

HOUSE No. 04093

The committee on Economic Development and Emerging Technologies, reports, on House, Nos. 1902, 2708 and 3830, a Bill relative to infrastructure investment, enhanced competitiveness and economic growth in the Commonwealth (House, No. 4093). May 16, 2012.

The Commonwealth of Massachusetts

In the Year Two Thousand Twelve

An Act Relative to Infrastructure Investment, Enhanced Competitiveness and Economic Growth in the Commonwealth.

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

7 SECTION 2.

8 XXXX-XXXX For the Scientific and Technology Research and Development Matching Grant
9 Fund

10 established in section 3 of this act \$25,000,000

11 7007-1200 For the Massachusetts Technology Collaborative, established under section 3 of
12 chapter 40J of the General Laws, to establish a talent pipeline program that provides paid
13 internships to technology startups and innovation companies; provided however that the
14 Massachusetts Technology collaborative shall seek private funds necessary to match
15 contributions equal to \$1 for every \$1 contributed by Massachusetts Technology Collaborative
16 through a matching internship program; provided however, that \$1,000,000 shall be used to
17 establish an entrepreneur and startup venture capital mentoring program, in consultation with the
18 Massachusetts Technology Development Corporation established in section 2 of chapter 40G,
19 that would provide assistance, mentoring, and advice to start-ups and innovation companies by
20 connecting early-stage entrepreneurs, technology startups, and small businesses with venture
21 capital financing; provided further, that in the design and implementation of these programs, the
22 Massachusetts Technology Collaborative shall consult with and review the talent pipeline and
23 mentoring programs that are administered by the Venture Development Center at the university
24 of Massachusetts at boston established under chapter 123 of the acts of 2006 in order to model
25 and bring to scale successful talent pipeline programs and practices; provided, further that the
26 Massachusetts' Technology Collaborative shall file annual reports for the duration of the
27 programs with the chairs of the house and senate committee on ways and means and the chairs
28 of the joint committee on economic development and emerging technologies, on or before
29 January 1. The report shall include an overview of the activities of the programs, the number of
30 participants in the programs, and an analysis of the impact of said programs on the innovation
31 economy and workforce.

32 \$2,000,000

33 SECTION 3. Chapter 40J of the General Laws, as appearing in the 2008 Official Edition, is
34 hereby amended by inserting after section 4F the following new section:-

35 Section 4G. (a) The general court finds that scientific and technology research and development
36 conducted at higher education institutions and non-profit research institutions in the state is vital
37 to identifying and developing new knowledge that leads to innovations that drive the state's
38 economy, promote economic development and job growth opportunities throughout the diverse
39 regions of the state, improve the quality of life for those living in the state and throughout the
40 world, and help strengthen the state's global competitiveness.

41 (b) In order to assist in fostering additional scientific and technology research and development
42 in the state, there is hereby established a fund to be known as the Scientific and Technology
43 Research and Development Matching Grant Fund, hereinafter referred to as the "matching grant
44 fund", to which shall be credited the proceeds of bonds or notes of the commonwealth issued for
45 the purpose, and any appropriations designated by the general court to be credited thereto. The
46 matching grant fund shall be administered by the corporation. The corporation shall hold the
47 matching grant fund in an account or accounts separate from other funds of the corporation. The
48 purpose of the matching grant fund is to provide matching funds for capital expenditures to be
49 made in connection with projects which are sponsored by the University of Massachusetts,
50 research universities, or non-profit research institutions in the state for scientific or technology
51 research and development and funded in part by the federal government, or other public or
52 private funds including, but not limited to, venture capital; provided, that any grant awarded in
53 accordance with this section shall leverage at least \$3 for each dollar granted from sources other
54 than an agency as defined by Section 39 of chapter 6 of the general laws; provided further, funds
55 expended specifically for this matching fund from the higher education bond bill, established by

56 section 258 of the Acts of 2008 as amended by this Act shall not count towards the \$3 of
57 financing that is required for the matching fund; provided further, that prior to awarding any
58 grant under this section the corporation shall determine that the grant will advance the finding
59 contained in paragraph (a); provided further, that priority shall be given to large-scale, long-term
60 research and development activities that have the greatest potential to support scientific and
61 technological innovation and stimulate economic and employment opportunities in the state; and
62 provided, further that at least fifty percent of the grant funds under this section shall be reserved
63 for award, subject to qualification, to the University of Massachusetts. The University of
64 Massachusetts may, if it deems necessary to help ensure efficient and effective research and
65 development efforts, enter into collaborative agreements with other higher education institutions
66 in the state to undertake parts of any research and development project for which grant funding
67 under this section is sought.

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

73 SECTION 4. To meet expenditures necessary in carrying out section 2, the state treasurer shall,
74 upon the request of the governor, issue and sell bonds of the commonwealth in an amount to be
75 specified by the governor from time to time but not exceeding, in the aggregate, \$25,000,000. All
76 bonds issued by the commonwealth as aforesaid shall be designated on their face, the
77 Massachusetts Technology Park Corporation Scientific and Technology Research and
78 Development Matching Grant Fund Act of 2011, and shall be issued for a maximum term of

79 years, not exceeding 30 years as the governor may recommend to the general court under section
80 3 of Article LXII of the Amendments to the Constitution. The bonds shall be payable not later
81 than June 30, 2048. All interest and payments on account of principal on these obligations shall
82 be payable from the General Fund. Bonds and interest on bonds issued under this section shall,
83 notwithstanding any other provision of this act, be general obligations of the commonwealth.

84 SECTION 5. Item 7100-1000 of section 2 of chapter 258 of the acts of 2008 is hereby amended
85 by inserting after the words: "in the city of Worcester;" the following words: - provided further
86 that not less than \$25,000,000 shall be expended in collaboration and coordination with funds
87 granted pursuant to the provisions of section 4G of chapter 40J of the general laws as created by
88 this act, provided that funds expended for this purpose shall leverage at least \$3 for each dollar
89 granted and that funds expended for this purpose shall not qualify as meeting the requirements
90 for leveraged dollars required under said section 4G;

91 SECTION 6. Chapter 6C of the General Laws is hereby amended by striking out sections 47
92 through 48.

93 SECTION 7: Chapter 23A of the General Laws is hereby amended by inserting after section 62
94 the following section:-

95 SECTION 63

96 MASSWORKS INFRASTRUCTURE PROGRAM

97 Section 63. (a) There shall be within the executive office of housing and economic development
98 a MassWorks Infrastructure Program to issue public infrastructure grants to municipalities and
99 other public instrumentalities for design, construction, building, land acquisition, rehabilitation,

100 repair, and other improvements to publicly-owned infrastructure including, but not limited to,
101 sewers, utility extensions, streets, roads, curb-cuts, parking, water treatment systems,
102 telecommunications systems, transit improvements, and pedestrian and bicycle ways. The grant
103 program shall also provide for commercial and residential transportation and infrastructure
104 development, improvements and various capital investment projects under the Growth Districts
105 Initiative administered by the executive office of housing and economic development. The grants
106 shall be used to assist municipalities to advance projects that support job creation and expansion,
107 housing development and rehabilitation, community development, and small town transportation
108 projects. Further, the grant program may be used to match other public and private funding
109 sources to build or rehabilitate transit oriented housing located within .25 miles of a commuter
110 rail station, subway station, ferry terminal, or bus station, at least 25 percent of which shall be
111 affordable. Preference shall be given to projects that support smart growth as defined by the
112 state's Sustainable Development Principles.

113 (b) Eligible public infrastructure must be located on public land or on public leasehold, right-of-
114 way or easement.

115 (c) There shall be at least one open solicitation period each year to accept and consider new
116 applications. Not less than 12 weeks before the annual open solicitation period, the executive
117 office of housing and economic development shall release the criteria upon which the
118 applications will be judged including, but not limited to, a minimum project readiness standard,
119 overall spending targets by project type, preferences for projects that align with the state's
120 Sustainable Development Principles, and other preferences applying to that funding round.
121 Grants may also be made out of round at the discretion of the secretary of housing and economic

122 development subject to the foregoing criteria. All grant awards shall be made only after
123 consultation with the appropriate regional planning agency.

124 (d) Any eligible city or town, acting by and through its municipal officers or by and through any
125 agency designated by such municipal officers to act on their behalf may apply to the program for
126 a grant in a specific amount to fund a specified project. Two or more municipalities may apply
127 jointly, with one municipality acting as fiscal agent, or through a regional planning agency acting
128 as fiscal agent. Said grants may be made in addition to other forms of local, state, and federal
129 assistance.

130 (e) Within the program, a portion of the grant funds shall be dedicated annually to assist towns
131 with populations of 7,000 or less in undertaking projects to design, construct, reconstruct, widen,
132 resurface, rehabilitate, and otherwise improve roads and bridges or for the construction of
133 chemical storage facilities, that support economic or community development. Such towns shall
134 be eligible for a grant not to exceed \$1,000,000, and towns shall be eligible to receive one grant
135 every 3 fiscal years. Two or more towns eligible under this subsection may file a joint
136 application for a single project serving those towns, but the total amount distributed to any one
137 town shall not exceed the maximum amount allowed under this section. Receipt of a grant which
138 is part of a joint application shall not preclude a town from receiving additional funds under a
139 separate application. Receipt of a grant of funds dedicated annually to assist towns with
140 population of 7,000 or less shall not preclude a town from receiving additional funds that support
141 job creation and expansion, housing development and rehabilitation, and community
142 development from the MassWorks Infrastructure Program.

143 (f) The secretary of housing and economic development may establish rules and regulations to
144 govern the application and distribution of grants under this section. The rules and regulations
145 may include provisions for joint applications by 2 or more eligible towns for a single project
146 serving those towns. Any rules or regulations, or any amendment or repeal of any rules or
147 regulations adopted under this section shall be filed with the clerks of the senate and house of
148 representatives.

149 (g) The secretary of housing and economic development shall report annually to the clerks of
150 the house of representatives and the senate, the chairs of the joint committee on transportation,
151 the chairs of the joint committee on economic development and emerging technologies, the
152 chairs of the senate and house committees on ways and means, and the chairs of the joint
153 committees on state administration and regulatory oversight on the activities and status of the
154 MassWorks Infrastructure Program. The report shall include a list and description of all projects
155 that received grant funds under the program, the amount of the grant awarded to the project,
156 other sources of public funds that supported the project, a detailed analysis of the economic
157 impact of each project including but not limited to the number of construction and full time
158 equivalent jobs to be created, number of housing units to be created, the private investment in the
159 project, and the expected tax revenue generated from the project.

160 SECTION 8. Section 57A of chapter 121B is hereby repealed.

161 SECTION 9 Item 6033-9013 of section 2 of chapter 246 of the acts of 2002 is hereby amended
162 by adding the following words:- ; provided, that after April 1, 2012 this item shall be used for the
163 MassWorks Infrastructure Program, as established by section 63 of chapter 23A of the General
164 Laws; provided further, that any uncommitted balance as of April 1, 2012 from the

165 aforementioned item shall be transferred to the Executive Office of Housing and Economic
166 Development; provided further, that any unexpended balance as of September 1, 2012 from the
167 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
168 2009 shall be transferred to item 7002-8005 within the Executive Office of Housing and
169 Economic Development; and provided further, that before October 1, 2012 the Executive Office
170 for Housing and Economic Development shall submit a report on the amount of authorization
171 expended from this item before April 1, 2012; provided further, that said report shall detail
172 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
173 completing awards; and provided further that said report shall be delivered to the joint committee
174 on ways & means, house committee on bonding, capital expenditures and state assets and the
175 senate committee on bonding, capital expenditures and state assets.

176 SECTION 10 Item 6033-0428 of section 2B of chapter 291 of the acts of 2004 is hereby
177 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
178 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
179 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
180 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
181 2009 shall be transferred to item 7002-8010 within the Executive Office of Housing and
182 Economic Development; provided further, that any unexpended balance as of September 1, 2012
183 from the aforementioned item shall be transferred to the Executive Office of Housing and
184 Economic Development; and provided further, that before October 1, 2012 the Executive Office
185 for Housing and Economic Development shall submit a report on the amount of authorization
186 expended from this item before April 1, 2012; provided further, that said report shall detail
187 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for

188 completing awards; and provided further that said report shall be delivered to the joint committee
189 on ways & means, house committee on bonding, capital expenditures and state assets and the
190 senate committee on bonding, capital expenditures and state assets.

191 SECTION 11. Item 6033-0499 of said section 2B of said chapter 291 is hereby amended by
192 adding the following words:- ; provided, that after April 1, 2012 this item shall be used for the
193 MassWorks Infrastructure Program, as established by section 63 of chapter 23A of the General
194 Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
195 aforementioned or its successor item established as a result of Chapter 25 of the Acts of 2009
196 shall be transferred to item 7002-8015 within the Executive Office of Housing and Economic
197 Development; provided further, that any unexpended balance as of September 1, 2012 from the
198 aforementioned item shall be transferred to the Executive Office of Housing and Economic
199 Development; and provided further, that before October 1, 2012 the Executive Office for
200 Housing and Economic Development shall submit a report on the amount of authorization
201 expended from this item before April 1, 2012; provided further, that said report shall detail
202 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
203 completing awards; and provided further that said report shall be delivered to the joint committee
204 on ways & means, house committee on bonding, capital expenditures and state assets and the
205 senate committee on bonding, capital expenditures and state assets.

206 SECTION 12. Item 6001-0421 of section 2I of said chapter 291 is hereby amended by adding
207 the following words:- ; provided, that after April 1, 2012 this item shall be used for the
208 MassWorks Infrastructure Program, as established by section 63 of chapter 23A of the General
209 Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
210 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of

211 2009 shall be transferred to the item 7002-8020 within Executive Office of Housing and
212 Economic Development; provided further, that any unexpended balance as of September 1, 2012
213 from the aforementioned item shall be transferred to the Executive Office of Housing and
214 Economic Development; and provided further, that before October 1, 2012 the Executive Office
215 for Housing and Economic Development shall submit a report on the amount of authorization
216 expended from this item before April 1, 2012; provided further, that said report shall detail
217 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
218 completing awards; and provided further that said report shall be delivered to the joint committee
219 on ways & means, house committee on bonding, capital expenditures and state assets and the
220 senate committee on bonding, capital expenditures and state assets.

221 SECTION 13. Item 1100-8000 of section 2B of chapter 123 of the Acts of 2006 is hereby
222 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
223 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
224 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
225 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
226 2009 shall be transferred to the Executive Office of Housing and Economic Development;
227 provided further, that any unexpended balance as of September 1, 2012 from the aforementioned
228 item shall be transferred to item 7005-8025 within the Executive Office of Housing and
229 Economic Development; and provided further, that before October 1, 2012 the Executive Office
230 for Housing and Economic Development shall submit a report on the amount of authorization
231 expended from this item before April 1, 2012; provided further, that said report shall detail
232 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
233 completing awards; and provided further that said report shall be delivered to the joint committee

234 on ways & means, house committee on bonding, capital expenditures and state assets and the
235 senate committee on bonding, capital expenditures and state assets.

236 SECTION 14. Item 6033-0887 of section 2B of chapter 86 of the acts of 2008, is hereby
237 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
238 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
239 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
240 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
241 2009 shall be transferred to the item 7002-8030 within Executive Office of Housing and
242 Economic Development; provided further, that any unexpended balance as of September 1, 2012
243 from the aforementioned item shall be transferred to the Executive Office of Housing and
244 Economic Development; and provided further, that before October 1, 2012 the Executive Office
245 for Housing and Economic Development shall submit a report on the amount of authorization
246 expended from this item before April 1, 2012; provided further, that said report shall detail
247 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
248 completing awards; and provided further that said report shall be delivered to the joint committee
249 on ways & means, house committee on bonding, capital expenditures and state assets and the
250 senate committee on bonding, capital expenditures and state assets.

251 SECTION 15. Item 7004-0035 of section 2 of chapter 119 of the acts of 2008 is hereby
252 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
253 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
254 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
255 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
256 2009 shall be transferred to the item 7005-8035 within Executive Office of Housing and

257 Economic Development; provided further, that any unexpended balance as of September 1, 2012
258 from the aforementioned item shall be transferred to the Executive Office of Housing and
259 Economic Development; and provided further, that before October 1, 2012 the Executive Office
260 for Housing and Economic Development shall submit a report on the amount of authorization
261 expended from this item before April 1, 2012; provided further, that said report shall detail
262 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
263 completing awards; and provided further that said report shall be delivered to the joint committee
264 on ways & means, house committee on bonding, capital expenditures and state assets and the
265 senate committee on bonding, capital expenditures and state assets.

266 SECTION 16. Item 6035-0887 of section 2B of chapter 303 of the acts of 2008, as amended by
267 section 34 of chapter 26 of the acts of 2009 is hereby amended by adding the following words:- ;
268 provided, that after April 1, 2012 this item shall be used for the MassWorks Infrastructure
269 Program, as established by section 63 of chapter 23A of the General Laws; provided further, that
270 any uncommitted balance as of April 1, 2012 from the aforementioned item or its successor item
271 established as a result of Chapter 25 of the Acts of 2009 shall be transferred to the item 7002-
272 8040 within Executive Office of Housing and Economic Development; provided further, that any
273 unexpended balance as of September 1, 2012 from the aforementioned item shall be transferred
274 to the Executive Office of Housing and Economic Development; and provided further, that
275 before October 1, 2012 the Executive Office for Housing and Economic Development shall
276 submit a report on the amount of authorization expended from this item before April 1, 2012;
277 provided further, that said report shall detail awards expected to utilize this authorization after
278 April, 1, 2012 and the schedule plan for completing awards; and provided further that said report
279 shall be delivered to the joint committee on ways & means, house committee on bonding, capital

280 expenditures and state assets and the senate committee on bonding, capital expenditures and state
281 assets.

282 SECTION 17. Item 6035-0877 of section 2B of chapter 303 of the acts of 2008, as amended by
283 section 33 of chapter 26 of the acts of 2009, is hereby amended by adding the following words:- ;
284 provided, that after April 1, 2012 this item shall be used for the MassWorks Infrastructure
285 Program, as established by section 63 of chapter 23A of the General Laws; provided further, that
286 any uncommitted balance as of April 1, 2012 from the aforementioned item shall be transferred
287 to the Executive Office of Housing and Economic Development; provided further, that any
288 unexpended balance as of September 1, 2012 from the aforementioned item or its successor item
289 established as a result of Chapter 25 of the Acts of 2009 shall be transferred to item 7002-8045
290 within the Executive Office of Housing and Economic Development; and provided further, that
291 before October 1, 2012 the Executive Office for Housing and Economic Development shall
292 submit a report on the amount of authorization expended from this item before April 1, 2012;
293 provided further, that said report shall detail awards expected to utilize this authorization after
294 April, 1, 2012 and the schedule plan for completing awards; and provided further that said report
295 shall be delivered to the joint committee on ways & means, house committee on bonding, capital
296 expenditures and state assets and the senate committee on bonding, capital expenditures and state
297 assets.

298 SECTION 18. Item 6001-0803 of section 2C of chapter 303 of the acts of 2008 is hereby
299 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
300 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
301 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
302 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of

303 2009 shall be transferred to item 7002-8050 within the Executive Office of Housing and
304 Economic Development; provided further, that any unexpended balance as of September 1, 2012
305 from the aforementioned item shall be transferred to the Executive Office of Housing and
306 Economic Development; and provided further, that before October 1, 2012 the Executive Office
307 for Housing and Economic Development shall submit a report on the amount of authorization
308 expended from this item before April 1, 2012; provided further, that said report shall detail
309 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
310 completing awards; and provided further that said report shall be delivered to the joint committee
311 on ways & means, house committee on bonding, capital expenditures and state assets and the
312 senate committee on bonding, capital expenditures and state assets..

313 SECTION 19. Item 6001-0817 of said section 2C of said chapter 303 is hereby amended by
314 adding the following words:- ; provided, that after April 1, 2012 this item shall be used for the
315 MassWorks Infrastructure Program, as established by section 63 of chapter 23A of the General
316 Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
317 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
318 2009 shall be transferred to the item 7002-8055 within Executive Office of Housing and
319 Economic Development; provided further, that any unexpended balance as of September 1, 2012
320 from the aforementioned item shall be transferred to the Executive Office of Housing and
321 Economic Development; and provided further, that before October 1, 2012 the Executive Office
322 for Housing and Economic Development shall submit a report on the amount of authorization
323 expended from this item before April 1, 2012; provided further, that said report shall detail
324 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
325 completing awards; and provided further that said report shall be delivered to the joint committee

326 on ways & means, house committee on bonding, capital expenditures and state assets and the
327 senate committee on bonding, capital expenditures and state assets.

328 SECTION 20. Item 1100-8020 of section 2C of chapter 304 of the acts of 2008, is hereby
329 amended by adding the following words:- ; provided, that after April 1, 2012 this item shall be
330 used for the MassWorks Infrastructure Program, as established by section 63 of chapter 23A of
331 the General Laws; provided further, that any uncommitted balance as of April 1, 2012 from the
332 aforementioned item or its successor item established as a result of Chapter 25 of the Acts of
333 2009 shall be transferred to item 7002-8060 within the Executive Office of Housing and
334 Economic Development; provided further, that any unexpended balance as of September 1, 2012
335 from the aforementioned item shall be transferred to the Executive Office of Housing and
336 Economic Development; and provided further, that before October 1, 2012 the Executive Office
337 for Housing and Economic Development shall submit a report on the amount of authorization
338 expended from this item before April 1, 2012; provided further, that said report shall detail
339 awards expected to utilize this authorization after April, 1, 2012 and the schedule plan for
340 completing awards; and provided further that said report shall be delivered to the joint committee
341 on ways & means, house committee on bonding, capital expenditures and state assets and the
342 senate committee on bonding, capital expenditures and state assets.

343 SECTION 21. Item 6001-0816 of section 2B of chapter 240 of the acts of 2010, as amended by
344 Section 1 of chapter 412 of the acts of 2010 is hereby amended by adding the following words:- ;
345 provided, that after April 1, 2012 this item shall be used for the MassWorks Infrastructure
346 Program, as established by section 63 of chapter 23A of the General Laws; provided further, that
347 any uncommitted balance as of April 1, 2012 from the aforementioned item or its successor item
348 established as a result of Chapter 25 of the Acts of 2009 shall be transferred to item 7002-8060

349 within the Executive Office of Housing and Economic Development; provided further, that any
350 unexpended balance as of September 1, 2012 from the aforementioned item shall be transferred
351 to the Executive Office of Housing and Economic Development; and provided further, that
352 before October 1, 2012 the Executive Office for Housing and Economic Development shall
353 submit a report on the amount of authorization expended from this item before April 1, 2012;
354 provided further, that said report shall detail awards expected to utilize this authorization after
355 April, 1, 2012 and the schedule plan for completing awards; and provided further that said report
356 shall be delivered to the joint committee on ways & means, house committee on bonding, capital
357 expenditures and state assets and the senate committee on bonding, capital expenditures and state
358 assets.

359 SECTION 22 . The General Laws are hereby amended by inserting after chapter 23K the
360 following chapter:

361 CHAPTER 23L. LOCAL INFRASTRUCTURE DEVELOPMENT PROGRAM

362 Section 1. As used in this chapter, the following words shall, unless the context clearly requires
363 otherwise, have the following meanings:-

364 “Agency”, the Massachusetts Development Finance Agency established pursuant to section 2 of
365 chapter 23G of the General Laws, as amended from time to time.

366 “Amended improvement plan” a plan describing any change to the improvement plan with
367 respect to the boundaries of a development zone, or material change to the method of assessing
368 costs, description of improvements, the maximum cost of the improvements, or method of
369 financing the improvements that is approved through the same procedures as the original
370 improvement plan adopted pursuant to this chapter.

371 “Assessing party”, shall mean the municipality identified in the improvement plan to assess any
372 infrastructure assessments in the development zone.

373 “Cost”, shall include the cost of: (a) construction, reconstruction, renovation, demolition,
374 maintenance and acquisition of all lands, structures, real or personal property, rights, rights-of-
375 way, utilities, franchises, easements, and interests acquired or to be acquired by the public
376 facilities owner; (b) all labor and materials, machinery and equipment including machinery and
377 equipment needed to expand or enhance services from the municipality, the commonwealth or
378 any other political subdivision thereof to the development zone; (c) financing charges and
379 interest prior to and during construction, and for 1 year after completion of the improvements,
380 interest and reserves for principal and interest, including costs of municipal bond insurance and
381 any other type of credit enhancement or financial guaranty and costs of issuance; (d) extensions,
382 enlargements, additions, and enhancements to improvements; (e) architectural, engineering,
383 financial and legal services; (f) plans, specifications, studies, surveys and estimates of costs and
384 of revenues; (g) administrative expenses necessary or incident to the construction, acquisition,
385 and financing of the improvements; and (h) other expenses as may be necessary or incident to the
386 construction, acquisition, maintenance, and financing of the improvements.

387 “Development zone”, one or more parcels of real estate in the municipality, contiguous or not,
388 described in the improvement plan and to be benefited by the improvements and subject to
389 infrastructure assessments as described in the improvement plan.

390 “Infrastructure assessments”, assessments, betterments, special assessments, charges or fees as
391 described in this chapter and the improvement plan and assessed by the assessing party upon the

392 real estate within the development zone to defray the cost of improvements financed in
393 accordance with this chapter.

394 “Improvement plan”, a plan set forth in the petition for the establishment of a development zone
395 setting forth the proposed improvements, services and programs, revitalization strategy,
396 replacement and maintenance plan, the cost estimates for said improvements, and the
397 replacement and maintenance program, the identity of the public facilities owner or owners and
398 the administrator of the plan, the boundaries of the development zone, the analysis of any costs
399 of financing said improvements, the identification of the assessing party, the method and
400 structure of the infrastructure assessments, the selection of any or all of the assessing powers
401 listed in section 4 that shall be utilized by the assessing party within the development zone, the
402 description of the infrastructure development project within the development zone, the proposed
403 use of any bonds or notes to finance such project by the agency, the participation of the agency,
404 if any, in a district improvement financing program as described in section 7, and if so, a
405 description of any assessing powers to be utilized, and the estimates of the costs and expenses to
406 be levied and assessed on the real estate in the development zone.

407 “Improvements”, the acquiring, laying, constructing, improving and operating of capital
408 improvements to be owned by a public facilities owner, including, but not limited to, storm
409 drainage systems, dams, sewage treatment plants, sewers, water and well systems, roads, bridges,
410 culverts, tunnels, streets, sidewalks, lighting, traffic lights, signage and traffic control systems,
411 parking, including garages, public safety and public works buildings, parks, landscaping of
412 public facilities, cultural and performing arts facilities, recreational facilities, marine facilities
413 such as piers, wharfs, bulkheads and sea walls, transportation stations and related facilities,
414 shuttle transportation equipment, fiber and telecommunication systems, facilities to produce and

415 distribute electricity, including alternate energy sources such as co-generation and solar
416 installations, the investigation and remediation associated with the cleanup of actual or perceived
417 environmental contamination within the development zone in accordance with applicable
418 governmental regulations and provided that no such investigation or remediation shall impair the
419 rights of the public facilities owner or any other person to contribution or reimbursement from
420 any potentially responsible party for the costs thereof, and other improvements; provided that
421 improvements shall not include any improvements located in, or serving gated communities, so
422 called, not including age restricted developments operated by non-profit organizations, that
423 prohibit access to the general public and any type of improvement that is specifically prohibited
424 in the United States internal revenue code from using tax-exempt financing.

425 “Infrastructure development project”, the acquisition, construction, expansion, improvement or
426 equipping of improvements serving any new or existing commercial, retail, industrial, or
427 residential facilities or mixed use project.

428 “Massachusetts opportunity rebuilding and expansion infrastructure program”, or “MORE
429 infrastructure”, a program established under this act, designed to finance infrastructure
430 improvements benefiting existing and new residential, commercial and industrial properties and
431 the citizens and businesses of the commonwealth.

432 “Municipal governing body”, in a city, the city council with the approval of the mayor, and in a
433 city having a Plan D or E form of charter, the city council with the approval of the city manager,
434 the town council in a town with a town council form of government, or otherwise the board of
435 selectmen in a town with a town meeting form of government.

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

438 “Person”, any natural or corporate person, including bodies politic and corporate, public
439 departments, offices, agencies, authorities and political subdivisions of the commonwealth,
440 corporations, trusts, limited liability companies, societies, associations, and partnerships and
441 subordinate instrumentalities of any one or more political subdivisions of the commonwealth.

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

444 “Project”, an infrastructure development project.

445 “Public facilities owner”, means the municipality, the commonwealth or any other political
446 subdivision , agency or public authority of the commonwealth, , identified in the improvement
447 plan as the owner of the improvements described in an improvement plan or an amended
448 improvement plan.

449 Section 2. (a) Each municipality in the commonwealth, acting through its municipal governing
450 body, notwithstanding any general or special law, charter provision, by-law or ordinance to the
451 contrary, may adopt this chapter and is authorized to establish 1 or more development zones
452 pursuant to this chapter. In the event that 2 or more municipalities wish to jointly establish or
453 consolidate contiguous development zones, the municipal governing body of each such
454 municipality wherein said development zone shall be located, shall approve by a majority vote
455 the petition for the establishment of such a development zone.

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

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

460 (2) the written consent to the establishment of the development zone or any amended
461 improvement plan, by the persons with the record ownership of 100 percent of the acreage to be
462 included in the development zone; provided that any real estate owned by the commonwealth, or
463 any agency, or any political subdivision thereof, included in the boundaries of the development
464 zone shall not be included in the count of persons owning tax parcels or acreage in the
465 development zone for the purposes of this clause;

466 (3) the name of the development zone;

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

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

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

473 (7) the procedure by which the municipality will be reimbursed for any costs incurred by it in
474 establishing the development zone, and for any administrative costs to be incurred in the
475 administration and collection of any infrastructure assessments imposed within the development
476 zone.

477 Section 3. (a) Upon receipt of a petition pursuant to section 2, the city council in the case of
478 cities, the town council in the case of towns with a town council form of government or the
479 board of selectmen in the case of a town with a town meeting form of government shall, within
480 60 days of said receipt, hold a public hearing on said petition. Written notification of such
481 hearing and a summary of the petition and the improvement plan, shall be provided by the clerk
482 of the municipality to the record owner of each tax parcel within the boundaries of the proposed
483 development zone no later than 14 days prior to such hearing, by mailing a notice to the address
484 listed in the municipality's property tax records. Notification of the hearing shall also be
485 published for 2 consecutive weeks in a newspaper of general circulation in the municipality, the
486 first such publication to be at least 14 days prior to the date of such hearing. Such public notice
487 shall state the proposed boundaries of the development zone, the improvements proposed to be
488 provided in the development zone, the proposed basis for determining any infrastructure
489 assessments with respect to such improvements, and the location or locations for viewing and
490 copying the petition including the improvement plan.

491 (b) A public hearing pursuant to subsection (a) shall be held to determine if the petition satisfies
492 the criteria of this chapter for a development zone, and to obtain public comment regarding the
493 improvement plan and the effect that the development zone will have on the owners of real
494 estate, tenants and other persons within said development zone, and on the municipality or
495 adjacent communities. Within 45 days after the conclusion of said public hearing, the city
496 manager with the approval of the city council in the case of a city under Plan D or E forms of
497 government, the mayor with the approval of the city council in the case of all other cities, the
498 town council in the case of towns with a town council form of government or otherwise the
499 board of selectmen in the case of a town with a town meeting form of government shall issue

500 recommendations on the petition; provided, however, that said recommendations shall include,
501 but shall not be limited to, the following findings:-

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

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

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

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

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

519 (1) to make and enter into all manner of contracts and agreements necessary or incidental to the
520 exercise of any power granted by this chapter including agreements with the municipality, the

521 commonwealth, the agency and any other city, town or political entity or utility for the provision
522 of services that are necessary to the acquisition, construction, operation or financing of the
523 improvements within the development zone;

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

532 (3) to construct, improve, extend, equip, enlarge, repair, maintain, and operate and administer the
533 improvements for the benefit of the development zone within, or without the development zone;
534 to acquire existing improvements or construct new improvements, including those located under
535 or over any roads, public ways or parking areas, and to enter upon and dig up any private land
536 within the development zone for the purpose of constructing said improvements and of repairing
537 the same;

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

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

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

545 (7) to enter into contracts and agreements with the municipality, the agency, the commonwealth
546 or any political subdivisions thereof, the property owners of the development zone and any
547 public or private party with respect to all matters necessary, convenient or desirable for carrying
548 out the purposes of this chapter including, without limiting the generality of the foregoing, the
549 acquisition of existing improvements (including utilities or infrastructure outside the
550 development zone but benefiting the development zone), collection of revenue, data processing,
551 and other matters of management, administration and operation; to make other contracts of every
552 name and nature; and to execute and deliver all instruments necessary or convenient for carrying
553 out any of its purposes;

554 (8) to exercise the powers and privileges of, and to be subject to the limitations upon,
555 municipalities provided in sections 38 to 42K, inclusive, of chapter 40, chapter 80 and chapter
556 83, in so far as such provisions may be applicable and are consistent with the provisions of this
557 chapter; provided, however, that any requirement in said chapters for a vote by the governing
558 body of a town or city or for a vote by the voters of a town or city, shall be satisfied by a vote or
559 resolution duly adopted by the board of directors, board of selectmen, city council or town
560 council as the case may be;

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

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

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

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

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

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

578 Section 4. (a) Consistent with the improvement plan, the assessing party, is authorized and
579 empowered to fix, revise, charge, collect and abate infrastructure assessments, for the cost,
580 maintenance, operation ,and administration of the improvements imposed on the real estate,
581 leaseholds or other interests therein, located in the development zone. All real estate within a
582 development zone owned by the commonwealth or any political subdivision, political
583 instrumentality, agency or public authority thereof shall be exempt from such charges unless
584 such charges are specifically accepted by the commonwealth or such political subdivision,

585 political instrumentality, agency or public authority. In providing for the payment of the cost of
586 the improvements or for the use of the improvements, the assessing party may avail itself of the
587 provisions of the General Laws relative to the assessment, apportionment, division, fixing,
588 reassessment, revision, abatement and collection of infrastructure assessments by cities and
589 towns, or the establishment of liens therefore and interest thereon, and the procedures set forth in
590 sections 5 and 5A of chapter 254 of the General Laws for the foreclosure of liens arising under
591 section 6 of chapter 183A of the General Laws, as it shall deem necessary and appropriate for
592 purposes of the assessment and collection of infrastructure assessments. The assessing party shall
593 file copies of the improvement plan and any amendments thereof, and all schedules of
594 assessments with the appropriate registry of deeds and the municipality's assessors' records so
595 that notice thereof would be reported on a municipal lien certificate for any real estate parcel
596 located in a development zone. Notwithstanding any general or special law to the contrary, the
597 assessing party may pay the entire cost of any improvements, including the acquisition thereof,
598 during construction or after completion, or the debt service of notes or bonds used to fund such
599 costs, from infrastructure assessments, and may establish said infrastructure assessments prior to,
600 during, or within 1 year after completion of construction or acquisition of any improvements.
601 The assessing party may establish a schedule for the payment of infrastructure assessments not to
602 exceed 35 years. The assessing party may determine the circumstances under which the
603 infrastructure assessments may be increased, if at all, as a consequence of delinquency or default
604 by the owner of a parcel within the development zone. To provide for the collection and
605 enforcement of its infrastructure assessments, the assessing party is hereby granted all the powers
606 and privileges with respect thereto held by the municipality on the effective date of this chapter
607 or as otherwise provided in this chapter, to be exercised concurrently with the municipality.

608 The infrastructure assessments of general application authorized by this chapter may only be
609 increased for administrative expenses in excess of the infrastructure assessments described in the
610 improvement plan, and shall be in accordance with the procedures to be established by the
611 assessing party for assuring that interested persons are afforded notice and an opportunity to
612 present data, views and arguments. The assessing party shall hold at least 1 public hearing on its
613 schedule of infrastructure assessments or any revision thereof prior to adoption by the assessing
614 party, notice of which shall be delivered to the municipality and be published in a newspaper of
615 general circulation in the municipality at least 14 days in advance of the hearing. No later than
616 the date of such publication, the assessing party shall make available to the public and deliver to
617 the municipality the proposed schedule of infrastructure assessments.

618 The infrastructure assessments established by the assessing party shall not be subject to
619 supervision or regulation by any department, division, commission, board, bureau, or agency of
620 the commonwealth or any of its political subdivisions, including without limitation, the
621 municipality, if it is not the assessing party, nor shall the assessing party be subject to the
622 provisions of sections 20A and 21C of chapter 59.

623 Notwithstanding any general or special law to the contrary, the assessing party may contract with
624 one or more persons for any services required by the assessing party regarding the assessment,
625 apportionment, division, fixing, reassessment, revision, collection and enforcement of
626 infrastructure assessments hereunder, and the fees, costs and other expenses thereof shall be
627 included in the calculation of the infrastructure assessments levied by the assessing party
628 hereunder.

629 The infrastructure assessments established by the assessing party in accordance with this chapter
630 shall be fixed and adjusted in respect of the aggregate thereof so as to provide revenues at least
631 sufficient to: (i) to pay the administrative expenses of the assessing party; (ii) to pay the principal
632 of, premium, if any, and interest on bonds, notes or other evidences of indebtedness of the
633 agency under this chapter as the same becomes due and payable; (iii) to create and maintain such
634 reasonable reserves as may be reasonably required by any trust agreement or resolution securing
635 bonds; (iv) to provide funds for paying the cost of necessary maintenance, repairs, replacements
636 and renewals of the improvements; and (v) to pay or provide for any amounts that the agency
637 may be obligated to pay or provide for by law or contract, including any resolution or contract
638 with or for the benefit of the holders of its bonds and notes, provided that the assessing party
639 shall not be required to increase any infrastructure assessments by virtue of any individual
640 property owner delinquencies.

641 Notwithstanding any general or special law to the contrary, the agency shall not be precluded
642 from carrying out its obligations under this chapter if it has previously provided technical, real
643 estate, lending, financing, or other assistance to: (i) an infrastructure development project
644 including, but not limited to, a project in which the agency may have a economic interest; (ii) a
645 development zone; or (iii) a municipality associated with, or that may benefit from, an
646 infrastructure development project.

647 (b) As an alternative to levying infrastructure assessments under any other provisions of this
648 chapter or the General Laws, the assessing party may levy special assessments on real estate,
649 leaseholds, or other interests therein within the development zone to finance the cost of the
650 improvements and the maintenance, repair, replacement and renewal thereof, and the expense of
651 administration thereof. In determining the basis for and amount of the special assessment, the

652 cost of the improvements and the maintenance, repair, replacement and renewal thereof, and the
653 expense of administration thereof, including the cost of the repayment of the debt issued or to be
654 issued by the agency to finance the improvements, may be calculated and levied using any of the
655 following methods that result in fairly allocating the costs of the improvements to the real estate
656 in the development zone:

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

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

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

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

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

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

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

670 (4) the circumstances under which the special assessment levied against any parcel may be
671 increased, if at all, as a consequence of delinquency or default by the owner of that parcel or any
672 other parcel within the development zone;

673 (5) the circumstances under which the special assessments may be reduced or abated; and

674 (6) the assessing party may establish procedures allowing for the prepayment of infrastructure

675 assessments under this chapter.

676 (c) Infrastructure assessments, levied under this chapter shall be collected and secured in the

677 same manner as property taxes, betterments, and assessments and fees owed to the municipality

678 unless otherwise provided by the assessing party and shall be subject to the same penalties and

679 the same procedure, sale, and lien priority in case of delinquency as is provided for such property

680 taxes, betterments and liens owed to the municipality. Any liens imposed by the municipality for

681 the payment of property taxes, betterments and assessments shall have priority in payment over

682 any liens placed on real estate within the development zone.

683 (d) Notwithstanding any general or special act to the contrary, the agency, the municipality, or

684 any other public facilities owner are each authorized to contract with 1 or more owners of real

685 estate within a development zone to acquire or undertake improvements within the development

686 zone. Upon completion, such improvements shall be conveyed to the public facilities owner,

687 provided that the consideration for said conveyance shall be limited to the cost of said

688 improvements.

689 Section 5. (a) In addition to the powers granted pursuant to chapter 23G and chapter 40D of the

690 General Laws, the agency is hereby authorized to borrow money and issue and secure its bonds

691 for the purpose of financing improvements as provided in and subject to, the provisions of this

692 chapter; provided further that the provisions of said chapters 23G and 40D of the General Laws

693 shall apply to bonds issued under this section, except that the provisions of subsection (b) of

694 section 8 of said chapter 23G and section 12 of said chapter 40D shall not apply to bonds issued

695 pursuant to this chapter or the improvements financed thereby; and provided further, that the
696 improvements financed by the agency pursuant to this chapter shall constitute a project within
697 the meaning of section 1 of said chapter 23G and section 1 of said chapter 40D, but shall not be
698 considered facilities to be used in a commercial enterprise. With respect to the issuance of bonds
699 or notes for the purposes of this chapter in the event of a conflict between this chapter and
700 chapter 23G, the provisions of this chapter shall control.

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

705 (b) The agency is hereby authorized and empowered to provide by resolution of its board of
706 directors, from time to time, for the issuance of bonds or notes of the agency for any of the
707 purposes set forth in this chapter. Bonds issued hereunder shall be special obligations payable
708 solely from particular funds and revenues generated from infrastructure assessments levied
709 pursuant to this chapter as provided in such resolution. No bonds or notes shall be issued by the
710 agency pursuant to this chapter until the agency's board of directors has determined that the
711 bonds or notes trust agreement and any related financing documents are reasonable and proper
712 and comply with this chapter. The agency may charge a reasonable fee in connection with the
713 review of such documentation by its staff and board of directors. Without limiting the generality
714 of the foregoing, such bonds may be issued to pay or refund notes issued pursuant to this chapter,
715 to pay the cost of acquiring, laying, constructing, and reconstructing the improvements. The
716 bonds of each issue shall be dated, shall bear interest at the rates, including rates variable from
717 time to time, and shall mature at the time or times not exceeding 35 years from their date or

718 dates, as determined by the agency, and may be redeemable before maturity, at the option of the
719 agency or the holder thereof, at the price or prices and under the terms and conditions fixed by
720 the agency before the issuance of the bonds. The agency shall determine the form of the bonds,
721 and the manner of execution of the bonds, and shall fix the denomination or denominations of
722 the bonds and the place or places of payment of principal and interest, which may be at any bank
723 or trust company within or without the commonwealth and such other locations as designated by
724 the agency. In the event an officer whose signature or a facsimile of whose signature shall appear
725 on any bonds shall cease to be an officer before the delivery of the bonds, the signature or
726 facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had
727 remained in office until the delivery. The bonds shall be issued in registered form. The agency
728 may sell the bonds in a manner and for a price, either at public or private sale, as it may
729 determine to be for the best interests of the development zone.

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

736 While any bonds or notes of the agency remain outstanding, its powers, duties or existence shall
737 not be diminished or impaired in any way that will affect adversely the interests and rights of the
738 holders of such bonds or notes. Bonds or notes issued under this chapter, unless otherwise
739 authorized by law, shall not be deemed to constitute a debt of the commonwealth or the
740 municipality, or a pledge of the faith and credit of the commonwealth or of the municipality, but

741 the bonds or notes shall be payable solely by the agency as special obligations payable from
742 particular funds collected from infrastructure assessments levied pursuant to this chapter and any
743 revenues derived from the operation of the improvements. Any bonds or notes issued by the
744 agency under this chapter, shall contain on the face thereof a statement to the effect that neither
745 the commonwealth, or the municipality, shall be obliged to pay the same or the interest thereon,
746 and that the faith and credit or taxing power of the commonwealth, the municipality, or the
747 agency is not pledged to the payment of the bonds or notes. All bonds or notes issued under this
748 chapter shall have and are hereby declared to have all the qualities and incidents of negotiable
749 instruments as defined in section 3-104 of chapter 106 of the General Laws.

750 Issuance by the agency of 1 or more series of bonds or notes for 1 or more purposes shall not
751 preclude it from issuing other bonds or notes in connection with the same project or any other
752 project; provided, however, that the resolution or trust indenture wherein any subsequent bonds
753 or notes may be issued shall recognize and protect any prior pledge made for any prior issue of
754 bonds or notes unless in the resolution or trust indenture authorizing such prior issue the right is
755 reserved to issue subsequent bonds on a parity with such prior issue.

756 (c) In the discretion of the agency, bonds issued pursuant to this chapter may be secured by a
757 trust agreement between the agency and the bond owners or a corporate trustee which may be
758 any trust company or bank having the powers of a trust company within or without the
759 commonwealth. A trust agreement may pledge or assign, in whole or in part, the revenues, funds
760 and other assets or property held or to be received by the assessing party, or the agency including
761 without limitation all monies and investments on deposit from time to time in any fund of the
762 assessing party or the agency or any account thereof and any contract or other rights to receive
763 the same, whether then existing or thereafter coming into existence and whether then held or

764 thereafter acquired by the assessing party or the agency, and the proceeds thereof. A trust
765 agreement may pledge or assign, in whole or in part, development zone revenues, funds and
766 other assets or property relating to the development zone held or to be received by the assessing
767 party or the agency. A trust agreement may contain, without limitation, provisions for protecting
768 and enforcing the rights, security and remedies of the bondholders, provisions defining defaults
769 and establishing remedies, which may include acceleration and may also contain restrictions on
770 the remedies by individual bondholders. A trust agreement may also contain covenants of the
771 agency concerning the custody, investment and application of monies, the issue of additional or
772 refunding bonds, the use of any surplus bond proceeds, the establishment of reserves and the
773 regulation of other matters customarily treated in trust agreements. It shall be lawful for any bank
774 or trust company to act as a depository of any fund of the assessing party or the agency or trustee
775 under a trust agreement, provided it furnishes indemnification and reasonable security as the
776 agency may require. Any assignment or pledge of revenues, funds and other assets and property
777 made by the assessing party or the agency shall be valid and binding and shall be deemed
778 continuously perfected for the purposes of chapter 106 and other laws when made. The revenues,
779 funds and other assets and property, rights therein and thereto and proceeds so pledged and then
780 held or thereafter acquired or received by the assessing party or the agency shall immediately be
781 subject to the lien of such pledge without any physical delivery or segregation or further act, and
782 the lien of any such pledge shall be valid and binding against all parties having claims of any
783 kind in tort, contract or otherwise against the trust, whether or not such parties have notice
784 thereof. The trust agreement by which a pledge is created need not be filed or recorded to perfect
785 the pledge except in the records of the agency and no filing need be made pursuant to said
786 chapter 106. Any pledge or assignment made by the agency is an exercise of its political and

787 governmental powers, and revenues, funds, assets, property and contract or other rights to
788 receive the same and the proceeds thereof which are subject to the lien of a pledge or assignment
789 created under this chapter shall not be applied to any purposes not permitted by the pledge or
790 assignment.

791 (d) The agency is hereby authorized and empowered to issue, from time to time, notes of the
792 agency in anticipation of federal, state or local grants for the cost of acquiring, constructing or
793 improving the development zone's improvements or in anticipation of bonds to be issued
794 pursuant to this chapter. Said notes shall be authorized, issued and sold in the same manner as,
795 and shall otherwise be subject to the other provisions of this chapter. Such notes shall mature at
796 such time or times as provided by the issuing resolution of the agency and may be renewed from
797 time to time; provided, however, that all such notes and renewals thereof shall mature on or prior
798 to 20 years from their date of issuance.

799 (e) In addition to other security provided herein, or otherwise by law, bonds, notes or obligations
800 issued by the agency under any provision of this chapter, may be secured, in whole or in part, by
801 a letter of credit, line of credit, bond insurance policy, liquidity facility or other credit facility for
802 the purpose of providing funds for payments in respect of bonds, notes or other obligations
803 required by the holder thereof to be redeemed or repurchased prior to maturity or for providing
804 additional security for such bonds, notes or other obligations. In connection therewith, the
805 agency may enter into reimbursement agreements, remarketing agreements, standby bond
806 purchase agreements and any other necessary or appropriate agreements. The assessing party
807 may pledge or assign any of its revenues as security for the reimbursement by the it to the
808 agencies or providers of such letters of credit, lines of credit, bond insurance policies, liquidity

809 facilities or other credit facilities of any payments made under the letters of credit, lines of credit,
810 bond insurance policies, liquidity facilities or other credit facilities.

811 (f) In connection with, or incidental to, the issuance of bonds, notes or other obligations, the
812 agency may enter into such contracts as the agency may determine to be necessary or appropriate
813 relative to the issuance thereof and the interest payable thereon or to place the bonds, notes or
814 other obligations of the agency, as represented by the bonds or notes, or other obligations in
815 whole or in part, on such interest rate or cash flow basis as the agency may determine
816 appropriate, including without limitation, interest rate swap agreements, insurance agreements,
817 forward payment conversion agreements, futures contracts, contracts providing for payments
818 based on levels of, or changes in, interest rates or market indices, contracts to manage interest
819 rate risk, including without limitation, interest rate floors or caps, options, puts, calls and similar
820 arrangements. Such contracts shall contain such payment, security, default, remedy and other
821 terms and conditions as the agency may deem appropriate and shall be entered into with such
822 party or parties as the agency may select, after giving due consideration, where applicable, for
823 the credit worthiness of the counter party or counter parties, including any rating by a nationally
824 recognized rating agency, the impact on any rating on outstanding bonds, notes or other
825 obligations or any other criteria the agency may deem appropriate.

826 (g) The agency shall have the power out of any funds available therefore to purchase its bonds or
827 notes. The agency may hold, pledge, cancel or resell such bonds or notes, subject to and in
828 accordance with agreements with bondholders. The agency may issue refunding bonds for the
829 purpose of paying any of its bonds at maturity or upon acceleration or redemption. Refunding
830 bonds may be issued at such time or times prior to the maturity or redemption of the refunded
831 bonds as the agency deems to be in the public interest. Refunding bonds may be issued in

832 sufficient amounts to pay or provide for the principal of the bonds being refunded, together with
833 any redemption premium thereon, any interest accrued or to accrue to the date of payment of
834 such bonds, the expense of issuing the refunding bonds, the expense of redeeming bonds being
835 refunded and such reserves for debt service or other capital from the proceeds of such refunding
836 bonds as may be required by a trust agreement or resolution securing the bonds and, if
837 considered advisable by the agency, for the additional purpose of the acquisition, construction or
838 reconstruction and extension or improvement of improvements. All other provisions relating to
839 the issuance of refunding bonds shall be as set forth in this chapter insofar as the same may be
840 applicable.

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

844 (i) Bonds or notes issued under this chapter are hereby made securities in which all public
845 officers and public bodies of the commonwealth and its political subdivisions, all insurance
846 companies, trust companies in their commercial departments and within the limits set by the
847 General Laws, banking associations, investment companies, executors, trustees and other
848 fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to
849 invest in bonds or other obligations of a similar nature may properly and legally invest funds,
850 including capital in their control and belonging to them; and the bonds are hereby made
851 obligations that may properly and legally be made eligible for the investment of savings deposits
852 and income thereof in the manner provided by section 2 of chapter 167E. The bonds or notes are
853 hereby made securities that may properly and legally be deposited with and received by any state
854 or municipal officer or any agency or political subdivision of the commonwealth for any purpose

855 for which the deposit of bonds or other obligations of the commonwealth is now or may hereafter
856 be authorized by law.

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

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

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

875 (l) Bonds or notes may be issued under this chapter without obtaining the consent of any
876 department, division, commission, board, bureau or agency of the commonwealth or the

877 municipality, and without any proceedings or the happening of any other conditions or things
878 than those proceedings, conditions or things that are specifically required thereof by this chapter,
879 and the validity of and security for any bonds or notes issued by the agency shall not be affected
880 by the existence or nonexistence of any such consent or other proceeding conditions, or things.

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

887 Section 7. For purposes of this chapter, the agency may also issue bonds secured by
888 infrastructure assessments pursuant to and according to the terms of chapter 40Q of the General
889 Laws. With the approval of the municipal governing body and the Massachusetts Economic
890 Assistance Coordinating Council, the agency may issue its bonds in place of those of the
891 municipality pursuant to, and according to the terms of chapter 40Q, provided that the
892 municipality has fulfilled all requirements set forth in said chapter 40Q that would be required of
893 the municipality if it were itself issuing bonds pursuant to said chapter 40Q. In addition, the
894 municipality shall include in its “invested revenue district development program” as defined in
895 said chapter 40Q, a description of the rights and responsibilities of the assessing party, the
896 agency and the municipality with respect to said program. In such case, the municipality may
897 designate the agency as the issuer of bonds pursuant to said chapter 40Q for the purpose of
898 financing any of the “project costs” as defined in said chapter 40Q and that are located in, or
899 functionally serving the needs of the development zone. The municipality shall determine the

900 percentage of the “captured assessed valuation,” as defined in said chapter 40Q, of property
901 within the boundaries of the development zone that the municipality is pledging pursuant to an
902 invested revenue district development program as defined in said chapter 40Q for the payment of
903 the agency’s bonds. With the written agreement of the person or persons owning 1 or more
904 specific tax parcels in the development zone, the assessing party may adopt a plan whereby any
905 of the assessing powers described in this chapter are made applicable exclusively to said parcels
906 in order to secure and fund the debt service for the bonds. The “project costs” as defined in said
907 chapter 40Q, shall not be reduced by the amount of the revenues derived pursuant to this chapter
908 and said revenues derived from such a plan, may be made contingent upon or abated, in whole or
909 in part, by the assessing party upon the receipt of the anticipated revenues generated through the
910 pledged captured assessed valuation. At its option, the municipality may waive any adjustment
911 for the “inflation factor” described in said chapter 40Q, in order to increase the captured assessed
912 valuation available to finance improvements benefiting the development zone. The assessing
913 party, the agency and the municipality shall enter into an agreement delineating the rights and
914 responsibilities of each pursuant to such district improvement financing.

915 Section 8. The agency may make representations and agreements for the benefit of the holders of
916 the agency’s bonds and notes or other obligations to provide secondary market disclosure
917 information. The agreement may include: (1) covenants to provide secondary market disclosure
918 information (2) arrangements for such information to be provided with the assistance of a paying
919 agent, trustee, dissemination or other agent; and (3) remedies for breach of the agreements,
920 which remedies may be limited to specific performance.

921 Section 9. The collector-treasurer of each municipality, at the option of the municipality and the
922 agency, may collect any infrastructure assessments including any recording fees, on behalf of the

923 agency pursuant to an agreement between the municipality and the agency and to disburse the
924 funds to any designated management entity or financial institution selected by agency. The
925 collector-treasurer shall disburse revenues to the management entity or financial institution
926 within 30 days of the collection of such fees, together with the interest earned on the holding of
927 such fees.

928 Section 10. (a) This chapter shall be considered to provide an exclusive, additional, alternative
929 and complete method of accomplishing the purposes of this chapter and exercising the powers
930 authorized hereby and shall be considered and construed to be supplemental and additional to,
931 and not in derogation of, powers conferred upon the agency, the assessing party or the public
932 facilities owner, by law; but, insofar as the proceedings of this chapter are inconsistent with any
933 general or specific law, administrative order or regulation, or any resolution or ordinance of the
934 municipality, this chapter shall be controlling. Without limiting the generality of the foregoing,
935 no provision of any resolution or ordinance of the municipality requiring ratification by the
936 voters of certain bond issues shall apply to the issuance of bonds or notes of the agency pursuant
937 to this chapter, nor shall be applicable to the manner of voting or the limitations as to the amount
938 and time of payment of debts incurred by the agency.

939 (b) Except as specifically provided in this chapter, all other statutes, ordinances, resolutions,
940 rules and regulations of the commonwealth and the municipality shall be fully applicable to the
941 property, property owners, residents and businesses located in the development zone. This
942 chapter shall not obligate the municipality or the agency to pay any costs for the acquisition,
943 construction, equipping or operation and administration of the improvements located within the
944 development zone.

945 SECTION 23. Section 5 of Chapter 293 of the acts of 2006 is hereby amended by inserting after
946 the words "transportation facilities", as appearing in the definition "Public infrastructure
947 improvements", the following words:--parking garages,.

948 SECTION 24. The second sentence of subsection (e) of section 7 of chapter 293 of the acts of
949 2006, as inserted by section 7 of chapter 129 of the acts of 2008, is hereby amended by striking
950 out the figure "2" and inserting in place thereof the following figure:--4

951 SECTION 25 . Chapter 293 of the acts of 2006 as amended by chapter 129 of the acts of 2008 is
952 hereby further amended by inserting after section 12A the following new section:--

953 Section 12B. Notwithstanding any other provision of this act, new revenue and new state tax
954 revenues may, respectively, and to the extent and in the manner approved by the secretary with
955 consideration of economic conditions and the characteristics of the project, include revenue and
956 state tax revenue attributable to construction-related activity and purchases in connection with an
957 economic development project, and all calculations of any matter under the act, including,
958 without limitation, calculation of infrastructure assessments and shortfalls, shall reflect such
959 inclusion in the manner approved by the secretary. The commissioner shall certify the amount of
960 new state tax revenues attributable to such construction-related activity and purchases in the
961 manner and at the times specified in the secretary's certification of the economic development
962 project.

963 SECTION 26 . The first sentence of subsection (d) of section 7 of chapter 293 of the acts of
964 2006, as amended by section 7 of chapter 129 of the acts of 2008, is hereby further amended by
965 striking out the figure "\$250,000,000" and inserting in place thereof the following figure:--
966 \$400,000,000.

967 SECTION 27 The first paragraph of subsection (j) of section 6 of chapter 62 of the General
968 Laws, as appearing in the 2010 Official Edition, is hereby amended by striking out the figure
969 “2013” and inserting in place thereof the following figure:- 2015.

970 SECTION 28. Said paragraph (1) of said subsection (j) of said section 6 of chapter 62, as so
971 appearing, is hereby further amended by striking out the figure “2014” and inserting in place
972 thereof the following figure:- 2016.

973 SECTION 29. Paragraph (a) of section 38Q of chapter 63 of the General Laws, as appearing in
974 the 2010 Official Edition, is hereby amended by striking out the figure “2013” and inserting in
975 place thereof the following figure:- 2015.

976 SECTION 30. Said paragraph (a) of said section 38Q of said chapter 63, as so appearing, is
977 hereby further amended by striking out the figure “2014” and inserting in place thereof the
978 following figure:- 2016.

979 SECTION 31. . Section 173 of chapter 240 of the Acts of 2010, is hereby amended by striking
980 the definition of “tolling period”, and inserting its place the following new definition:

981 “Tolling period”, the period beginning August 15, 2008, and continuing through August 15,
982 2012.

983 SECTION 32. Subsection (b)(1) of said section 173 of said chapter 240 of the Acts of 2010, is
984 hereby amended by striking “2” and inserting its place the following: “4”.

985 SECTION 33. Section 2 of chapter 43D of the General Laws, as appearing in the 2010 Official
986 Edition, is hereby amended by striking the definition of “priority development site”, and
987 inserting in its place the following new definition:

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

996 SECTION 34 Section 2 of chapter 40Q of the General Laws, as appearing in the 2010 Official
997 Edition, is hereby amended by striking subsection (a)(2).

998 SECTION 35. Section 2(b) of Chapter 40Q of the General Laws, as appearing in the 2010
999 Official Edition, is hereby amended in the second sentence by striking the words ", with the same
1000 certification requirements of subsection (a)".

1001 SECTION 36 Section 2 of chapter 21E of the General Laws, as appearing in the 2010 Official
1002 Edition, is hereby amended by striking out the definition of “economically distressed area”, and
1003 inserting in place thereof the following definition:-

1004 “Economically distressed area”, an area or municipality that: has been designated as an economic
1005 target area, or that would otherwise meet the criteria of an economic target area as defined in
1006 subsection (a) (i) or (ii) of section 3D of chapter 23A, provided however, that if the area would
1007 otherwise meet the criteria established in section 3D, it does not need to be approved as a
1008 economic target area by the economic assistance coordinating council to be considered an
1009 economically distressed area; or, the site of a former manufactured gas plant or the site of a

1010 former Massachusetts Bay Transportation Authority; or, the executive office of transportation
1011 and public works right-of-way in which the municipality has acquired an interest for purposes of
1012 the installation, operation, maintenance and use of a rail-trail as defined in the definition of
1013 Owner or Operator.

1014 SECTION 37 Chapter 23A of the General Laws, as appearing in the 2010 Official Edition, is
1015 hereby amended by striking out the word “EOA” wherever it appears and inserting in place
1016 thereof the word “ETA”.

1017 SECTION 38. Said chapter 23A, as so appearing, is hereby amended by striking out after the
1018 words “manufacturing retention” the words “and job growth”, wherever they appear.

1019 SECTION 39. Section 3A of chapter 23A, as so appearing, is hereby amended by inserting, in
1020 the definition of “Certified project”, after the words “enhanced expansion” the words “job
1021 creation”.

1022 SECTION 40. Said section 3A is hereby further amended by inserting, after the definition of
1023 “Economic assistance coordinating council”, the following definition:-

1024 “Economic benefit”, awards of tax credits approved under paragraph (5) of Section 3F of this
1025 chapter and/or any tax increment financing approved under section 3E of this chapter and section
1026 59 of chapter 40 or special tax assessment awarded under section 3E of this chapter.

1027 SECTION 41. Said section 3A is hereby further amended by striking out the definition of
1028 “Economic opportunity area or EOA”.

1029 SECTION 42. Said section 3A is hereby further amended by striking out the definition of
1030 “Expansion project EOA”.

1031 SECTION 43. Said section 3A is hereby further amended by striking out, in the definition of
1032 "Expansion project ETA" after the word "located", the words:- determined with reference to the
1033 project EOA.

1034 SECTION 44. Said section 3A is hereby further amended by inserting, after the definition of
1035 "Gateway municipality", the following definitions:-

1036 "Job creation project", (i) is located or will be located within the commonwealth; (ii) generates
1037 substantial sales from outside of the commonwealth; and (iii) generates a net increase of at least
1038 50 permanent full-time employees within 2 years before or after project certification, but not
1039 before January 1 of the year preceding the year in which the project receives certification and
1040 which shall be maintained for a period of not less than 5 years; provided, however, that in the
1041 case of a facility that as of the project proposal date is already located in the commonwealth, job
1042 creation project shall refer only to a facility at which the controlling business has expanded or
1043 proposed to expand the number of permanent full-time employees at such facility and the
1044 expansion shall represent: (1) an increase in the number of permanent full-time employees
1045 employed by the controlling business within the commonwealth; and (2) not a replacement or
1046 relocation of permanent full-time employees employed by the controlling business at any other
1047 facility located within the commonwealth; provided, further, that in the case of a facility to be
1048 located within the commonwealth after the project proposal date, "job creation project" shall
1049 refer only to a facility that is: (a) the first facility of the controlling business to be located within
1050 the commonwealth; or (b) a new facility of such business and not a replacement or relocation of
1051 an existing facility of such controlling business located within the commonwealth; or an
1052 expansion of an existing facility of the controlling business that results in an increase in
1053 permanent full-time employees.

1054 "Job creation project proposal", a proposal submitted by a controlling business to the EACC
1055 pursuant to section 3F for designation of a project as an job creation certified project, provided
1056 that: (i) the proposal is submitted in a timely manner, in such form and with such information as
1057 is prescribed by the EACC, supported by independently verifiable information and signed under
1058 the penalties of perjury by a person authorized to bind the controlling business; (ii) the proposal
1059 includes specific targets by year for the subsequent 5 calendar year period relative to the
1060 projected increase in the number of permanent full-time employees of the controlling business to
1061 be employed by and at the project from among residents of the commonwealth; provided further,
1062 that in the case of a project that is a new facility within the meaning of clause (b) of the
1063 definition of job creation project, such proposal shall include, in addition, the number of
1064 permanent full-time employees employed by the controlling business at other facilities located in
1065 the commonwealth.

1066 SECTION 45. Said section 3A is hereby further amended by striking out the definition of
1067 "municipal application" and inserting in place thereof the following definition:

1068 "Municipal application", an application submitted by a municipality to the EACC pursuant to
1069 section three D or three E for designation of one or more areas as an ETA; provided, however,
1070 that: (i) the application is submitted in a timely manner, in such form and with such information
1071 as is prescribed by the EACC, and supported by independently verifiable information; (ii) the
1072 area proposed for designation in the application is located, in whole or in part, within each
1073 municipality participating in said application; (iii) each municipality within which said proposed
1074 area is located participates in the application for designation; (iv) that said application is properly
1075 authorized in advance of submission; (v) in the case of an application submitted by more than
1076 one municipality, all requirements applicable thereto, including without limitation the

1077 requirements associated with proper authorization thereof, shall, apply equally to each
1078 municipality participating in said application.

1079 SECTION 46. Said section 3A is hereby further amended by inserting, in the definitions of
1080 “project” and “project proposal” after the words “enhanced expansion project”, the words “job
1081 creation project,”.

1082 SECTION 47. Said chapter 23A is hereby further amended by striking out section 3B, as
1083 appearing in the 2010 Official Edition, and inserting in place thereof the following section:-

1084 Section 3B. There shall be an economic assistance coordinating council, established within the
1085 Massachusetts office of business development. Said council shall consist of: the director of office
1086 of business development or his designee who shall serve as co-chairperson; the director of
1087 housing and community development or his designee who shall serve as co-chairperson; the
1088 director of career services, or his designee; the secretary of labor and workforce development, or
1089 his designee; a representative of MOBD designated by the director; the director economic
1090 assistance in the office of business development or his designee; the president of the
1091 Commonwealth Corporation or his designee; and seven members to be appointed by the
1092 governor, one of whom shall be from the western region of the commonwealth, one of whom
1093 shall be from the central region of the commonwealth, one of whom shall be from the eastern
1094 region of the commonwealth, one of whom shall be from the southeastern region of the
1095 commonwealth, one of whom shall be from Cape Cod or the islands, one of whom shall be a
1096 representative of a higher educational institution within the commonwealth and one of whom
1097 shall be from the Merrimack valley, all of whom shall have expertise in issues pertaining to
1098 training, business relocation and inner-city and rural development, and all of whom shall be

1099 knowledgeable in public policy and international and state economic and industrial trends. Each
1100 member appointed by the governor shall serve at the pleasure of the governor. Said council shall
1101 adopt bylaws to govern its affairs.

1102 SECTION 48. Section 3C of chapter 23A, as appearing in the 2010 Official Edition, is hereby
1103 amended by striking out subsection (1) and inserting in place thereof the following subsection:-

1104 (1) The EACC shall administer the economic development incentive program and, in so doing,
1105 shall be empowered to exercise the following powers and duties:

1106 (a) promulgate rules and regulations and prescribe procedures to effectuate the purposes of
1107 sections three A to three H, inclusive;

1108 (b) review applications from municipalities for the designation of areas as economic target areas
1109 and to make such designations;

1110 (c) certify tax increment finance agreements and special tax assessment areas pursuant to section
1111 3E of this chapter;

1112 (d) certify projects for participation in the economic development incentive program and
1113 establish regulations for evaluating the proposals of said projects;

1114 (e) assist municipalities in obtaining state and federal resources and assistance for economic
1115 target areas and for certified projects within economic target areas;

1116 (f) provide appropriate coordination with other state programs, agencies, authorities, and public
1117 instrumentalities to enable activity within economic target areas to be more effectively promoted
1118 by the commonwealth;

1119 (g) monitor the implementation and operation of the economic development incentive program;
1120 and

1121 (h) conduct a continual evaluation of economic target areas and the projects certified for
1122 participation in the economic development incentive program.

1123 SECTION 49. Section 3D of chapter 23A, as appearing in the 2010 Official Edition, is hereby
1124 amended by inserting after subsection (b) the following paragraph:-

1125 Upon application from a city or town, the EACC may also from time to time designate one or
1126 more areas of a city or town as areas presenting exceptional opportunities for increased economic
1127 development. In making such designation, the EACC shall consider whether there is a strong
1128 likelihood that one more of the following will occur within the area in question within a specific
1129 and reasonably proximate period of time:

1130 (a) a significant influx or growth in business activity,

1131 (b) the creation of a significant number of new jobs and not merely a replacement or relocation
1132 of current jobs within the Commonwealth, and

1133 (c) a significant increase in the prospects of achieving economic stability.

1134 SECTION 50. Said chapter 23A is hereby further amended by striking out section 3E, as
1135 appearing in the 2010 Official Edition, and inserting in place thereof the following section:-

1136 Section 3E. The EACC may from time to time certify by a vote a municipal application for a tax
1137 increment financing agreement or special tax assessment area within an economic target area or
1138 an area designated by the EACC as an area of exceptional opportunity upon compliance with the
1139 following:

1140 (1) for the purposes of a tax increment financing agreement, receipt with the municipal
1141 application of a proposed tax increment financing agreement adopted in accordance with the
1142 provisions of section 59 of chapter 40;

1143 (2) for the purposes of the provision of a special tax assessment area, receipt with the
1144 municipal application of a binding written offer which shall set forth the following assessment
1145 schedule for each parcel of real property in the area :

1146 (i) in the municipality's first fiscal year, an assessment of zero percent of the actual assessed
1147 valuation of the parcel; provided, that such assessment shall be granted for the year designated in
1148 the binding written offer;

1149 (ii) in the second year, an assessment of up to twenty-five percent of the actual assessed
1150 valuation of the parcel;

1151 (iii) in the third year, an assessment of up to fifty percent of the actual assessed valuation of the
1152 parcel;

1153 (iv) in the fourth year, an assessment of up to seventy-five percent of the actual assessed
1154 valuation of the parcel;

1155 (v) in subsequent years, assessment of up to one hundred percent of the actual assessed valuation
1156 of the parcel.

1157 For the purposes of this section the term "municipality's fiscal year" shall refer to a period of
1158 three hundred and sixty-five days beginning, in the first instance, with the, calendar year in
1159 which the assessed property is purchased or acquired or the calendar year in which the assessed
1160 property is designated as within a special tax assessment area, whichever is last to occur;

1161 provided, further, that no such written offer from a municipality shall be considered to be
1162 authorized unless and until it is approved by the EACC.

1163 SECTION 51. Section 3F of chapter 23A, as so appearing in the 2010 Official Edition, is hereby
1164 amended by striking out, in subsection (1), the words “expansion, enhanced expansion, or
1165 manufacturing retention and job growth” wherever they appear and inserting in place thereof the
1166 following words:- expansion, enhanced expansion, job creation, or manufacturing retention.

1167 SECTION 52. Said section 3F of chapter 23A, as so appearing, is hereby further amended by
1168 striking out paragraph (1)(b)(ii) and inserting in place thereof the following paragraph:-

1169 (ii) the project as described in the proposal and all documentation submitted therewith:

1170 (A) the proposal is consistent with and can reasonably be expected to benefit significantly from
1171 the municipality's plans as described in paragraph (B) (iii) below; and

1172 (B) together with all other projects previously certified and located in the same ETA or
1173 municipality, will not overburden the municipality's supporting resources;

1174 SECTION 53. Said section 3F of chapter 23A, as so appearing, is hereby further amended by
1175 striking out paragraph (1)(c) and inserting in place thereof the following paragraph:-

1176 (c) receipt with such written approval by the municipality of a request for a designation of the
1177 project as a certified project for a specified number of years, which shall be not less than five
1178 years nor more than twenty years; and

1179 SECTION 54. Said section 3F of chapter 23A, as so appearing, is hereby further amended by
1180 striking out subsection (2) and inserting in place thereof the following subsection:-

1181 (2) A certified project shall retain its certification for the period specified by the EACC in its
1182 certification decision; provided, however, that such specified period shall be not less than 5 years
1183 from the date of certification nor more than 20 years from such date unless such certification is
1184 revoked prior to the expiration of the specified period.

1185 The EACC shall review certified projects at least once every 2 years.

1186 The certification of a project may be revoked only by the EACC and only upon the petition of
1187 the municipality that approved the project proposal, if applicable, if the petition satisfies the
1188 authorization requirements for a municipal application, or the petition of the director of
1189 economic development and the independent investigation and determination of the EACC that
1190 (a) the conduct of the controlling business subsequent to the certification is at material variance
1191 with the controlling business's project proposal; or (b) the controlling business made a material
1192 misrepresentation in its project proposal or anytime thereafter. Where the actual number of
1193 permanent full-time employees employed by the controlling business is less than 70 per cent of
1194 the number of such permanent full-time employees projected in the project proposal for a
1195 certified expansion project, or where the actual number of permanent full-time employees
1196 employed by the controlling business is less than 90 per cent of the number of such permanent
1197 full-time employees projected in the project proposal for an enhanced expansion, job creation or
1198 manufacturing retention project, , then this shall be deemed a material variance for the purposes
1199 of a revocation determination.

1200 If a project's certification is revoked by the EACC, both the commonwealth and municipality, if
1201 applicable, shall have causes of action against the controlling business for the value of any
1202 economic benefits awarded pursuant to this chapter, section 59 of chapter 40, subsection (g) of

1203 section 6 of chapter 62, or section 38N of chapter 63. State tax credits shall also be subject to the
1204 recapture provision of subsection (g) of section 6 of chapter 62 and section 38N of chapter 63.

1205 For projects certified before January 1, 2012, if the EACC revokes a project's certification
1206 because of a 1) material variance, the value of the economic benefit that shall be recaptured or
1207 otherwise recouped by the commonwealth and/or municipality shall be the amount the
1208 controlling business would have been allowed to receive after the effective date of revocation,
1209 revocation shall take effect on the first day of the tax year in which a material variance occurred
1210 as determined by the EACC; 2) material misrepresentation, the value of the economic benefit
1211 that shall be recaptured or otherwise recouped by the commonwealth and/or the municipality
1212 shall be the total amount of economic benefit approved by the state and/or municipality for the
1213 controlling business.

1214 For projects certified after January 1, 2012, if the EACC revokes a project's certification, the
1215 value of the economic benefit that shall be recaptured or otherwise recouped by the state and/or
1216 municipality shall be the total amount of economic benefit approved by the state and/or
1217 municipality for the controlling business.

1218 Notwithstanding the above, the commissioner of revenue shall, as of the effective date of the
1219 revocation, recapture and/or reduce any tax credits awarded pursuant to the recapture provisions
1220 of subsection (g) of section 6 of chapter 62 and section 38N of chapter 63 and recoup any
1221 exemptions or other tax benefits allowed by the original certification under this section.

1222 Notwithstanding any general or special law to the contrary, upon such revocation, a municipality
1223 that has provided tax increment financing under this chapter and section 59 of chapter 40 or a
1224 special tax assessment pursuant to this chapter to a certified project may place a lien on the

1225 certified project for repayment of the full amount of real property taxes owed pursuant to such
1226 revocation. The commissioner of revenue shall issue regulations or other guidance to recapture
1227 state tax credits, and recoup any exemptions or other tax benefits allowed by the certification
1228 under this section.

1229 Annually, on or before the first Wednesday in December, the EACC shall file a report detailing
1230 its findings of the review of all certified projects that it evaluated in the prior fiscal year to the
1231 commissioner of revenue, to the chairs of the joint committee on revenue and the chairs of the
1232 joint committee on economic development and emerging technologies.

1233 SECTION 55. Said section 3F of chapter 23A, as so appearing, is hereby further amended by
1234 inserting, at the end of paragraph (4)(c), the word “and”.

1235 SECTION 56. Said section 3F of chapter 23A, as so appearing, is hereby further amended by
1236 striking out paragraph (4)(d) and inserting in place thereof the following paragraph:-

1237 (d) a certified project application will be submitted to the EACC within a reasonable period of
1238 time for the project proposing to occupy said facility and parcels.

1239 SECTION 57. Said section 3F of chapter 23A, as so appearing, is hereby further amended by
1240 striking out paragraph (4)(e).

1241 SECTION 58. Said section 3F of chapter 23A, as so appearing, is hereby further amended by
1242 striking out paragraph (5)(d) and inserting in place thereof the following paragraph:-

1243 (d) for job creation projects:

1244 (1) the degree to which the project is expected to create and maintain employment opportunities;

1245 (2) the degree to which the project is expected to create jobs for residents in a gateway
1246 municipality;

1247 (2) the degree to which the project is expected to create a substantial amount of jobs within two
1248 years.

1249 SECTION 59. Said Section 3F of chapter 23A, as so appearing, is hereby further amended by
1250 striking out, in paragraph (6), the word “department” and inserting in place thereof the word
1251 “commissioner”.

1252 SECTION 60. Chapter 23A is hereby amended by striking out in section 56(e), as appearing in
1253 the 2010 Official Edition the words “and the Massachusetts Technology Transfer Center
1254 established in chapter 75” and inserting in place thereof the following language:

1255 the Massachusetts Technology Transfer Center established in chapter 75, and the Massachusetts
1256 business development corporation established in chapter 671 of the Acts of 1953,

1257 SECTION 61. Chapter 40 of the General Laws is hereby amended by striking out section 59, as
1258 appearing in the 2010 Official Edition, and inserting in place thereof the following section:-

1259 Section 59. Notwithstanding any general or special law to the contrary, any city or town by vote
1260 of its town meeting, town council, or city council with the approval of the mayor where required
1261 by law, on its own behalf or in conjunction with one or more cities or towns, and pursuant to
1262 regulations issued by the economic assistance coordinating council established under section 3B
1263 of chapter 23A,, may adopt and prosecute a tax increment financing agreement hereinafter
1264 referred to as TIF agreement, and do any and all things necessary thereto; provided, however,
1265 that the TIF agreement:

1266 (i) includes a description of the parcels to be included in the agreement; provided, however, that
1267 each area so designated is wholly within an economic target area or an area presenting
1268 exceptional opportunities for increased economic development, as defined in section 3D of
1269 chapter 23A and in regulations adopted by the economic assistance coordinating council;
1270 provided, further, that in the case of a TIF area that includes parcels located in one or more city
1271 or towns, the areas included in the TIF agreement shall be contiguous areas of such cities or
1272 towns;

1273 (ii) describes in detail all construction and construction-related activity, public and private,
1274 contemplated for such TIF agreement as of the date of adoption of the TIF agreement; provided,
1275 however, that in the case of public construction as aforesaid, the TIF agreement shall include a
1276 detailed projection of the costs thereof and a betterment schedule for the defrayal of such costs;
1277 provided, further, that the TIF agreement shall provide that no costs of such public constructions
1278 shall be recovered through betterments or special assessments imposed on any party which has
1279 not executed an agreement in accordance with the provisions of clause (v); and provided, further,
1280 that in the case of private construction as aforesaid, the TIF agreement shall include the types of
1281 industrial and commercial developments which are projected to occur within such TIF area, with
1282 documentary evidence of the level of commitment therefore, including but not limited to
1283 architectural plans and specifications as required by said regulations;

1284 (iii) authorizes tax increment exemptions from property taxes, under clause Fifty-first of section
1285 5 of chapter 59, for a specified term not to exceed 20 years, for any parcel of real property which
1286 is located in the TIF zone and for which an agreement has been executed with the owner of the
1287 real property under clause (v); provided, however, that the TIF agreement shall specify the level
1288 of the exemptions expressed as exemption percentages, not to exceed 100 per cent to be used in

1289 calculating the exemptions for the parcel, and for personal property situated on that parcel, as
1290 provided under said clause Fifty-first of said section 5 of said chapter 59; provided, further, that
1291 the exemption for each parcel of real property shall be calculated using an adjustment factor for
1292 each fiscal year of the specified term equal to the product of the inflation factors for each fiscal
1293 year since the parcel first became eligible for an exemption under this clause; provided, further
1294 that the inflation factor for each fiscal year shall be a ratio;

1295 (a) the numerator of which shall be the total assessed value of all parcels of commercial and
1296 industrial real estate that are assessed at full and fair cash value for the current fiscal year minus
1297 the new growth adjustment for the current fiscal year attributable to the commercial and
1298 industrial real estate as determined by the commissioner of revenue under subsection (f) of
1299 section 21C of chapter 59; and

1300 (b) the denominator of which shall be the total assessed value for the preceding fiscal year of all
1301 the parcels included in the numerator; provided, however, that the ratio shall not be less than 1;

1302 (iv) establishes a maximum percentage of the costs of any public construction, referenced in
1303 clause (ii) and initiated subsequent to the adoption of the TIF agreement, that can be recovered
1304 through betterments or special assessments against any parcel of real property eligible for tax
1305 increment exemptions from property taxes pursuant to clause (iii) during the period of such
1306 parcel's eligibility for exemption from annual property taxes pursuant to clause fifty-first of
1307 section five of chapter fifty-nine, notwithstanding the provisions of chapter eighty or any other
1308 general or special law authorizing the imposition of betterments or special assessments;

1309 (v) includes executed agreements between such city or town and each owner of a parcel of real
1310 property which is located in such TIF area; provided, however, that each such agreement shall

1311 include: (1) all material representations of the parties which served as the basis for the
1312 descriptions contained in the TIF agreement in accordance with the provisions of clause (ii); (2)
1313 a detailed recitation of the tax increment exemptions and the maximum percentage of the cost of
1314 public improvements that can be recovered through betterments or special assessments regarding
1315 such parcel of real property pursuant to clauses (iii) and (iv); (3) a detailed recitation of all other
1316 benefits and responsibilities inuring to and assumed by the parties to such agreement; and (4) a
1317 provision that such agreement shall be binding upon subsequent owners of such parcel of real
1318 property;

1319 (vi) delegates to one board, agency or officer of the city or town the authority to execute the
1320 agreement in accordance with the provisions of clause (v);

1321 (vii) is certified as an approved TIF agreement by the economic assistance coordinating council
1322 pursuant to section 3D of chapter 23A and regulations adopted by said council; provided,
1323 however, that the economic assistance coordinating council shall certify in its vote that the
1324 agreement is consistent with the requirements of this section and section 3D and will further the
1325 public purpose of encouraging increased industrial and commercial activity in the
1326 commonwealth;

1327 (viii) includes the right for the city or town to revoke its designation of the TIF agreement
1328 pursuant to section 3F of chapter 23A; provided, such revocation shall not affect agreements
1329 relative to property tax exemptions and limitations on betterments and special assessments
1330 pursuant to said clause (v) which were executed prior thereto; and

1331 (viii) requires of an owner of a parcel pursuant to clause (v) to submit to the city or town clerk
1332 and the economic assistance coordinating council a report detailing the status of the construction

1333 laid out in the agreement; the current value of the property; and the number of jobs created to
1334 date as a result of the agreement; provided, however, that a report shall be filed every two years
1335 for the term of the tax increment exemption allowed under clause Fifty-first of section 5 of
1336 chapter 59; and provided further, that a final report shall be filed in the final year of the
1337 exemption.

1338 The board, agency or officer of the city or town authorized pursuant to clause (vi) to execute
1339 agreements shall forward to the board of assessors a copy of each approved TIF agreement,
1340 together with a list of the parcels included therein.

1341 SECTION 62. Section 6 of chapter 62 of the General Laws, as appearing in the 2010 Official
1342 Edition, is hereby amended by striking out the first paragraph of subsection (g)(1) and inserting
1343 in place thereof the following paragraphs:-

1344 (1) A credit shall be allowed against the tax liability imposed by this chapter, to the extent
1345 authorized by the economic assistance coordinating council established in section 3B of chapter
1346 23A, up to an amount equal to 50 per cent of such liability in any taxable year; provided,
1347 however, that the 50 per cent limitation shall not apply where the credit is refundable under
1348 paragraph (5): (i) for certified expansion projects and certified enhanced expansion projects, as
1349 defined in sections 3A and 3F of said chapter 23A, an amount up to 10 per cent, (ii) for certified
1350 manufacturing retention projects, as defined in said sections 3A and 3F of said chapter 23A, an
1351 amount up to 40 per cent of the cost of property that would qualify for the credit allowed by
1352 section 31A of chapter 63 if the property were purchased by a manufacturing corporation or a
1353 business corporation engaged primarily in research and development and used exclusively in a
1354 certified project as defined in said sections 3A and 3F of said chapter 23A; and, (iii) for certified

1355 job creation projects, as defined in said sections 3A and 3F of said chapter 23A, an amount up to
1356 \$5,000 per job created; provided, however, that the total award per project shall be no more than
1357 \$1,000,000; provided, however, that the EACC may award a greater credit in an amount not to
1358 exceed \$10,000 per job created under the project if the jobs created are located in a gateway
1359 municipality, as defined by section 3A of chapter 23A; and provided, however, that a credit
1360 under this clause (iii) shall be allowed for the year subsequent to that in which the jobs are
1361 created. A lessee may be eligible for a credit pursuant to this subsection for real property leased
1362 pursuant to an operating lease. Notwithstanding any contrary provisions in section 3F of chapter
1363 23A, if such property is disposed of or ceases to be in qualified use within the meaning of section
1364 31A or ceases to be used exclusively in a certified project before the end of the certified project's
1365 certification period, or if a project's certification is revoked, the recapture provisions of
1366 subsection (e) of section 31A shall apply. In the case of revocation of projects certified before
1367 January 1, 2012, the revocation shall take effect on the first day of the tax year in which a
1368 material variance or material misrepresentation occurred as determined by the EACC. If such
1369 property is disposed of after the certified project's certification period but before the end of such
1370 property's useful life, the recapture provisions of subsection (e) of section 31A shall apply. The
1371 expiration of a certified project's certification shall not require the application of the recapture
1372 provisions of subsection (e) of section 31A.

1373 Notwithstanding any contrary provisions in subsection (e) of section 31A, for projects certified
1374 after January 1, 2012, if the EACC revokes a project's certification, the total amount of credits
1375 taken under this section shall be recaptured and added back as additional tax in the taxable year
1376 in which the EACC makes the determination to revoke.

1377 SECTION 63. Said section 6 of chapter 62, as so appearing, is hereby further amended by
1378 striking out, in line 179, the second sentence of the second paragraph of subsection (g)(1).

1379 SECTION 64. Said section 6 of chapter 62, as so appearing, is hereby amended by striking out,
1380 in line 202, the fourth sentence in subsection (g)(1) and inserting in place thereof the following
1381 sentence:-

1382 To the extent applicable, paragraph (3) of section 3F of said chapter 23A shall apply to tax
1383 benefits awarded under this section.

1384 SECTION 65. Said section 6 of chapter 62, as so appearing, is hereby further amended by
1385 striking out, in subsection (g) paragraph (5) and inserting in place thereof the following
1386 paragraph:-

1387 (5) If a credit allowed under clauses (ii) and (iii) of paragraph (1) for certified manufacturing
1388 retention projects and certified job creation projects exceeds the tax otherwise due under this
1389 chapter, 100 per cent of the balance of such credit may, at the option of the taxpayer and to the
1390 extent authorized pursuant to the economic assistance coordinating council, be refundable to the
1391 taxpayer for the taxable year in which qualified property giving rise to that credit is placed in
1392 service by a manufacturing retention project or for the taxable year subsequent to the year in
1393 which the required jobs are added by the job creation project. If such credit balance is refunded
1394 to the taxpayer, the credit carryover provisions of paragraph (2) shall not apply.

1395 SECTION 66. Section 38N of chapter 63 of the General Laws, as appearing in the 2010 Official
1396 Edition, is hereby amended by striking out the first paragraph of subsection (a) and inserting in
1397 place thereof the following paragraph:-

1398 (a) A corporation subject to tax under this chapter that participates in a certified project, as
1399 defined in sections 3A and 3F of chapter 23A, may take a credit against the excise imposed by
1400 this chapter to the extent authorized by the economic assistance coordinating council established
1401 by section 3B of said chapter 23A, in an amount not to exceed 50 per cent of such liability in a
1402 taxable year; provided, however, that the 50 per cent limitation shall not apply if the credit is
1403 refundable under subsection (b): (i) for certified expansion projects and certified enhanced
1404 expansion projects, as defined in said sections 3A and 3F of said chapter 23A, an amount up to
1405 10 per cent; (ii) for certified manufacturing retention projects, as defined in said sections 3A and
1406 3F of said chapter 23A, an amount up to 40 per cent of the cost of any property that would
1407 qualify for the credit allowed by section 31A if the property were purchased by a manufacturing
1408 corporation or a business corporation engaged primarily in research and development and is used
1409 exclusively in a certified project, as defined in said sections 3A and 3F of said chapter 23A; and,
1410 (iii) for certified job creation projects, as defined in said sections 3A and 3F of said chapter 23A,
1411 an amount up to \$5,000 per job created; provided, however, that the total award per project shall
1412 be no more than \$1,000,000; provided, however, that the EACC may award a greater credit in an
1413 amount not to exceed \$10,000 per job created under the project if the jobs created are located in
1414 a gateway municipality, as defined by section 3A of chapter 23A; and provided, however, that a
1415 credit under this clause (iii) shall be allowed for the year subsequent to that in which the jobs are
1416 created A lessee may be eligible for a credit under this subsection for real property leased under
1417 an operating lease.

1418 SECTION 67. Said section 38N of chapter 63, as so appearing, is hereby further amended by
1419 striking out, in line 33, the sentence beginning with:- “Of these allowable credits.”

1420 SECTION 68. Said section 38N of chapter 63, as so appearing, is hereby further amended by
1421 striking out the third paragraph of subsection (a) and inserting in place thereof the following
1422 paragraphs:-

1423 The credit allowed under this section may be taken by an eligible corporation; provided,
1424 however, that the credit allowed by section 31A or section 31H shall not be taken by such
1425 corporation. For purposes of this paragraph, the corporation need not be a manufacturing
1426 corporation or a business corporation engaged primarily in research and development.

1427 Notwithstanding any contrary provisions in section 3F of chapter 23A, if such property is
1428 disposed of or ceases to be in qualified use within the meaning of section 31A or ceases to be
1429 used exclusively in a certified project before the end of the certified project's certification period,
1430 or if a certified project's certification is revoked, the recapture provisions of subsection (e) of
1431 section 31A shall apply. In the case of revocation of projects certified before January 1, 2012, the
1432 revocation shall take effect on the first day of the tax year in which a material variance or
1433 material misrepresentation occurred as determined by the EACC. If such property is disposed of
1434 after the certified project's certification period but before the end of such property's useful life,
1435 the recapture provisions of subsection (e) of section 31A shall apply. The expiration of a certified
1436 project's certification shall not require the application of the recapture provisions of subsection
1437 (e) of section 31A.

1438 Notwithstanding any contrary provisions in subsection (e) of chapter 31A, for projects certified
1439 after January 1, 2012, if the EACC revokes a project's certification, the total amount of credits
1440 taken under this section shall be recaptured and added back as additional tax in the taxable year
1441 in which the EACC makes the determination to revoke.

1442 SECTION 69. Said section 38N of chapter 63, as so appearing, is hereby further amended by
1443 striking out, in line 71, the fourth sentence of the last paragraph of subsection (a) and inserting in
1444 place thereof the following sentence:-

1445 To the extent applicable, paragraph (3) of section 3F of said chapter 23A shall apply to tax
1446 benefits awarded under this section.

1447 SECTION 70. Said section 38N of chapter 63, as so appearing, is hereby further amended by
1448 striking out the subsection (b) and inserting in place thereof the following subsection:-

1449 (b) If a credit allowed under clauses (ii) and (iii) of subsection (a) for certified manufacturing
1450 retention projects and certified job creation projects exceeds the tax otherwise due under this
1451 chapter, 100 per cent of the balance of such credit may, at the option of the taxpayer and to the
1452 extent authorized pursuant to the economic assistance coordinating council, be refundable to the
1453 taxpayer for the taxable year in which qualified property giving rise to that credit is placed in
1454 service by a manufacturing retention project or for the taxable year subsequent to the year in
1455 which the required jobs are added by a job creation project. If such credit balance is refunded to
1456 the taxpayer, the credit carryover provisions of subsection (d) shall not apply. The amount of
1457 credit eligible to be refunded shall be determined without regard to the limitations in subsections
1458 (a) and (c).

1459 SECTION 71. Section 38O of chapter 63, as appearing in the 2010 Official Edition, is hereby
1460 further amended by striking out all of the words that appear after the words “building located
1461 within an” and inserting in place thereof the following words: - economic target area as defined
1462 by section 3D of chapter 23A.

1463 SECTION 72 . Section 21 of chapter 40 of the General Laws, as appearing in the 2010 Official
1464 Edition, is amended, in line 4, by inserting after the word “limits”, the following:—
1465 , provided that, notwithstanding any general or special law to the contrary, a city or town may
1466 not make any ordinance or by-law interfering with interstate or intrastate trade or commerce or
1467 regulating any product or consumer good.

1468 SECTION 73 Section 171 of chapter 240 of the Acts of 2010 is hereby amended by striking out
1469 the words “\$25,000,000 and not more than \$50,000,000 in banks or financial institutions” and
1470 inserting in place thereof the following language:-

1471 “\$50,000,000 and not more than \$100,000,000 in banks, financial institutions, or other
1472 investment funds”

1473 SECTION 74. Section 14C of chapter 167 of the Massachusetts General Laws, is hereby
1474 amended by striking out the third and fourth paragraphs and inserting in place thereof, the
1475 following paragraphs:

1476 The small business loan review boards shall meet on a regular basis or, as demand for their
1477 services requires, to review small business loan denials that applicants believe were
1478 unreasonably denied. Upon commencement of a review of a small business loan denial submitted
1479 by an applicant, the small business loan review board shall be required to report the results of
1480 their findings to the applicant within 30 days of submission or request of the review; provided
1481 however, that the board may, at its discretion, extend the review period to within 60 days of a
1482 submission or request. Upon making a determination for reason of denial, the small business loan
1483 review boards shall be required to provide information on their findings to the applicant and
1484 commissioner of banks and shall provide information to the applicant on alternative sources of

1485 financing, including information on any small business financing programs or other relevant
1486 programs offered by the commonwealth.

1487 In addition the small business loan review boards shall conduct annual studies and issue annual
1488 reports on the availability of credit to small businesses within their regions, and report back to
1489 the commissioner of banks on their findings. The reports shall be published and made available,
1490 to the public through the website of the office of consumer affairs and business regulation or the
1491 small business website established under section 3 of Chapter 23A.

1492 Notwithstanding the provisions of this act, the commissioner may promulgate rules and
1493 regulations governing the establishment, operation and procedures of said small business loan
1494 review boards. In addition, the commissioner shall be required to market and promote the small
1495 business loan review boards as a resource for small businesses located in the commonwealth.

1496 SECTION 75. Section 3 of Chapter 23A of the Massachusetts General Laws, is hereby amended
1497 inserting after the second paragraph the following new paragraph:-

1498 (c) MOBD, with assistance from the office of small business and entrepreneurship, and in
1499 consultation with the secretary of housing and economic development, the Massachusetts office
1500 of consumer affairs and business regulation and the department of housing and community
1501 development, , shall develop, operate and maintain a searchable website accessible by the public
1502 at no cost, to provide information on public and private resources available to small businesses
1503 and to promote small businesses in the Commonwealth. Information made available through the
1504 searchable website shall include, but not be not limited to:

1505 (1) information on state, local, federal and private sector small business counseling and technical
1506 assistance programs;

1507 (2) information on state, local and federal financing programs;

1508 (3) information state, local and federal procurement and contracting programs and opportunities;

1509 (4) information on state incorporation laws and regulations, as well as the changes to state

1510 incorporation laws and regulations;

1511 (5) information on state tax credits;

1512 (6) small business impact statements, as required by section 60 of the Chapter 240 of the Acts of

1513 2010;

1514 (7) other information and resources, as determined by the director of the office of business

1515 development.

1516 SECTION 76 Before undertaking any construction activity described in paragraph (a) of section

1517 38N of chapter 190 of the acts of 1982 in connection with a capital facility project, the

1518 Massachusetts convention center authority shall file a feasibility study with the clerks of the

1519 senate and house of representatives and the senate and house committees on ways and means, in

1520 compliance with said section 38N for any capital facility projects described in the report

1521 undertaken by the authority on lands owned by the authority or acquired by it under section 35(f)

1522 of said chapter 190 with amounts provided under section 10(c)(iv) of chapter 152 of the acts of

1523 1997, as amended.

1524 SECTION 77. Said chapter 23A of the General Laws, as so appearing, is hereby amended by

1525 inserting after section 63 the following section:-

1526 Section 64. (a) There shall be within the executive office of housing and economic development

1527 a massachusetts creative economy network that shall be directed by a state creative economy

1528 director. The creative economy network, hereinafter referred to as the network, shall consist of
1529 private, public, and non-profit organizations engaged in cross industry collaboration between
1530 many interlocking industry sectors that provide creative services including, but not limited to,
1531 advertising, architecture, or intellectual property products such as arts, films, electronic media,
1532 video games, interactive digital media, multimedia, or design. The creative economy director, in
1533 consultation with the creative economy council, established under chapter 354 of the acts of
1534 2008, shall establish criteria for participation in the network.

1535 (b) The duties of the network, under the leadership of the creative economy director, shall
1536 include: quantifying the creative economy sector and measuring its impact on the state economy;
1537 creating a mentorship network within the creative economy sector; developing strategies to
1538 increase access to traditional market sectors and within state government; developing a
1539 certification for Massachusetts creative economy businesses; increasing opportunities to attract
1540 private investment to creative economy businesses through venture capital, microlending, and
1541 other means; and marketing and branding the creative economy sector.

1542 (c) The network may accept gifts or grants of money or property from any public, private or non-
1543 profit source, which shall be held in trust and used for the purpose of promoting the growth and
1544 development of the creative economy sector in Massachusetts.

1545 (d) The creative economy director shall file an annual report with the clerks of the house and
1546 senate; the chairs of the house and senate committee on ways and means; the chairs of the joint
1547 committee on economic development and emerging technologies; the chairs of the joint
1548 committee on tourism, arts, and cultural development; and the chairs of the joint committee on
1549 community development and small business, on or before January 1. The report shall include an

1550 overview of the activities of the network, and an update on the number of creative economy
1551 businesses in Massachusetts and their impact on the state economy, and an accounting of gifts or
1552 grants held in trust by the network and the uses of any funds expended by the trust.

1553 SECTION 78. Section 7 of Chapter 23H of the General Laws is hereby amended by inserting the
1554 following new paragraph:-

1555 The board, in consultation with the secretary of labor and workforce development, the secretary
1556 of the executive office of education, and the secretary of housing and economic development and
1557 the president of commonwealth corporation, shall undertake an annual review of local and
1558 regional labor market information to develop regional plans to coordinate training and education
1559 activities to target employer needs and to meet the commonwealth's demand for workers. The
1560 board shall convene regional meetings that shall include representatives from each workforce
1561 investment area, established by the Workforce Investment Act of 1998, 29 U.S.C. § 2801, et seq
1562 and, at a minimum, the presidents of any of the region's community colleges; the principals of
1563 any vocational-technical high schools; the executive director of the appropriate workforce
1564 investment boards; the fiscal agents for workforce investment act funding; and labor, education
1565 and industry leaders in each of the regions to review labor market information and develop the
1566 regional plans. Commonwealth corporation shall aggregate these findings annually and make a
1567 report, which shall be filed with the clerks of the house of representatives and senate, no later
1568 than June 30.

1569 SECTION 79. Section 2WWW of Chapter 29 of the General Laws, as appearing in the 2010
1570 Official Edition, is hereby amended by inserting after fifth paragraph the following paragraph:-

1571 A portion of the grant fund shall be used to address the gap between the skills held by workers
1572 and the skills needed by employers for jobs that require more than a high school diploma but less
1573 than a 4-year degree. Grants awarded under this program shall focus on building relationships
1574 and partnerships among geographic clusters of high schools, vocational-technical schools,
1575 community colleges, state universities, institutions of higher education, local employers, industry
1576 partners, local workforce investment boards, and workforce development entities, in order to
1577 create multiple and seamless pathways to employment through enhanced coordination of existing
1578 institutions and resources. Each cluster shall designate 1 entity or organization as the lead partner
1579 for each cluster and approved procurements shall be jointly applied for by, at a minimum, a
1580 public educational institution including a community college, at least one regional workforce
1581 investment board, and at least one regional employer in a high growth sector. . Grants made
1582 under this program shall include consideration of, but not be limited to: defining and establishing
1583 the process for students to transition from adult basic education programs to college-based
1584 programs; programs accessible to working, unemployed or underemployed adults; support of
1585 education and workforce development initiatives that collaborate with the efforts or initiatives of
1586 public educational institutions, including development of stackable certificates and credentials,
1587 non-semester-based modular programs and accelerated associate degree programs, provided
1588 however that the grants issued from this fund shall serve to supplement, and not supplant,
1589 ongoing initiatives at community colleges; providing sector-based training including
1590 developmental education and certification programs; providing student support services; using
1591 competency-based placement assessments; leveraging regional resources, including shared
1592 equipment and funding; partnering with 2 or more training organizations in a region; and
1593 partnering with 2 or more employers in a region. This portion of the grant fund may also be used

1594 to develop regional centers of excellence, which shall be aligned to the commonwealth's
1595 economic development strategies to meet the needs of employers in high growth sectors,
1596 including but not limited to, health care, life sciences, information technology and advanced
1597 manufacturing. Each center of excellence shall be located at a community college, state
1598 university, vocational or technical high school or collaboration between these entities.

1599 A project grant program shall be designed by Commonwealth Corporation, in consultation with a
1600 middle skills subcommittee of the fund committee, which shall include, at a minimum, a
1601 representative from the business community to be appointed by the secretary of labor and
1602 workforce development; the director of the Center for Labor Market Studies at Northeastern
1603 University or a designee; a representative of adult basic education or non-traditional college
1604 students in the commonwealth to be appointed by the secretary of education; the Massachusetts
1605 Workforce Board Association; and the Massachusetts AFL-CIO, as well as any representatives
1606 of the other mandatory advisory committee constituencies under paragraph (b).

1607 SECTION 80. Section 2WWW of said chapter, as so appearing is hereby amended by inserting
1608 after the eighth paragraph the following new paragraph:-

1609 Each grant recipient shall submit an annual report for the duration of the program or partnership
1610 funded through a grant to the committee for its review. Before grants are awarded,
1611 commonwealth corporation shall reach agreement with each eligible entity that receives a grant
1612 on performance measures and indicators that will be used to evaluate the performance of the
1613 eligible entity in carrying out the activities described in their application.

1614 SECTION 81. The final paragraph of section 2WWW of said chapter, as so appearing, is hereby
1615 amended by striking out said paragraph and inserting in place thereof:-

1616 (k) The director of workforce development and the advisory committee established under
1617 paragraph (b) shall examine and make an ongoing assessment of the effectiveness of the grant
1618 fund, considering any similar educational or workforce development grant programs funded by
1619 the commonwealth. The director and committee shall encourage coordination of existing
1620 workforce development initiatives and strategies of employers and employer associations, local
1621 workforce investment boards, labor organizations, community-based organizations, including
1622 adult basic education providers; institutions of higher education, vocational education
1623 institutions, one-stop career centers, local workforce development entities, and nonprofit
1624 education, training or other service providers, and, when applicable, shall inform grant applicants
1625 of the availability and eligibility for other workforce training funds. The establishment of the
1626 Workforce Competitiveness Trust Fund shall not be determined to replace, displace or serve as a
1627 substitute for any other workforce training fund, including community college workforce
1628 development programs or the Workforce Training Fund established in section 2RR, and award of
1629 any grant funds from the Workforce Competitiveness Trust Fund shall not make an applicant
1630 ineligible for any other funds.

1631 SECTION 82. Section 2WWW of said chapter 29, as so appearing, is hereby amended by
1632 striking out the fourth paragraph and inserting in place thereof the following new paragraph:-

1633 (d) There shall be credited to the fund any revenue from appropriations or other monies
1634 authorized by the general court and specifically designated to be credited to the fund, including
1635 funds transferred from the Gaming Economic Development fund established under section
1636 2DDDD of chapter 29, and any gifts, grants, private contributions, investment income earned on
1637 the fund's assets and all other sources. Money remaining in the fund at the end of a fiscal year
1638 shall not revert to the General Fund.

1639 SECTION 83. Notwithstanding any general or special law to the contrary, after complying with
1640 clause (a) of section 5C of chapter 29 of the General Laws, the comptroller shall dispose of the
1641 consolidated net surplus in the budgetary funds for fiscal year 2012 by transferring said funds as
1642 follows: (a)\$10,000,000 shall be transferred to the Massachusetts Life Sciences Investment Fund
1643 established by section 6 of chapter 23I of the General Laws; (b) \$10,000,000 shall be transferred
1644 to the Workforce Competitiveness Trust Fund, established in section 2 WWW of chapter 29; and
1645 (c) any amount remaining after the transfers pursuant to clauses (a) and (b) shall be transferred to
1646 the Commonwealth Stabilization Fund established pursuant to section 2H of chapter 29 of the
1647 General Laws

1648 SECTION 84. The Commonwealth Corporation shall study and report on workforce
1649 development, education, and skills training in the Commonwealth with the objective of
1650 establishing baseline data for middle-skill training completion and credential attainment rates for
1651 all students at public and private colleges and universities, vocational, technical, apprenticeship
1652 and community-based training programs, including adults and those enrolled in workforce
1653 training leading to industry-recognized certification. The Commonwealth Corporation shall
1654 coordinate its reporting with existing efforts of the department of elementary and secondary
1655 education, the department of higher education, including any applicable work of the vision
1656 project, the department of labor and workforce development, the state workforce investment
1657 board and the Massachusetts community colleges executive office. The report shall also include,
1658 but not be limited to, an examination of the feasibility and impact of all relevant workforce
1659 development strategies and programs, including but not limited to, ways to: leverage and shape
1660 education and training to maximize responsiveness to industry needs; streamlining or

1661 restructuring educational and training opportunities to enable faster and increased rates of skill,
1662 credential, and educational attainment.

1663 The Commonwealth Corporation shall file said report of its findings with the house and senate
1664 committees on ways and means, the joint committee on community development and small
1665 business, the joint committee on education, the joint committee on economic development and
1666 emerging technologies, and the joint committee on labor and workforce development no later
1667 than December 31, 2012.

1668 SECTION 85. Chapter 23A of the General Laws, is hereby amended by inserting after section
1669 10A, as appearing in the 2010 Official Edition, the following new section:-

1670 SECTION 10B. The secretary shall establish a Massachusetts Advanced Manufacturing
1671 Collaborative, hereinafter referred to as the collaborative, within the executive office of housing
1672 of economic development, which shall be responsible for developing and implementing the
1673 state's manufacturing agenda to foster and strengthen the conditions necessary for growth and
1674 innovation of manufacturing within the commonwealth. The collaborative, at a minimum, should
1675 include: the secretary of housing and economic development, or his designee; the secretary of
1676 labor and workforce development, or his designee; a member of the house of representatives, to
1677 be appointed by the speaker of the house of representatives; a member of the senate, to be
1678 appointed by the senate president; the director of the office of business development; the
1679 executive director of the Massachusetts Clean Energy Center; the executive director of the
1680 Massachusetts Life Science Center; the executive director of the John Adams Innovation
1681 Institute; the director of the Massachusetts Technology Transfer Center; a representative from
1682 the Associated Industries of Massachusetts; a representative from a local Chamber of Commerce;

1683 and a representative from the Massachusetts Workforce Board Association. The collaborative
1684 shall partner with stakeholders in the public and private sector in the development and operation
1685 of the state manufacturing plan, identify emerging priorities within the state's manufacturing
1686 sector in order to make recommendations for high impact projects and initiatives, and facilitate
1687 the implementation of goals established under the plan, which shall include, but not be limited
1688 to: 1) education and workforce development, including workforce training programs and
1689 partnerships, 2) technical assistance and innovation in support of manufacturing growth,
1690 including access to capital, workforce development, compliance and certification programs, and
1691 export assistance 4) enhancing the competitiveness of manufacturing companies, including
1692 examining ways to ease the cost of doing business, and 5) promoting the manufacturing industry,
1693 including attracting a talented workforce and expanding opportunities for in-state marketing of
1694 the state's supply chain capabilities.

1695 SECTION 86. Chapter 23G of the General Laws is hereby amended by inserting after section 44
1696 the following section:-

1697 SECTION 45

1698 MASSACHUSETTS ADVANCED MANUFACTURING FUTURES PROGRAM

1699 Section 45. There shall be established within the Massachusetts Development Finance Agency a
1700 Massachusetts Advanced Manufacturing Futures Program, hereafter referred to as the Program.
1701 The purpose of the Program is to support Massachusetts companies engaged in manufacturing
1702 through programs, and shall be administered in a manner that takes into account the needs of
1703 manufacturers in all regions of the Commonwealth and supports growth in the manufacturing
1704 sector statewide. The Agency, in consultation with the secretary of housing and economic

1705 development and the manufacturing collaborative established under section 10B of chapter 23A,
1706 shall design and implement the Program. The Program shall be eligible to receive funds as
1707 appropriated by the legislature, including from the Manufacturing Fund, established pursuant to
1708 section 98 of chapter 194 of the acts of 2011, the Massachusetts Development Finance Agency
1709 Board of Directors, federal grants and programs, and transfers, grants and donations from state
1710 agencies, foundations and private parties, to be held in a separate account or accounts segregated
1711 from other funds. The Program shall promote the development of advanced manufacturing
1712 through supporting technical assistance for small and mid-sized manufacturers; fostering
1713 collaboration and linkages among larger manufacturing companies and smaller supplier
1714 manufacturers; advancing workforce development initiatives through training, certification, and
1715 educational programs; encouraging development of innovative products, materials, and
1716 production technologies by manufacturers through the transfer of technological innovations and
1717 partnerships with research universities, colleges, and laboratories; and promoting regional
1718 approaches through sector strategies that allow for various programs, resources and strategies to
1719 be aligned and leveraged. The Agency shall, through grants or contracts, administer the program
1720 for the purpose of facilitating growth and competitiveness in the field of manufacturing. Grants
1721 under this program shall include consideration of, but not be limited to:-

1722 (A) improving access to technical assistance for small and mid-sized manufacturers,
1723 including launching pilot demonstrations of best practices in delivering innovation-based
1724 technical assistance;

1725 (B) encouraging the adoption of new technologies and advanced manufacturing capabilities
1726 into existing companies to improve manufacturing processes and operations;

1727 (C) educating individuals about opportunities for career advancement within high tech and
1728 advanced manufacturing through middle school and high school education to support the future
1729 manufacturing worker pipeline;

1730 (D) education and skills training through individualized career pathways programs that
1731 develop skills and certifications for career growth and opportunities for available jobs or job
1732 openings that are anticipated in manufacturing, provided that these programs may include, but
1733 not be limited to, internships and on the job training which result in an employer- or industry-
1734 recognized credentials and ultimate job placement;

1735 (E) fostering academic and industry collaboration, including encouraging technology
1736 transfer and commercialization efforts between not-for-profit research institutions, research
1737 universities, colleges, and laboratories and advanced and high-tech manufacturers; and

1738 (F) supporting and partnering with existing systems within the commonwealth, including the
1739 Massachusetts Manufacturing Extension partnership, Massachusetts workforce investment and
1740 regional employment boards, vocational schools, community colleges, and higher education
1741 institutions.

1742 The Agency shall solicit applications through a request for proposals and review such
1743 applications according to the criteria so established, provided, however that the applications, at a
1744 minimum, shall include: (a) a description of the parties involved in the project, including the
1745 professional expertise and qualifications of the principals; (b) a description of the scope of work
1746 that will be undertaken by each party involved in the project; (c) the proposed budget, including
1747 verification of funding from other sources; (d) a statement of the project objective, including
1748 specific information on how the project will enhance the competitiveness of the manufacturer or

1749 manufacturing sector and create or preserve jobs; (e) a statement that sets forth the plan of
1750 procedure, the facilities and resources available or needed for the project, and the proposed
1751 commencement and termination dates of the project; (f) a description of the expected
1752 significance of the project, including the estimated number of manufacturers or workers served
1753 and the estimated number of jobs that could be created, retained, or filled as a result of the
1754 project; (g) timely deadlines for the submission of applications and recommendations of grant
1755 awards or contracts including provisions for an expedited process of consideration and
1756 recommendation in instances when the secretary of housing and economic development certifies
1757 the need for timely evaluation and disposition of the application; and, (h) any other information
1758 that the Agency shall deem necessary.

1759 The Agency shall reach agreement with each eligible entity that receives a grant or enters into a
1760 contract under this section, on performance measures and indicators that will be used to evaluate
1761 the performance of the eligible entity in carrying out the activities described in their application,
1762 or any other indicators determined to be necessary to evaluate the performance of the eligible
1763 entity. Each eligible entity shall submit an annual report for the duration of the program or
1764 partnership funded through the collaborative for its review.

1765 The secretary of housing and economic development may promulgate such rules and regulations
1766 as are necessary to implement the purposes of this grant program, including procedures
1767 describing the application process and criteria that will be used to evaluate application for grants
1768 under this section.

1769 The Agency, in consultation with the collaborative under said section 10B of said chapter 23A
1770 shall submit an annual report to the clerks of the house of representatives and the senate who

1771 shall forward the same to the senate and house committees on ways and means, the joint
1772 committee on economic development and emerging technologies, and the joint committee on
1773 labor and workforce development on or before December 31. The report shall include a current
1774 assessment of the progress of each program funded through the manufacturing grant program
1775 and the progress of the advanced manufacturing collaborative activity, including any
1776 recommendations for legislation.

1777 SECTION 87. Chapter 62 of the General Laws, as appearing in the 2004 Official Edition, is
1778 hereby amended by inserting after Section 6L the following new section:—

1779 Section 6M. Community Investment Tax Credit.

1780 (a) Definitions: For purposes of this section, the following terms shall, unless the context clearly
1781 requires otherwise, have the following meanings:—

1782

1783 “Commissioner”, the commissioner of revenue.

1784 “Community development corporation”, a corporation certified as a community development
1785 corporation by the department consistent with chapter 40H of the General Laws.

1786 “Community investment plan”, an organizational business plan developed by a certified
1787 community development corporation that details its goals, outcomes, strategies, programs and
1788 activities for a three to five year period and its financial plans for supporting its strategy. The
1789 plan must be designed to engage local residents and businesses to work together to undertake
1790 community development programs, projects and activities which develop and improve urban,
1791 rural and/or suburban communities in sustainable ways that create and expand economic

1792 opportunities for low and moderate income households. The specific format and content of a
1793 community investment plan may be adapted to the particular organization and community, but
1794 must include the following elements:

1795 i. A description of the community to be served by the organization, including the neighborhoods,
1796 towns, and/or cities to be served as well as any particular constituencies that the organization is
1797 dedicated to serving;

1798 ii. A description of how community residents and stakeholders were engaged in the development
1799 of the plan and their role in monitoring and implementing the organization's activities during the
1800 time period of the plan;

1801 iii. The goals sought to be achieved during the time period of the plan, including how low and
1802 moderate income households or low and moderate income communities will benefit and how the
1803 entire community will benefit;

1804 iv. The activities to be pursued to achieve those goals;

1805 v. The manner in which success will be measured and evaluated;

1806 vi. A description of the collaborative efforts that will support implementation of the plan,
1807 including collaborative efforts with nonprofit, for-profit and/or public entities;

1808 vii. A description of how the different activities within the plan fit together and how the entire
1809 plan fits into a larger strategy or vision for the community;

1810 viii. The financial strategy to be deployed to support these activities; and

1811 ix. Other information regarding the history and track record of the organization as determined by
1812 the department.

1813 “Community investment tax credit”, the tax credit described in subsection (c) below.

1814 “Community investment tax credit allocation”, an award provided by the department through a
1815 competitive process that enables the recipient of the allocation to solicit and receive qualified
1816 investments from taxpayers and to provide those taxpayers with a community investment tax
1817 credit.

1818 “Community partner”, a community development corporation or a community support
1819 organization selected by the department through a competitive process to receive a community
1820 investment tax credit allocation.

1821 “Community partnership fund”, a fund administered by a nonprofit organization selected by the
1822 department to receive qualified investments from taxpayers for the purpose of allocating such
1823 investments to community partners.

1824 “Community support organization”, any nonprofit organization which is not a community
1825 development corporation but has a focus on and track record of providing capacity building
1826 services to community development corporations.

1827 “Department”, the department of housing and community development.

1828 “Gateway municipality”, a gateway municipality as defined in section 3A of chapter 23A of the
1829 General Laws.

1830 “Low and moderate income community”, an economic target area as defined in section 3A of
1831 chapter 23A of the General Laws, an enhanced economic enterprise community or empowerment

1832 zone as designated by the United States Department of Housing and Urban Development, or one
1833 or more contiguous census tracts as designated by a city or town, in which either:—

1834 (1) a majority of the households are low and moderate income households as defined herein; or

1835 (2) the unemployment rate is at least 25 percent higher than the annual statewide average

1836 unemployment rate at a time when the statewide unemployment rate is less than or equal to five

1837 percent or the unemployment rate is at least 10 percent higher than the annual statewide average

1838 unemployment rate at a time when the statewide unemployment rate is greater than 5 percent.

1839 “Low and moderate income households”, households which have incomes that do not exceed 80

1840 percent of the median income for the area, with adjustments made for smaller and larger

1841 families, as such median shall be determined from time to time by the Secretary of Housing and

1842 Urban Development pursuant to 42 U.S.C. 1437(a)(B)(2) or any successor legislation and the

1843 regulations promulgated thereunder.

1844 “Qualified investment”, a cash contribution made to a specific community partner to support the

1845 implementation of its community investment plan or to a community partnership fund, as defined

1846 by this section.

1847 “Taxpayer”, any person, firm, or other entity subject to the personal income tax under the

1848 provisions of chapter 62 of the General Laws, or any corporation subject to an excise under the

1849 provisions of chapter 63 of the General Laws.

1850 (b) The department shall promulgate regulations concerning the process by which community

1851 development corporations apply to become a community partner and receive qualified

1852 investments, provided that:

1853 (1) The department shall design a competitive process to review applications by community
1854 development corporations and community support organizations. Community support
1855 organizations may qualify, provided that no more than two such organizations may, at any given
1856 time, be awarded community investment tax credits.

1857 (2) The selection process shall favor community development corporations with the highest
1858 quality community investment plans and strong track records and shall strive to ensure that all
1859 regions of the Commonwealth are able to fairly compete for allocations, including gateway
1860 municipalities, rural areas and suburban areas. At least 30 percent of the community partners
1861 shall be located in or serving gateway municipalities and at least 20 percent of the community
1862 partners shall be located in or serving rural areas, as defined by the department, unless the
1863 department finds that there are not a sufficient number of qualified applications from those areas.

1864 (3) The department shall implement at least one such allocation process each year. Each tax
1865 credit allocation shall be valid for a period of up to three years, contingent upon the community
1866 partner satisfactorily meeting the reporting requirements of the department. Community partners
1867 who have not fully utilized their community investment tax credit allocations within three years
1868 may apply to the department for a one year extension. Community investment tax credit
1869 allocations may be revoked after two years from the date of the award by the department if (i) the
1870 community partner has been unable to secure donation commitments for at least 50 percent of
1871 total allocation by that time, (ii) if the community partner is found to be in noncompliance with
1872 this statute or the department's regulations promulgated hereunder, (iii) if the community partner
1873 is determined by the department to be making inadequate progress on its community investment
1874 plan, or (iv) for other good cause as determined by the department.

1875 (4) No community partner shall receive a community investment tax credit allocation of less than
1876 \$50,000 or more than \$150,000 in any one fiscal year. No community partner may receive a
1877 subsequent allocation unless it has utilized at least 95% of the three-year total of any prior
1878 allocation.

1879 (5) A community partner may receive qualified investments directly from one or more taxpayers
1880 or it may transfer some or all of its community investment tax credit allocation to a community
1881 partnership fund and receive qualified investments from that fund.

1882 (6) Before receiving a qualified investment from a taxpayer or from a community partnership
1883 fund, the community partner shall first receive certification from the department that it has been
1884 awarded a community investment tax credit allocation.

1885 (7) The department may authorize up to two nonprofit organizations to operate community
1886 investment partnership funds. In selecting one or two nonprofit organizations to serve in this
1887 function the department shall seek organizations which demonstrate that they have the capacity
1888 to solicit, administer and re-grant qualified investments and can advance the purposes of this
1889 statute.

1890 (8) The department, in consultation with the commissioner shall prescribe regulations necessary
1891 to carry out this subsection (b). Such regulations shall include requirements for annual reports
1892 from community partners and community partnership funds regarding outcomes achieved during
1893 the prior year.

1894 (c) There is hereby established a Massachusetts community investment tax credit.

1895 (d) The commissioner, in consultation with the department, shall authorize annually beginning
1896 January 1, 2013 under this section an amount not to exceed \$2,000,000 in 2013, \$4,000,000 in
1897 2014, and \$6,000,000 in 2015 and each year thereafter for the community investment tax credit.

1898 (e) The total of all tax credits available to a taxpayer pursuant to this section shall not exceed
1899 \$1,000,000 in any one tax year and no tax credit shall be allowed to any taxpayer for
1900 participating in a qualified community investment activity of less than \$1,000.

1901 (f) A taxpayer that makes a qualified investment shall be allowed a credit, to be computed as
1902 hereinafter provided, against taxes owed to the Commonwealth under chapter 62 or chapter 63 of
1903 the General Laws or other applicable law. The credit shall be equal to 50 percent of the total
1904 qualified investments made by the taxpayer, subject to the cap described in subsection (c)(2)
1905 above. The department shall issue a certification to the taxpayer after the taxpayer makes a
1906 qualified investment. Such certification shall be acceptable as proof that the expenditures related
1907 to such investment qualify as qualified investment for purposes of the credit allowed under this
1908 section.

1909 g) The credit allowable under this section shall be allowed for the taxable year in which a
1910 qualified investment is made. A taxpayer allowed a credit under this section for a taxable year
1911 may carry over and apply against such taxpayer's tax liability in any of the succeeding five
1912 taxable years, the portion, as reduced from year to year, of those credits which exceed the tax for
1913 the taxable year.

1914 (h) Community investment tax credits allowed to a partnership or a limited liability company
1915 taxed as a partnership shall be passed through to the persons designated as partners, members or
1916 owners, respectively, pro rata or pursuant to an executed agreement among the persons

1917 designated as partners, members or owners documenting an alternative distribution method
1918 without regard to their sharing of other tax or economic attributes of the entity.

1919 (i) Taxpayers eligible for the community investment tax credit may, with prior notice to and in
1920 accordance with regulations adopted by the commissioner, transfer the credits, in whole or in
1921 part, to any taxpayer, and the transferee shall be entitled to apply the credits against the tax with
1922 the same effect as if the transferee had made the qualified investment itself. The transferee shall
1923 use the credit in the year it is transferred. If the credit allowable for any taxable year exceeds the
1924 transferee's tax liability for that tax year, the transferee may carry forward and apply in any
1925 subsequent taxable year, the portion, as reduced from year to year, of those credits which exceed
1926 the tax for the taxable year; but, the carryover period shall not exceed five taxable years after the
1927 close of the taxable year during which the qualified investment was made as provided for in this
1928 section.

1929 (j) The commissioner, in consultation with the department, shall prescribe regulations necessary
1930 to carry out the tax credit established in subsection (c).