SECTION 42. Said section 6 of Chapter 62, as so appearing, is further amended in line  
1057 848 by striking the figure \$5,000,000 and replacing it with \$10,000,000.

1058 SECTION 43. Section 38M of chapter 63 of the General Laws, as appearing in the 2012  
1059 Official Edition, is hereby amended by deleting subsection (a) and inserting in place thereof the  
1060 following subsection:--

1061 Section 38M. (a) A business corporation shall be allowed a credit against its excise due  
1062 under this chapter equal to the sum of 10 per cent of the excess, if any, of the qualified research  
1063 expenses for the taxable year, over the base amount; and 15 per cent of the basic research  
1064 payments determined under subsection (e)(1)(A) of section 41 of the Federal Internal Revenue  
1065 Code.

1066 (i) Other than as provided in subsection (ii), the terms, "qualified research expenses",  
1067 "basic research payment", "credit year", and any other terms affecting the calculation of said  
1068 credit shall, unless the context otherwise requires, have the same meanings as under said section  
1069 41 of said Code as amended and in effect on August 12, 1991 but shall only apply to expenditures  
1070 for research conducted in the commonwealth.

1071 (ii) For the purposes of subsection (a), the base amount shall be the product of (1) the  
1072 average annual gross receipts of the taxpayer for the four taxable years preceding the credit year  
1073 and (2) a fixed-base ratio. The fixed base ratio shall be the percentage which the average  
1074 aggregate qualified research expenses for the taxpayer for the third and fourth taxable years  
1075 preceding the credit year is of the annual average gross receipts for those years, provided that the  
1076 fixed base ratio shall not exceed 16 per cent.

1077 In determining the amount of the credit allowable under this section, the commissioner of  
1078 revenue may aggregate the activities of all corporations that are members of a controlled group  
1079 of corporations, as defined by subsection (f)(1)(A) of section 41 of said Code, and in addition  
1080 may aggregate the activities of all entities, whether or not incorporated, that are under common  
1081 control, as defined by subsection (f)(1)(B) of section 41 of said Code.

1082 SECTION 44. Section 38N of said chapter 63, as so appearing, is hereby amended by  
1083 striking out the first paragraph of subsection (a) and inserting in place thereof the following  
1084 paragraph:-

1085 (a) A corporation subject to tax under this chapter that participates in a certified  
1086 project, as defined in sections 3A and 3F of chapter 23A, may take a credit against the excise  
1087 imposed by this chapter to the extent authorized by the economic assistance coordinating council  
1088 established by section 3B of said chapter 23A, in an amount not to exceed 50 per cent of such  
1089 liability in a taxable year; provided, however, that the 50 per cent limitation shall not apply if the  
1090 credit is refundable under subsection (b): (i) for certified expansion projects and certified  
1091 enhanced expansion projects, as defined in said sections 3A and 3F of said chapter 23A, an  
1092 amount up to 10 per cent; (ii) for certified manufacturing retention projects, as defined in said  
1093 sections 3A and 3F of said chapter 23A, an amount up to 40 per cent of the cost of any property  
1094 that would qualify for the credit allowed by section 31A if the property were purchased by a  
1095 manufacturing corporation or a business corporation engaged primarily in research and  
1096 development and is used exclusively in a certified project, as defined in said sections 3A and 3F  
1097 of said chapter 23A; and, (iii) for certified job creation projects, as defined in said sections 3A  
1098 and 3F of said chapter 23A, an amount up to \$1,000 per job created, or up to \$5,000 per job  
1099 created in a gateway municipality as defined by section 3A of chapter 23A; provided, however,  
1100 that the total award per project shall be no more than \$1,000,000; and further provided that a  
1101 credit under this clause (iii) shall be allowed only for the year subsequent to that in which the  
1102 jobs are created. A lessee may be eligible for a credit under this subsection for real property  
1103 leased under an operating lease.

1104 SECTION 45. Section 38N of said chapter 63, as so appearing , is hereby amended in  
1105 line 22 by striking out the figure, \$25,000,000 and inserting in place thereof the following  
1106 figure:- \$30,000,000.

1107 SECTION 46. Section 38N of said chapter 63, as so appearing , is hereby amended in  
1108 line 37 by striking out the figure, \$5,000,000 and inserting in place thereof the following figure:-  
1109 \$10,000,000.

1110 SECTION 47. Said section 38N of chapter 63, as so appearing, is further amended by  
1111 striking out the second to last sentence of the fourth paragraph of subsection (a) and inserting in  
1112 the place thereof :-

1113 To the extent applicable, subsection (2) of section 3F of said chapter 23A shall apply to  
1114 tax benefits awarded under this section.

1115 SECTION 48. Said section 38N of chapter 63, as so appearing, is hereby further  
1116 amended by striking out subsection (b) and inserting in place thereof the following subsection:-

1117 (b) If a credit allowed under clauses (ii) and (iii) of subsection (a) for certified  
1118 manufacturing retention projects and certified job creation projects exceeds the tax otherwise due  
1119 under this chapter, 100 per cent of the balance of such credit may, at the option of the taxpayer  
1120 and to the extent authorized pursuant to the economic assistance coordinating council, be  
1121 refundable to the taxpayer for the taxable year in which qualified property giving rise to that  
1122 credit is placed in service, in the case of a manufacturing retention project, or for the taxable year  
1123 subsequent to the year in which the required jobs are added, in the case of a job creation project.  
1124 If such credit balance is refunded to the taxpayer, the credit carryover provisions of subsection  
1125 (d) shall not apply. The amount of credit eligible to be refunded shall be determined without  
1126 regard to the limitations in subsections (a) and (c).

1127 SECTION 49. Said chapter 63 is hereby amended by striking out section 38O, as so  
1128 appearing, and inserting in place thereof the following section: -

1129 38O. A corporation whose excise under this chapter is based on net income may, in  
1130 determining such net income, deduct an amount equal to 10 per cent of the cost of renovating an  
1131 abandoned building that is either located within an economic target area as defined by section 3A  
1132 of chapter 23A, or part of a certified project as defined by section 3A of chapter 23A.

1133 SECTION 50. Section 38B of said chapter 63, as so appearing, is hereby amended in  
1134 line 43 by striking out the figure \$5,000,000 and inserting in place thereof the following figure:-  
1135 \$10,000,000.

1136 SECTION 51. Said section 38BB of chapter 63, as so appearing, is hereby further  
1137 amended in line 48 by striking the figure \$5,000,000 and inserting in place thereof the following  
1138 figure:- \$10,000,000.

1139 SECTION 52. Sections 42 and 42A of chapter 93 of the General Laws are hereby  
1140 repealed.

1141 SECTION 53. The General Laws are hereby amended by inserting after chapter 93J the  
1142 following chapter:-

1143 Chapter 93K.

1144 UNIFORM TRADE SECRETS ACT

1145 Section 1. This chapter shall be known and may be cited as the Uniform Trade Secrets  
1146 Act.

1147 Section 2. As used in this chapter the following words, shall unless the context clearly  
1148 requires otherwise, have the following meanings:

1149 (1) "Improper means", includes, without limitation, theft, bribery, misrepresentation,  
1150 or breach or inducement of a breach of a confidential relationship or other duty to limit  
1151 acquisition, disclosure or use of information;

1152 (2) "Misappropriation",

1153 (i) acquisition of a trade secret of another by a person who knows or who has reason  
1154 to know that the trade secret was acquired by improper means; or

1155 (ii) disclosure or use of a trade secret of another without that person's express or  
1156 implied consent by a person who

1157 (A) used improper means to acquire knowledge of the trade secret or

1158 (B) at the time of his disclosure or use, knew or had reason to know that his  
1159 knowledge of the trade secret was

1160 [I] derived from or through a person who had utilized improper means to acquire it;

1161 [II] acquired under circumstances giving rise to a duty to limit its acquisition,  
1162 disclosure or use; or

1163 [III] derived from or through a person who owed a duty to the person seeking relief to  
1164 limit its acquisition, disclosure or use; or

1165 (C) before a material change of his or her position, knew or had reason to know that it  
1166 was a trade secret and that knowledge of it had been acquired by accident or mistake.

1167 (3) "Person", a natural person, corporation, business trust, estate, trust, partnership,  
1168 association, joint venture, government, governmental subdivision or agency, or any other legal or  
1169 commercial entity.

1170 (4) "Trade secret", specified or specifiable information, whether or not fixed in  
1171 tangible form or embodied in any tangible thing, including but not limited to a formula, pattern,  
1172 compilation, program, device, method, technique, process, business strategy, or scientific,  
1173 technical, financial or customer data that

1174 [i] at the time of alleged misappropriation, derived economic value, actual or  
1175 potential, from not being generally known to, and not being readily ascertainable by proper  
1176 means by, others who might obtain economic value from its acquisition, disclosure or use; and

1177 [ii] has at all times been the subject of efforts that are reasonable under the  
1178 circumstances to give notice that it should not be and to ensure that it is not acquired, disclosed  
1179 or used without the consent of the person asserting ownership thereof, or such person's  
1180 predecessor in interest.

1181 Section 3. (a) Actual or threatened misappropriation may be enjoined upon equity  
1182 principles, including a showing that specific information qualifying as a trade secret has been or  
1183 is threatened to be misappropriated. No injunction shall issue with respect to a trade secret  
1184 unless the trade secret is specified with sufficient particularity so as to enable, reasonably under  
1185 the circumstances, the respondent to prepare a reasonable defense. Upon application to the  
1186 court, an injunction shall be terminated when the trade secret has ceased to exist, but the  
1187 injunction may be continued for an additional reasonable period of time in order to eliminate  
1188 commercial advantage that otherwise would be derived from misappropriation.

1189 (b) In exceptional circumstances, an injunction may condition future use upon  
1190 payment of a reasonable royalty for no longer than the period of time for which use could have  
1191 been prohibited. Exceptional circumstances include, but are not limited to, a material and  
1192 prejudicial change of position prior to acquiring knowledge or reason to know of  
1193 misappropriation that renders a prohibitive injunction inequitable.

1194 (c) In appropriate circumstances, affirmative acts to protect a trade secret may be  
1195 compelled by court order.

1196 Section 4. (a) Except to the extent that a material and prejudicial change of position prior  
1197 to acquiring knowledge or reason to know of misappropriation renders a monetary recovery  
1198 inequitable, a complainant is entitled to recover damages for misappropriation of specific  
1199 information qualifying as a trade secret. Damages can include both the actual loss caused by  
1200 misappropriation and the unjust enrichment caused by misappropriation that is not taken into  
1201 account in computing actual loss. In lieu of damages measured by any other methods, the  
1202 damages caused by misappropriation may be measured by the imposition of liability for a  
1203 reasonable royalty for a misappropriator's unauthorized disclosure or use of a trade secret.

1204 (b) If willful and malicious misappropriation exists, the court may award exemplary  
1205 damages in an amount not exceeding twice any award made under subsection (a).

1206 Section 5. The court may award reasonable attorney's fees to the prevailing party if: (i) a  
1207 claim of misappropriation is made or defended in bad faith, (ii) a motion to enter or to terminate  
1208 an injunction is made or resisted in bad faith, or (iii) willful and malicious misappropriation  
1209 exists. In considering such an award, the court may take into account the claimant's  
1210 specification of trade secrets and the proof that such alleged trade secrets were misappropriated.

1211 Section 6. (a) In an action under this chapter, a court shall preserve the secrecy of an  
1212 alleged trade secret by reasonable means, which may include granting protective orders in  
1213 connection with discovery proceedings, holding in-camera hearings, sealing the records of the  
1214 action, and ordering any person involved in the litigation not to disclose an alleged trade secret  
1215 without prior court approval.

1216 (b) In an action under this chapter, averments of trade secrets and misappropriation  
1217 thereof shall be stated with particularity.

1218 Section 7. An action for misappropriation shall be brought within 3 years after the  
1219 misappropriation is discovered or by the exercise of reasonable diligence should have been  
1220 discovered. For the purposes of this section, a continuing misappropriation constitutes a single  
1221 claim.

1222 Section 8. (a) Except as provided in subsection (b), this chapter shall supersede any  
1223 conflicting laws of the commonwealth providing civil remedies for the misappropriation of a  
1224 trade secret.

1225 (b) This chapter shall not affect:

1226 (1) contractual remedies, provided that, to the extent such remedies are based on or  
1227 justified by confidentiality of information, such confidentiality shall be determined according to  
1228 the definition of trade secret in this chapter;

1229 (2) remedies based on submissions to governmental units;

1230 (3) other civil remedies to the extent that they are not based upon misappropriation of  
1231 a trade secret; or

1232 (4) criminal remedies, whether or not based upon misappropriation of a trade secret.

1233 Section 9. This chapter shall be applied and construed to effectuate its general purpose to  
1234 make uniform the law with respect to the subject of this chapter among states enacting it.

1235 Section 10. This chapter shall not apply to misappropriation occurring prior to the  
1236 effective date. With respect to a continuing misappropriation that began prior to the effective  
1237 date, the chapter shall not apply to the continuing misappropriation that occurs after the effective  
1238 date.

1239 Section 11. Any written or oral contract or agreement arising out of an employment or  
1240 independent contractor relationship that prohibits, impairs, restrains, restricts, or places any  
1241 condition on, a person's ability to seek, engage in or accept any type of employment or  
1242 independent contractor work, for any period of time after an employment or independent  
1243 contractor relationship has ended, shall be void and unenforceable with respect to that restriction.  
1244 This section shall not render void or unenforceable the remainder of the contract or agreement.  
1245 Nor shall this section affect (i) covenants not to solicit or hire employees or independent  
1246 contractors of the employer; (ii) covenants not to solicit or transact business with customers of  
1247 the employer; (iii) non-disclosure agreements; (iv) noncompetition agreements made in  
1248 connection with the sale of a business or substantially all of the assets of a business, when the  
1249 party restricted by the noncompetition agreement is an owner of at least a 10 per cent interest of

1250 the business who received significant consideration for the sale; (v) noncompetition agreements  
1251 outside of an employment relationship; (vi) forfeiture agreements; or (vii) agreements by which  
1252 an employee agrees to not reapply for employment to the same employer after termination of the  
1253 employee.

1254 For the purposes of this section, chapter 149, section 148B shall control the definition of  
1255 employment.

1256 This section shall be construed liberally for the accomplishment of its purposes, and no  
1257 other provision of the General Laws shall be construed in a manner that would limit its coverage.  
1258 Nothing in this section shall preempt tort or contract claims, or other statutory claims, based  
1259 upon an employer's use, or attempted use, of an unlawful contract or agreement to interfere with  
1260 subsequent employment or contractor work.

1261 This section shall apply to all contracts and agreements, including those executed before  
1262 the effective date of this chapter.

1263 SECTION 54. Section 12 of chapter 138 of the General Laws, as appearing in the 2012  
1264 Official Edition, is hereby amended by striking out, in lines 63 to 65, the words "notwithstanding  
1265 any limitation on the number of licenses the city or town is authorized to grant in section 17" and  
1266 inserting in place thereof the following words:- pursuant to the municipal plan as required by  
1267 section 17.

1268 SECTION 55. Said section 12 of chapter 138, as so appearing, is hereby further amended  
1269 by striking out, in lines 89 to 90, the words "and irrespective of any limitation of number of  
1270 licenses contained in section seventeen".

1271 SECTION 56. Said section 12 of chapter 138, as so appearing, is hereby further amended  
1272 by striking out the second sentence of the sixth paragraph.

1273 SECTION 57. Said section 12 of chapter 138, as so appearing, is hereby further amended  
1274 by striking out, in line 147, the words "notwithstanding section 17".

1275 SECTION 58. Said chapter 138, as so appearing, is hereby amended by inserting after  
1276 section 13 the following section:-

1277 Section 13A: As used in this section, the following words shall have the following  
1278 meanings:--

1279 "Airline club", an establishment that is not open to the general public and which is  
1280 operated by or for an airline at the airport to provide exclusive or special accommodations to  
1281 members and their guests in accordance with airline policy.

1282 "Airport", the General Edward Lawrence Logan International Airport.

1283 "Passenger terminals", the passenger terminals and designated airline clubs within the  
1284 airport.

1285 "Restricted airport licenses", licenses for: (i) the sale of all alcoholic beverages to be  
1286 drunk on the premises within the passenger terminals; and (ii) the sale of wines and malt  
1287 beverages to be drunk on the premises within the passenger terminals.

1288 The licensing board for the city of Boston may grant restricted airport licenses to  
1289 common victuallers duly licensed under chapter 140 and operating within the passenger  
1290 terminals, subject to the approval of the alcoholic beverages control commission. Once issued to  
1291 a licensee within the passenger terminals, the licensing board shall not approve the transfer of a  
1292 restricted airport license to a location outside of the passenger terminals. A restricted airport  
1293 license shall be nontransferable to any other person, corporation or organization operating  
1294 outside the passenger terminals and shall be clearly marked "nontransferable outside the  
1295 passenger terminals at the airport" on its face. A restricted airport license, if revoked or no  
1296 longer in use, shall be returned physically, with all of the legal rights and privileges pertaining  
1297 thereto, to the licensing board which may then grant that license to a new applicant operating  
1298 within the passenger terminals, consistent with this paragraph.

1299 SECTION 59. Section 14 of said chapter 138, as so appearing, is hereby amended by  
1300 striking out the first sentence and inserting in place thereof the following sentence:- "Special  
1301 license for the sale of all alcoholic beverages, or wines and malt beverages only, or either of  
1302 them, may, as determined by the municipality, be issued by the local licensing authorities, to the  
1303 responsible manager of any indoor or outdoor activity or enterprise or to the responsible manager  
1304 of any nonprofit organization conducting any indoor or outdoor activity or enterprise.

1305 SECTION 60. Section 15 of said chapter 138, as so appearing, is hereby amended  
1306 inserting after the word "licenses", in line 5, the following words:- " , pursuant to the municipal  
1307 plan as required by section 17,".

1308 SECTION 61. Section 16A of said chapter 138, as so appearing, is hereby further  
1309 amended by striking out the word "so", in line 11, and inserting in its place the words:- "as  
1310 determined by a municipality to be".

1311 SECTION 62. Said section 16A of chapter 138, as so appearing, is hereby further  
1312 amended by striking out, in lines 14 and 15, the words " , to the extent that the same are issuable  
1313 under section seventeen".

1314 SECTION 63. Said section 16A of said chapter 138, as so appearing, is hereby further  
1315 amended by striking out, in line 18, the words:- "for the purposes of section seventeen".

1316 SECTION 64. Said chapter 138, as so appearing, is hereby amended by striking out  
1317 section 17 and inserting in place thereof the following section:-



1318 section 17: A city or town shall determine the number of all alcoholic beverage or wine  
1319 and malt beverage licenses issued by its local licensing authority under sections 12, 14, 15, and  
1320 15F, including the number of seasonal licenses.

1321 Communities that seek to grant additional licenses on or after July 1, 2014 shall adopt a  
1322 plan that is approved by the mayor, city council or board of selectman. Said plan shall determine  
1323 the process of granting additional licenses; provided that: (1) a minimum of 1 public hearing  
1324 regarding the plan is conducted by the city council, board of selectman or the governing body in  
1325 said city or town; and (2) the city or town notify the ABCC of said public hearing.

1326 The governing body of each city or town shall hold a public hearing, within 30 days of  
1327 the date of the license application, regarding said application.

1328 Unless expressly authorized by this chapter, local licensing authorities shall not grant  
1329 licenses to any person, firm or corporation under more than one section of this chapter.

1330 On or after July 1, 2014, the current number of licenses shall continue unless changed by  
1331 the local governing body of each city or town under this section.

1332 SECTION 65. Section 29 of said chapter 138, as so appearing,, is hereby further  
1333 amended by striking out, in lines 20 to 23, inclusive, the words “; but a license issued to a  
1334 registered pharmacist under said section shall be included in computing the number of licenses  
1335 that may be granted in any city or town as provided in section seventeen”

1336 SECTION 66. Sections 17A to 17C, inclusive, of said chapter 138 are hereby repealed.

1337 SECTION 67. Subsection (d) of section 7 of chapter 293 of the acts of 2006, as amended  
1338 by section 7 of chapter 129 of the acts of 2008, as amended by section 61 of chapter 238 of the  
1339 Acts of 2012 is hereby further amended by striking out the figure "325,000,000" and inserting in  
1340 place thereof the following words:- "\$600,000,000, excluding bonds issued to refinance bonds  
1341 previously issued under section 6; provided further that the secretary shall not approve more than  
1342 31 per cent of the total amount for projects, in the aggregate, for any one municipality."

1343 SECTION 68. The second sentence of subsection (e) of said section 7 of said chapter  
1344 293, as appearing in section 7 of said chapter 129, is hereby amended by striking out, in line 3,  
1345 the figure "3" and inserting in place thereof the following figure:- "8".

1346 SECTION 69. Sections 2, 3, 5, 6, 9 and 10 of chapter 193 of the acts of 2011 are hereby  
1347 repealed.

1348 SECTION 70. There shall be established and set up on the books of the commonwealth a  
1349 separate fund to be known as the Economic Development Projects Fund, in this section called the  
1350 Fund. Not later than June 30, 2014, the comptroller shall transfer \$80,000,000 from the General  
1351 Fund to the Fund. To the extent that available revenues are not sufficient to support this transfer,

1352 the secretary of administration and finance shall direct the comptroller to retain in the General  
1353 Fund amounts that would otherwise be transferred under the last paragraph of section 2H of  
1354 chapter 29 of the General Laws. Amounts credited to the Fund shall be expended, subject to  
1355 appropriation, for the purposes of this act. The Fund shall expire on June 30, 2017, and any  
1356 balance shall revert to the General Fund.

1357 SECTION 71. Not later than June 30, 2014, the comptroller shall transfer \$5,000,000 to  
1358 the Housing Preservation and Stabilization Trust, established by section 60 of chapter 121B of  
1359 the General Laws, from the Economic Development Projects Fund, established by SECTION 70  
1360 of this act.

1361 SECTION 72. Sections 38, 41, 42, 45, 46, 50, and 51 of this act shall be effective for tax  
1362 year beginning on or after January 1, 2015.

1363 SECTION 73. As of January 1, 2019, SECTIONS, 41, 42, 46, 50 and 51 of this act are  
1364 hereby amended by striking out the number "10,000,000" and inserting in its place the number  
1365 "5,000,000".

1366 SECTION 74. As of January 1, 2019, SECTIONS 38 and 45 of this act are hereby  
1367 amended by striking out the number "30,000,000" and inserting in its place the number  
1368 "25,000,000".