HOUSE No. 4529

The Commonwealth of Alassachusetts



OFFICE OF THE GOVERNOR COMMONWEALTH OF MASSACHUSETTS

STATE HOUSE · BOSTON, MA 02133 (617) 725-4000

KARYN POLITO LIEUTENANT GOVERNOR

March 4, 2020

To the Honorable Senate and House of Representatives,

Last year, the Baker-Polito Administration appointed an economic development planning council made up of diverse individuals from across all regions of the Commonwealth representing a variety of industries, backgrounds and perspectives. Together, we engaged in a robust process to refine our economic development priorities and develop a plan to achieve them. That process included listening sessions across all the regions of the Commonwealth and engagement with thousands of businesses, municipal officials, entrepreneurs, educators, community leaders and other stakeholders. It culminated with my approval of a new strategic plan that I presented to you in December, called Partnerships for Growth: a plan to enable the Commonwealth's regions to build, connect, and lead. Today, I present for your consideration a bill that will create the tools needed to implement the plan.

This Administration is proud of the work done in close collaboration with the legislature, especially on economic development and housing. In the past few years, we've partnered on a number of significant initiatives that have resulted in a remarkably strong economy and shared prosperity for most of the Commonwealth's residents. Notably, through programs like the MassWorks infrastructure program, collaborative workspaces program, Seaport Economic Council, brownfields program, site readiness program, the broadband initiative and other programs, more than \$600,000,000 has been invested in over 215 communities. Together, we have also supported the production or preservation of over 18,000 housing units, including approximately 16,000 units of affordable housing. Over the past five years, private businesses

created more than 200,000 new jobs, and today we have the lowest unemployment rate in nearly two decades.

However, statewide averages do not tell the entire story. Some regions of the Commonwealth are better off than others, and economic opportunity continues to elude some of our fellow residents. This bill is designed to get at the challenges that remain and better position the state for further prosperity. We look forward to working with you on this important legislation, An Act Enabling Partnerships for Growth.

This bill contains a total of \$240 million in capital authorizations across three core areas: housing, community development, and business competitiveness.

Housing:

- \$50 million for transit-oriented housing for the production of high-density mixed-income affordable housing near transit nodes;
- \$25 million for neighborhood stabilization to help return blighted or vacant housing back to productive use; and
- \$10 million for sustainable and climate-resilient construction in affordable, multifamily housing developments to better respond to climate change and reduce greenhouse gas emissions.

Community Development:

- \$40 million to support the redevelopment of underutilized, blighted, or abandoned buildings;
- \$15 million to continue making sites ready for development through site assembly and assessment, permitting, and other predevelopment activities;
- \$10 million for a fund dedicated to supporting community development and infrastructure projects in rural communities and small towns;
- \$5 million for planning initiatives undertaken by individual municipalities, joint cities or towns, or entire regions working together to address shared goals related to community development, housing production or other issues of local and regional concern;
- \$5 million needed for maintenance of broadband infrastructure in central and western Massachusetts.

Business Competitiveness:

- \$45 million to support technology and innovation ecosystems and key industry clusters by funding initiatives undertaken by universities and businesses, with a focus on emerging technologies such as artificial intelligence, robotics, "bluetech," and others;
- \$10 million to expand the advanced manufacturing pipeline, building on the successful model of the Massachusetts Manufacturing Innovation Initiative (M2I2);
- \$10 million to enable community development financial institutions to reach underserved populations, such as women and minority-owned businesses, and leverage federal funding to support lending for small businesses;
- \$5 million for a matching grant program to provide capital for micro-businesses and low-to-moderate income entrepreneurs looking to start or expand a new business;
- \$10 million for a matching fund to support capital improvements at the special places that attract tourists to Massachusetts, to attract new visitors and encourage return visits.

In addition to the capital authorizations, this bill includes a number of substantive outside sections that will help us to achieve the goals set out in Partnerships for Growth. Some highlights of those sections include the following:

- Building on the 2016 reforms to the Housing Development Incentive Program (HDIP), this bill raises the HDIP annual cap from \$10 million to \$30 million and expands the number of eligible cities and towns so that more multi-unit, market rate housing development projects can move forward in Gateway Cities and similarly situated communities.
- This bill proposes a series of modifications to existing law to better enable local housing authorities to address capital needs and partner with private housing developers to construct new housing units on underutilized land owned by the authorities.
- The bill will give MassDevelopment more flexibility in the administration of the successful Transformative Development Initiative (TDI), so that limited resources can be deployed more effectively on transformative projects in our Gateway Cities. We also are providing flexibility for TDI fellows to expand their work beyond their host city and collaborate with neighboring cities and towns on issues that extend across municipal boundaries.
- The bill makes updates to some of our laws related to housing production and elimination of blight, including the smart-growth zoning statute and the urban renewal statute.
- The bill proposes changes to the enabling acts of the division of insurance, the division of banks and the department of telecommunications and cable. These changes will, among other things, permit the division of insurance to maintain accreditation by the National Association of Insurance Commissioners and update provisions of the law permitting the department of telecommunications and cable to restrict unwanted robo-calls.

- The bill proposes technical changes to certain programs run by MassDevelopment, including changes that may make it easier for cities and towns to use the local infrastructure development program.
- The bill allows more flexibility for the types of businesses eligible to claim the apprenticeship tax credit.
- The bill allows for more effective organization of the agencies and departments within the executive office of housing and economic development, so that the secretary and his dedicated team can effectively and efficiently carry out their mission.

Finally, I must again point out that the Commonwealth is facing an unprecedented housing crisis. Over the last five years we have worked with you to significantly increase investments in workforce and affordable housing while deploying funds from the largest Housing Bond Bill in the history of the Commonwealth. Annually, we have increased spending in programs like the Massachusetts Rental Voucher Program and Rental Assistance for Families in Transition to help keep our most vulnerable families in stable housing situations. But state resources can only go so far in addressing this crisis.

The reality is that our current zoning laws are not working. It is critically important that local zoning allow for the private production of housing in communities that want it. I filed Housing Choice legislation last year to help communities that want to build housing to support the seniors, families, and young people who want to be able to build a life for themselves here in Massachusetts. That bill was reported favorably out of committee in December, but no further action has been taken. It is time for the legislature to enact those simple—but incredibly impactful—reforms. Accordingly, I have included in this bill the Housing Choice provisions as they were reported out of committee. I am hopeful that we can find the common ground on this simple but meaningful zoning reform and that you will send that provision to my desk for signature before the end of the session.

I urge your prompt enactment of this legislation.

Respectfully submitted

Charles D. Baker, *Governor*

HOUSE No. 4529

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court (2019-2020)

An Act enabling partnerships for growth.

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

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 of economic development and job creation, the
- 2 sums set forth in sections 2 and 2A, for the several purposes and subject to the conditions
- 3 specified in this act, are hereby made available, subject to the laws regulating the disbursement
- 4 of public funds; provided, however, that the amounts specified in an item or for a particular
- 5 project may be adjusted in order to facilitate projects authorized in this act. These sums shall be
- 6 in addition to any amounts previously authorized and made available for these purposes.
- 7 SECTION 2.
- 8 Executive Office of Housing and Economic Development
- 9 Office of the Secretary

| 10 | 7002-8000 For the program administered by the Massachusetts Development Finance |
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| 11 | Agency for site assembly, site assessment, predevelopment permitting and other predevelopment |
| 12 | and marketing activities that enhance a site's readiness for commercial, industrial or mixed-use |
| 13 | development; provided, that a portion of the funds shall be used to facilitate the expansion or |
| 14 | replication of successful industrial parks \$15,000,000 |
| 15 | 7002-8001 For the Massachusetts Growth Capital Corporation established in section 2 |
| 16 | of chapter 40W of the General Laws, for a program to provide matching grants to community |
| 17 | development financial institutions certified by the United States Treasury or community |
| 18 | development corporations certified under chapter 40H of the General Laws to enable the |
| 19 | community development financial institution or community development corporation to leverage |
| 20 | federal or private investments for the purpose of making loans to small businesses, including but |
| 21 | not limited to businesses owned by women, veterans, minorities and immigrants |
| 22 | \$10,000,000 |
| 23 | 7002-8002 To provide funds to the Massachusetts Broadband Incentive Fund |
| 24 | established in section 6C of chapter 40J of the General Laws for capital repairs and |
| 25 | improvements to broadband infrastructure owned by the Massachusetts Technology Park |
| 26 | Corporation established by section 3 of chapter 40J\$5,000,000 |
| 27 | 7002-8003 For the Massachusetts Technology Park Corporation established by |
| 28 | section 3 of chapter 40J for matching grants that support collaboration among manufacturers |
| 29 | located in the commonwealth and institutions of higher education, nonprofits and other public or |
| 30 | quasi-public entities; provided that eligible grantees shall include but not be limited to |
| 31 | participants in the Manufacturing USA Institutes established under the National Network for |

| 32 | Manufacturing Innovation; provided further that grants shall be awarded and administered |
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| 33 | consistent with the strategic goals and priorities of the advanced manufacturing collaborative |
| 34 | established by section 10B of chapter 23A\$10,000,000 |

7002-8028 For the Massachusetts Growth Capital Corporation established in section 2 of chapter 40W of the General Laws, to provide matching grants to low- and moderate-income entrepreneurs to acquire, expand, improve or lease a facility, to purchase or lease equipment, or to meet other capital needs of a business with not more than 20 employees and annual revenues

not exceeding \$2,500,000; provided that preference shall be given to businesses located in lowor- moderate income areas or owned by women, veterans, minorities or immigrants

.....\$5,000,000

7002-8029 For a competitive grant program administered by the Massachusetts Office of Travel and Tourism to improve facilities and destinations visited by in-state and out-of-state travelers, with the goals of increasing visitation, enticing repeat visitation, and increasing the direct and indirect economic impacts of the tourism industry in all regions of the commonwealth; provided that grants shall support the design, repair, renovation, improvement, expansion and construction of facilities owned by municipalities or nonprofit entities; and provided further that all grantees shall provide a match based on a graduated formula determined by the Massachusetts Office of Travel and Tourism; and further provided that grant recipients shall be required to measure and report on return-on-investment data after the expenditure of grant funds

\$10,000,000

7002-8031 For a program to provide assistance to projects that will improve, rehabilitate or redevelop blighted, abandoned, vacant or underutilized properties to achieve the public purposes of eliminating blight, increasing housing production, supporting economic development projects, increasing the number of commercial buildings accessible to persons with disabilities, and conserving natural resources through the targeted rehabilitation and reuse of vacant and underutilized property; provided that such assistance shall take the form of a grant or a loan provided to a municipality or other public entity, a community development corporation, nonprofit entity or for-profit entity; provided further that eligible uses of funding shall include, but not be limited to, improvements and additions to or alterations of structures and other facilities necessary to comply with requirements of building codes, fire or other life safety codes,

| and regulations pertaining to accessibility for persons with disabilities, where such code or |
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| regulatory compliance is required in connection with a new commercial residential or civic use |
| of such structure or facility, and also shall include the targeted removal of existing underutilized |
| structures or facilities to create or activate publicly-accessible recreational or civic spaces; |
| provided further that funding shall be awarded on a competitive basis in accordance with |
| guidelines developed by the agency; provided further that financial assistance offered pursuant to |
| this line item may be administered by the executive office through a contract with the |
| Massachusetts Development Finance Agency established by section 2 of chapter 23G; provided |
| further that the executive office or the Massachusetts Development Finance Agency may |
| establish additional program requirements through regulations or policy guidelines; and provided |
| further that program funds may be used for the reasonable costs of administering the program, |
| provided that such costs shall not exceed 5 per cent of the total assistance made during the fiscal |
| year \$40,000,000 |
| 7002-8032 For grants and technical assistance to be made to municipalities and |
| regional applicants, to support planning and locally-driven initiatives related to community |
| development, housing production, workforce training and economic opportunity across the |
| commonwealth within individual communities, regions or a defined subset of communities |
| therein \$5,000,000 |
| SECTION 2A. |
| EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT |
| |

Department of Housing and Community Development

7004-0059 For state financial assistance in the form of grants or loans to accelerate and support the creation of low- and moderate-income housing in close proximity to transit nodes; provided that the program shall be administered to achieve the following public benefits: (1) maximize the amount of affordable residential and mixed-use space in close proximity to transit nodes, resulting in higher density, compact development and pedestrian-friendly, inclusive and connected neighborhoods; (2) increase mass transit ridership, (3) decrease traffic congestion and reduce greenhouse gas emissions, (4) increase economic opportunity for disadvantaged populations by making it easier for residents of affordable housing to access public transportation, including transportation supporting commutes to employment centers; provided further that funds may be used for residential housing units and mixed use developments that include both residential housing units and commercial or retail space in proximity to any rapid transit or commuter rail station, bus terminal, or ferry terminal; provided further that entities eligible to receive financial assistance shall include governmental bodies, community development corporations, local housing authorities, community action agencies, community-based or neighborhood-based non-profit housing organizations, other non-profit organizations, and for-profit entities; provided further that financial assistance provided pursuant to this section shall be made on a competitive basis, with preference for projects which are located in or near neighborhood commercial areas or that incorporate mixed use development; provided further, that funds may be used to assist units occupied by and affordable to persons with incomes up to, but not exceeding, 110 per cent of the area median income, as defined by the United States Department of Housing and Urban Development, with priority given to projects that provide higher and deeper levels of affordability; provided further, that not less than 25 per cent of the occupants of housing in projects assisted by this item shall be persons whose income

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7004-0064 For financial assistance to accelerate and support the creation and preservation of sustainable and climate resilient affordable multifamily housing; provided that such financial assistance shall be made to achieve the following public benefits: (1) incorporate efficient, sustainable and climate-resilient design practices in affordable residential development, to support positive climate mitigation outcomes; (2) reduce greenhouse gas emissions and reliance on fossil fuels; (3) increase resiliency of existing housing developments to mitigate impacts of climate change, including flooding and extreme temperatures; and (4) enhance emergency preparedness, including sustainable means of power generation to allow for sheltering vulnerable populations in place; provided further that financial assistance shall be made available on a competitive basis to community development corporations, local housing authorities, community action agencies, community-based or neighborhood-based non-profit

housing organizations, other non-profit organizations, and for-profit entities; provided further, that funds may be used to assist units occupied by and affordable to persons with incomes up to, but not exceeding, 110 per cent of the area median income, as defined by the United States Department of Housing and Urban Development, with priority given to projects that provide higher and deeper levels of affordability; provided further, that not less than 25 per cent of the occupants of housing in projects assisted by this item shall be persons whose income is not more than 80 per cent of the area median income, as so defined; provided further that financial assistance provided pursuant to this section may be administered by the department through contracts with the Massachusetts Housing Partnership, established in section 35 of chapter 405 of the acts of 1985, the Massachusetts Housing Finance Agency, established in chapter 708 of the acts of 1966, or both, which authorities may directly offer financial assistance for the purposes set forth herein, or may enter into subcontracts with nonprofit organizations established pursuant to chapter 180 for those purposes; and provided further that the administering agency may establish additional program requirements through regulations or policy guidelines\$10,000,000

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7004-0065 For state financial assistance to cities and towns, or to agencies, boards, commissions, authorities, departments or instrumentalities within cities or towns, or to community development corporations or non-profit organizations, to assist in the revitalization of neighborhoods and communities with properties in blighted or substandard conditions by subsidizing the purchase price, borrowing costs or costs of demolition or renovation of up to 20 units of residential rental housing or 1-4 units of home ownership residential housing that have been cited for building or sanitary code violations or that are subject to cancellation of commercial property insurance due to substandard property conditions, or are otherwise blighted

or substandard; provided, that contracts entered into by the department of housing and community development for those projects may include, but shall not be limited to, projects providing for demolition, renovation, remodeling, reconstruction, redevelopment and hazardous material abatement, including asbestos and lead paint, and for compliance with state codes and laws and for adaptations necessary for compliance with the Americans with Disabilities Act of 1990; provided further, that preference shall be given to community development corporations and local nonprofit organizations, to organizations sponsoring projects that secure private funds, and to projects with the greatest impact on community stabilization in weak markets, including but not limited to rural communities and communities that have been disproportionately affected by disinvestment, foreclosure and abandonment; provided further, that such rehabilitated housing shall remain affordable for such period as shall be established by the department through guidance, taking into account differences in market conditions and the type of restrictions best suited to promoting community stabilization in different markets; and provided further that an amount not to exceed 2 per cent of the amount expended may pay for administrative costs directly attributable to the purposes of this program, including costs of support personnel\$25,000,000

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SECTION 3. Subsection (a) of section 16G of chapter 6A of the General Laws, as appearing in the 2018 Official Edition, is hereby amended by striking out the first and second sentences and inserting in place thereof the following 2 sentences:-

In the executive office of housing and economic development, there shall be the following departments and offices: the department of housing and community development established by section 1 of chapter 23B; the Massachusetts office of consumer affairs and business regulation established by section 1 of chapter 24A; the Massachusetts office of business

development established by section 1 of chapter 23A; the Massachusetts marketing partnership established by section 13A of chapter 23A; the Massachusetts office of travel and tourism established by section 13E of chapter 23A; and the Massachusetts office of international trade and investment established by section 13K of chapter 23A. Subject to appropriation, such departments and offices shall be provided with offices in Boston and elsewhere as may be approved by the governor and may expend sums for necessary expenses of those departments and offices.

SECTION 4. Said section 16G of said chapter 6A, as so appearing, is hereby further amended by striking out subsections (b) and (c) and inserting in place thereof the following subsection:-

- (c) The following state agencies shall be within the office of consumer affairs and business regulation: the division of banks, the division of insurance, the division of standards, the division of professional licensure and the department of telecommunications and cable.
- SECTION 5. Said section 16G of said chapter 6A, as so appearing, is hereby further amended by striking out subsection (h) and inserting in place thereof the following subsection:-
- (h) The secretary, with the approval of the governor, shall appoint an undersecretary for each of the office of consumer affairs and business regulation and the department of housing and community development, and shall appoint a director for each of the office of business development, the office of travel and tourism and the office of international trade and investment. Such undersecretaries and directors shall devote their full time during business hours to the duties of their offices and shall not engage in other employment or business activities during business hours. In accordance with the provisions of chapter 30A, and with the

advice of the undersecretaries and directors of the various departments and offices, the secretary may promulgate regulations with respect to the matters under the secretariat's supervision or control.

SECTION 6. Subsection (i) of said section 16G of said chapter 6A, as so appearing, is hereby amended by striking out first paragraph and inserting in place thereof the following paragraph:-

The secretary shall establish in the executive office an office of performance management and oversight. The secretary shall appoint a director to operate and administer said office who shall have experience with economic development in the public or private sector. The director shall establish performance measurements for all public and quasi-public entities engaged in economic development, and may establish such measurements for any private organizations under contract with the commonwealth to perform economic development services, in order to improve the effectiveness of the economic development efforts of the commonwealth. In developing these measurements, the director may seek out private sector advice and models that can be adapted to the needs of the commonwealth. Clear measurements shall be developed and effectuated while ensuring that no undue administrative burden is placed on agencies and organizations subject to this section. The director shall prepare an annual report for publication on progress to improve the effectiveness of the commonwealth's economic development efforts and the progress agencies within the office are making towards achieving stated goals.

SECTION 7. Said subsection (i) of said section 16G of said chapter 6A, as so appearing, is hereby further amended by striking out, in line 61, the words "to which the system applies" and inserting in place thereof the following words:- designated by the secretary.

SECTION 8. Said section 16G of said chapter 6A, as so appearing, is hereby further
amended by striking out, in line 64, the word "shall" and inserting in place thereof the following
words:- may.

SECTION 9. Said section 16G of said chapter 6A, as so appearing, is hereby further amended by striking out, in line 86, the words "the previous 3 fiscal years" and inserting place thereof the following words:- shall also include prior fiscal years to the extent required by the secretary.

SECTION 10. Subsection (j) of said section 16G of said chapter 6A, as so appearing, is hereby amended by inserting after the word "entities", in line 103, the following words:receiving funding from the executive office or a department, office or agency within the executive office.

SECTION 11. Said section 16G of said chapter 6A, as so appearing, is hereby further amended by striking out, in line 234, the words "(m)" and inserting in place thereof the words:

(n).

SECTION 12. Said section 16G of said chapter 6A, as so appearing, is hereby further amended by striking out, in line 245, the word "(n)" and inserting in place thereof the word:- (o).

SECTION 13. Section 1 of chapter 23A of the General Laws, as so appearing, is hereby amended by striking out subsection (a) and inserting in place thereof the following subsection:-

(a) Within the executive office of housing and economic development, there shall be a Massachusetts office of business development, in this chapter referred to as MOBD, which shall be under the control of the director of the Massachusetts office of business development. The

director shall be appointed by the secretary of the executive office of housing and economic development in accordance with subsection (h) of section 16G of chapter 6A for a term conterminous with the governor's and shall not be subject to chapter 31 or section 9A of chapter 30. Upon expiration of the term of office of the director or in the event of a vacancy, a successor shall be appointed in the same manner. The director shall devote his full time during business hours to the duties of his office. The director shall be the executive and administrative head of the MOBD and shall be responsible for administering and enforcing the laws relative to the MOBD and to each administrative unit thereof. The director shall receive such salary as the Secretary shall determine.

SECTION 14. Subsection (c) of said section 1 of said chapter 23A is hereby amended by striking out, in line 19, the word "department" and inserting in place thereof the following word:

MOBD.

SECTION 15. Section 2 of said chapter 23A, as so appearing, is hereby amended by striking out, in lines 1 and 2, the words "serve as the principal agency of the government of the commonwealth for" and inserting in place thereof the following words:- support the work of the executive office and collaborate with other agencies within the executive branch to advance.

SECTION 16. Said section 2 of said chapter 23A is hereby further amended by striking out subsection (h).

SECTION 17. Section 3 of said chapter 23A, as so appearing, is hereby amended by striking out subsections (a) and (b) and inserting in place thereof the following subsection:

(a) There shall be within MOBD such divisions, offices and programs as the director shall determine are necessary to achieve the mission and administer the programs of MOBD.

SECTION 18. Said chapter 23A of the General Laws, as appearing in the 2018 Official Edition, is hereby further amended by striking out section 3H and inserting in place thereof the following section:-

Section 3H. The secretary of the executive office of housing and economic development, with the approval of the governor, shall appoint a director of the Massachusetts permit and regulatory office. The director shall have experience with permitting and business development. The director shall serve as ombudsman to new and expanding businesses, to provide one-stop licensing for businesses and development in order to streamline and expedite the process of obtaining state licenses, permits, state certificates, state approvals, and other requirements of law, but not including divisions of the state secretary's office. The director shall facilitate communication between the municipality and state agencies. The director shall consult with each regional office of the Massachusetts office of business development and each regional office of the Massachusetts Development Financing Agency, in order to better serve local businesses.

The director shall file an annual report with the house and senate committees on ways and means by January 1 on the activities of the Massachusetts permit regulatory office and the interagency permitting board, including legislative recommendations on business development and expansion efforts.

The director shall also provide assistance to businesses in the process of complying with state regulations and other requirements of law that affect businesses. The director shall facilitate communication between individual businesses and state agencies and work with regulatory personnel in state agencies to minimize the small business impacts of regulation.

SECTION 19. Section 4 of said chapter 23A, as so appearing, is hereby amended by
striking out, in line 2, the words "an office" and inserting in place thereof the following words:
staff located.

SECTION 20. Said chapter 23A of the General Laws, as so appearing, is hereby further

SECTION 20. Said chapter 23A of the General Laws, as so appearing, is hereby further amended by striking out section 5 and inserting in place thereof the following section:-

Section 5. The director of MOBD shall prepare and keep current a general statement of the organization of MOBD, of the assignment of functions to its various administrative units, officers and employees, and of the established places at which and the methods whereby the public may receive information or make requests. Such statement shall be known as MOBD's description of organization.

SECTION 21. Section 6 of said chapter 23A, as so appearing, is hereby amended by striking out, in line 5, the words "shall establish an advisory council that shall" and inserting in place thereof the following words:- of MOBD may establish an advisory council to.

SECTION 22. The second paragraph of said section 6 of said chapter 23A, as so appearing, is hereby amended by striking out the last two sentences.

SECTION 23. Section 7 of said chapter 23A, as so appearing, is hereby amended by striking out, in line 1, the words "economic development" and inserting in place thereof the following word:- MOBD.

SECTION 24. Section 8 of said chapter 23A, as so appearing, is hereby amended by striking out, in line 3, the words "economic development" and inserting in place thereof the following word:- MOBD.

SECTION 25. Section 9 of said chapter 23A, as so appearing, is hereby further amended by striking out the first sentence and inserting in place thereof, the following sentence:- The director of MOBD may, subject to appropriation, appoint and remove all employees of the MOBD as may be necessary to carry out the work of MOBD.

SECTION 26. Said section 9 of said chapter 23A, as so appearing, is hereby further amended by striking out, in line 6, the words "economic development" and inserting in place thereof the following word:- MOBD.

SECTION 27. Section 13A of said chapter 23A, as so appearing, is hereby amended by striking out, in line 5, the words "international trade office" and inserting in place thereof the following words:- office of international trade and investment.

SECTION 28. Section 13A of said chapter 23A, as so appearing, is hereby amended by striking out, in lines 13 through 15, the words "coordinate marketing efforts on behalf of the commonwealth and shall oversee the activities of agencies placed within it." and inserting in place thereof the following words:- advise the secretary and the governor regarding the most effective means and methods for marketing the assets and regions of the commonwealth.

SECTION 29. Said section 13A of said chapter 23A, as so appearing, is hereby further amended by striking out, in line 87, the words "and employees of the agencies within the partnership".

| 338 | SECTION 30. Section 13B of said chapter 23A is hereby repealed. |
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| 339 | SECTION 31. Section 13C of said chapter 23A of the General Laws, as appearing in the |
| 340 | 2018 Official Edition, is hereby amended by striking out paragraphs (1) through (3), inclusive, |
| 341 | and inserting in place thereof the following 3 paragraphs:- |
| 342 | (1) adopt and amend by-laws and procedures for the governance of its affairs and the |
| 343 | conduct of its business; |
| 344 | (2) adopt an official seal and a functional name; |
| 345 | (3) conduct meetings of the partnership in accordance with the by-laws of the |
| 346 | partnership;. |
| 347 | SECTION 32. Said section 13C of said chapter 23A, as so appearing, is hereby further |
| 348 | amended by striking out paragraph (22). |
| 349 | SECTION 33. Section 13D of said chapter 23A, as so appearing, is hereby amended by |
| 350 | striking out, in lines 1 to 2, the words "and the agencies within the partnership". |
| 351 | SECTION 34. Section 13E of said chapter 23A, as so appearing, is hereby amended by |
| 352 | striking out the first and second paragraphs and inserting in place thereof the following 2 |
| 353 | paragraphs:- |
| 354 | There shall be within the executive office of housing and economic development an |
| 355 | office of travel and tourism which shall be under the supervision and control of an executive |
| 356 | director. The powers and duties given to the executive director of the office of travel and tourism |
| 357 | in this chapter and in any other general or special law shall be exercised and discharged subject |

to the direction, control and supervision of the secretary of the executive office of housing and economic development.

The executive director of the office of travel and tourism shall be appointed by the secretary of the executive office of housing and economic development in accordance with subsection (h) of section 16G of chapter 6A, and serve at the pleasure of the secretary. The position of executive director of the office of travel and tourism shall be classified under section 45 of chapter 30 and the executive director of travel and tourism shall devote full time during business hours to the duties of the office of travel and tourism and shall give to the state treasurer a bond for the faithful performance of those duties.

SECTION 35. Section 13G of said chapter 23A, as so appearing, is hereby amended by striking out the first sentence and inserting place thereof the following sentence:- The executive director of travel and tourism may, subject to appropriation, appoint and remove all such employees as may be necessary to carry out the work of tourism promotion.

SECTION 36. Section 13H of said chapter 23A, as so appearing, is hereby amended by striking out, in line 2, the words "to the partnership".

SECTION 37. Said section 13H of said chapter 23A, as so appearing, is hereby further amended by striking out, in line 6 to 7, the word "partnership" and inserting in place thereof the following words:- secretary of the executive office of housing and economic development.

SECTION 38. Section 13J of said chapter 23A, as so appearing, is hereby amended by striking out, in lines 9 to 10, the words "shall meet on a quarterly basis and".

SECTION 39. Subsection (a) of section 13K of said chapter 23A, as so appearing, is hereby amended by striking out the first through fourth sentences, inclusive, and inserting in place thereof the following 4 sentences:-

There shall be within the executive office of housing and economic development a Massachusetts office of international trade and investment, which shall be under the supervision and control of an executive director. The executive director shall be appointed by the secretary of the executive office of housing and economic development in accordance with subsection (h) of section 16G of chapter 6A, and shall serve at the pleasure of the secretary. The executive director shall devote full time during business hours to the duties of the Massachusetts office of international trade and investment. The executive director of the office of international trade and investment shall be the executive and administrative head of the office and shall be responsible for administering and enforcing the laws relative to the office and to any administrative unit of the office.

SECTION 40. Subsection (a) of section 13L of said chapter 23A, as so appearing, is hereby amended by striking out the first through fourth sentences, inclusive, and inserting in place thereof the following 2 sentences:-

Within the office of international trade and investment, there may be established 1 or more foreign offices to encourage trade between foreign businesses and businesses in the commonwealth and to promote investment opportunities in the commonwealth for foreign businesses. The foreign offices may be located in any country that the executive director of the office of international trade and investment determines are best suited as a location for the furthering of foreign trade opportunities for the businesses of the commonwealth.

SECTION 41. Said section 13L of said chapter 23A, as so appearing, is hereby further amended by striking out, in lines 15 and 25, the word "shall" and inserting in place thereof, in each instance, the following word:- may.

SECTION 42. Said section 13L of said chapter 23A, as so appearing, is hereby further amended by striking out, in lines 31 to 32 and in line 36, in each instance, the words "international trade office" and inserting in place thereof, in each instance, the following words:-office of international trade and investment.

SECTION 43. Section 13M of said chapter 23A, as so appearing, is hereby amended by striking out, in line 2, the words "international trade office" and inserting in place thereof the following words:- office of international trade and investment.

SECTION 44. Section 13N of said chapter 23A, as so appearing, is hereby amended by striking out, in lines 1 to 2, the words "international trade office" and inserting in place thereof the following words:- office of international trade and investment.

SECTION 45. Section 13O of said chapter 23A, as so appearing, is hereby amended by striking out, in lines 1 to 2 and in line 2, in each instance, the words "international trade office" and inserting in place thereof, in each instance, the following words:- office of international trade and investment.

SECTION 46. Section 13P of said chapter 23A, as so appearing, is hereby amended by striking out, in lines 1 to 2, the words "international trade office" and inserting in place thereof the following words:- office of international trade and investment.

SECTION 47. Section 13Q of said chapter 23A, as so appearing, is hereby amended by striking out, in line 1, the words "international trade office shall" and inserting in place thereof the following words:- office of international trade and investment may.

SECTION 48. Section 13R of said chapter 23A, as so appearing, is hereby amended by striking out, in lines 1 to 2 and lines 4 to 5, in each instance, the words "international trade office" and inserting in place thereof, in each instance, the following words:- office of international trade and investment.

SECTION 49. Section 13S of said chapter 23A, as so appearing, is hereby amended by striking out, in lines 1 to 2, the words "international trade office" and inserting in place thereof the following words:- office of international trade and investment.

SECTION 50. Section 13S of said chapter 23A, as so appearing, is hereby amended by striking out the second paragraph appearing and inserting in place thereof the following paragraph:-

The commission shall convene at such times and with such frequency as the executive director of the office of international trade and investment shall request. The commission may conduct a public hearing and otherwise solicit information regarding the economic and sovereignty impacts of international trade agreements on the commonwealth. The commission may recommend changes to United States trade policy or commitments including, but not limited to, proposed international trade agreements. Any report or recommendations prepared by the commission shall be transmitted to the clerks of the house of representatives and the senate, the governor, the attorney general, the United States trade representative and each member of the commonwealth's congressional delegation.

SECTION 51. Said section 13S of said chapter 23A, as so appearing, is hereby amended by striking out, in lines 31 to 32, the words "international trade office" and inserting in place thereof the following words:- office of international trade and investment.

SECTION 52. Section 13T of said chapter 23A, as so appearing, is hereby amended by striking out the first sentence of subsection (a) and inserting in place thereof the following sentence:- There shall be a Massachusetts Tourism Trust Fund which shall be administered by the office of travel and tourism established by section 13E.

SECTION 53. Said section 13T of said chapter 23A, as so appearing, is hereby further amended by striking out clause (i) of subsection (d) and inserting in place thereof the following clause:-

(i) 40 percent to the office of travel and tourism; and

SECTION 54. Said section 13T of said chapter 23A, as so appearing, is hereby further amended by striking out subsection (e) and replacing it with the following subsection:-

(e) The office of travel and tourism shall submit an annual report to the clerks of the senate and house of representatives and the joint committee on tourism, arts and cultural development not later than December 31 on the cost-effectiveness of the fund. The report shall include expenditures out of the fund made by the office of travel and tourism to promote tourism and for the administrative costs of the office of travel and tourism.

SECTION 55. Section 62 of said chapter 23A, as so appearing, is hereby amended by striking out, in lines 3 and 4, the words "state permit ombudsman" and inserting in place thereof

462 the following words:- director of the Massachusetts permit and regulatory office established by 463 section 3H. 464 SECTION 56. Said section 62 of said chapter 23A, as so appearing, is hereby further 465 amended by striking out, in lines 17 to 18, the words "each regional office of". 466 SECTION 57. Said section 62 of said chapter 23A, as so appearing, is hereby further 467 amended by striking out, in line 23, the figure "8" and inserting in place thereof the following figure:- 4. 468 469 SECTION 58. Said section 62 of said chapter 23A, as so appearing, is hereby further 470 amended by inserting, in line 29, after the figure "43D", the number the following words:-, 471 subject to appropriation. 472 SECTION 59. Section 66 of said chapter 23A, as so appearing, is amended by inserting, 473 in line 43, after the word "shall" the following words:-, subject to appropriation,. 474 SECTION 60. Section 67 of said chapter 23A, as so appearing, is hereby amended by 475 striking out, in lines 14 to 15, the words "international trade office" and inserting in place thereof 476 the following words:- office of international trade and investment. 477 SECTION 61. Section 1 of chapter 23G of the General Laws, as so appearing, is hereby 478 amended by striking out the definition "Equity investments" and inserting in place thereof the 479 following definition:-480 "Equity investments", (i) investments that result in the agency holding an ownership

interest in any company; (ii) a membership interest that constitutes voting rights in a company;

(iii) an interest in real estate or other assets; (iv) a grant or loan designated pursuant to a

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competitive process administered by the agency, provided to governmental subdivisions, community development corporations, community action agencies, for-profit entities, private property owners, nonprofit entrepreneur support organizations and business operators for design, construction or improvement of buildings or real estate to spur economic development; (v) a transaction which in substance falls into any of these categories even though it may be structured as some other form of business transaction, including, but not limited to a lease of real estate for such duration as the agency deems appropriate in light of the amount of the equity to be invested; and (vi) an equity security; provided, however, that "equity investments" shall not include any of the foregoing if the interest is taken as security for a loan.

SECTION 62. Section 45 of said chapter 23G, as so appearing, is hereby amended by striking out, in lines 104 to 114, inclusive, the seventh paragraph.

SECTION 63. Section 46 of said chapter 23G, as so appearing, is hereby amended by inserting in subsection (f), after the word "municipalities" in line 47, the following words:-, or to address regional opportunities or challenges identified by a gateway municipality,

SECTION 64. Subsection (c) of section 6 of said chapter 23I of the General Laws, as so appearing, is hereby amended by striking out, in lines 70 to 71 and in lines 87 to 89, in each instance, the words "minority students at schools where at least 80 percent of the student population is eligible for free or reduced lunch" and inserting in place thereof the following words:- minority students attending schools in which at least 25 per cent of the student population is considered economically disadvantaged as measured by the department of elementary and secondary education.

SECTION 65. Section 17 of said chapter 23I, as so appearing, is hereby amended by striking out, in line 23, the figure "2" and inserting in place thereof the following figure:- 1.

SECTION 66. Subsection (a) of section 3 of chapter 23L of the General Laws, as so appearing, is hereby amended by inserting, in line 6, after the words "proposed development zone and to" the following words:- the agency and.

SECTION 67. Subsection (a) of section 4 of said chapter 23L, as so appearing, is hereby amended by inserting, in line 3, after the words "infrastructure assessments, for the cost", the following words:-, or the debt service of notes or bonds used to fund such cost,.

SECTION 68. Said subsection (a) of said section 4 of said chapter 23L is hereby further amended by inserting, in line 52 after the word "aggregate", the following word:- amount.

SECTION 69. Subsection (b) of said section 4 of said chapter 23L is hereby amended by striking out, in line 73, the words "As an alternative to levying", and inserting in place thereof the following words:- In furtherance of the ability to levy.

SECTION 70. Subsection (c) of said section 4 of said chapter 23L is hereby amended by adding the following 2 sentences:- Infrastructure assessments levied under this chapter shall continue notwithstanding any alienation or conveyance of the property in the development zone by one property owner to a new property owner. A new property owner in the development zone shall take title to such property subject to the infrastructure assessments and related liens.

SECTION 71. Subsection (b) of section 6A of chapter 25C of the General Laws, as so appearing, is hereby amended by striking out, in line 18, the letter "(f)" and inserting in place thereof the following letter:- (h).

SECTION 72. Said section 6A of said chapter 25C is hereby further amended by adding the following 2 subsections:-

- (g) Subsection (b) shall not be construed to affect or modify any obligations or authority in chapter 159C.
- (h) Subsection (b) shall not be construed to affect the authority of the department to administer federal programs supported by the federal Universal Service Fund, including the Lifeline program, the E-rate program or the Connect America Fund.
- SECTION 73. Paragraph (a) of section 4 of chapter 30B of the General Laws, as so appearing, is hereby amended by adding the following words:- or section 6.
 - SECTION 74. Said section 4 of said chapter 30B is hereby further amended by striking out subsection (b) and inserting in place thereof the following subsection:-
 - (b) Quotations shall not be modified or disclosed until the award of the contract after submission; however, the procurement officer shall waive minor informalities or allow the person submitting quotations to correct the minor informality. The procurement officer shall award the contract to the responsible and responsive person offering the needed quality of supply or service at the lowest quotation. A contract requiring payment to the governmental body of a net monetary amount shall be awarded to the responsible and responsive person offering the needed quality of supply or service at the highest quotation.
 - SECTION 75. Paragraph (a) of section 6 of said chapter 30B, as so appearing, is hereby amended by inserting, in line 2, after the words "\$50,000" the following words:- except as permitted pursuant to subsection (a) of section 4,.

SECTION 76. Section 4A of chapter 40 of the General Laws, as so appearing, is hereby amended by adding the following paragraph:-

By a majority vote of their legislative bodies, and with the approval of the mayor, board of selectmen or other chief executive officer, any contiguous cities and towns may enter into an agreement to allocate public infrastructure costs, municipal service costs and local tax revenue associated with the development of an identified parcel or parcels or development within the contiguous communities generally, provided that said agreement is approved by the department of revenue.

SECTION 77. Section 1A of chapter 40A of the General Laws, as so appearing, is hereby amended by inserting after the introductory paragraph the following 7 definitions:-

"Accessory dwelling unit", a self-contained housing unit, inclusive of sleeping, cooking and sanitary facilities on the same lot as a principal dwelling, subject to otherwise applicable dimensional and parking requirements, that: (i) maintains a separate entrance, either directly from the outside or through an entry hall or corridor shared with the principal dwelling sufficient to meet the requirements of the state building code for safe egress; (ii) is not larger in floor area than 1/2 the floor area of the principal dwelling or 900 square feet, whichever is smaller; and (iii) is subject to such additional restrictions as may be imposed by a municipality, including but not limited to additional size restrictions, owner-occupancy requirements, and restrictions or prohibitions on short-term rental of accessory dwelling units.

"As of right", development may proceed under a zoning ordinance or by-law without the need for a special permit, variance, zoning amendment, waiver, or other discretionary zoning approval.

"Lot", an area of land with definite boundaries that is used or available for use as the site of a building or buildings.

"Eligible locations", areas that by virtue of their infrastructure, transportation access, existing underutilized facilities, or location make highly suitable locations for residential or mixed use smart growth zoning districts or starter home zoning districts, including without limitation (1) areas near transit stations, including rapid transit, commuter rail and bus and ferry terminals; or (2) areas of concentrated development, including town and city centers, other existing commercial districts in cities and towns, and existing rural village districts.

"Mixed-use development", development containing a mix of residential uses and nonresidential uses, including, without limitation: commercial, institutional, industrial or other uses;

"Multi-family housing", a building with 3 or more residential dwelling units or 2 or more buildings on the same lot with more than 1 residential dwelling unit in each building.

"Natural resource protection zoning", zoning ordinances or by-laws enacted principally to protect natural resources by promoting compact patterns of development and concentrating development within a portion of a parcel of land so that a significant majority of the land remains permanently undeveloped and available for agriculture, forestry, recreation, watershed management, carbon sequestration, wildlife habitat or other natural resource values.

"Open space residential development", a residential development in which the buildings and accessory uses are clustered together into one or more groups separated from adjacent property and other groups within the development by intervening open land. An open space residential development shall be permitted only on a plot of land of such minimum size as a zoning ordinance or by-law may specify which is divided into building lots with dimensional

control, density and use restrictions for such building lots varying from those otherwise permitted by the ordinance or by-law and open land. Such open land may be situated to promote and protect maximum solar access within the development. Such open land shall either be conveyed to the city or town and accepted by it for park or open space use, or be made subject to a recorded use restriction enforceable by the city or town or a non-profit organization the principal purpose of which is the conservation of open space, providing that such land shall be kept in an open or natural state and not be built for residential use or developed for accessory uses such as parking or roadway.

SECTION 78. Said section 1A of said chapter 40A, as so appearing, is hereby further amended by striking out the definition of "Transfer of development rights" and inserting in place thereof the following definition:-

"Transfer of development rights", the regulatory procedure whereby the owner of a parcel may convey development rights, extinguishing those rights on the first parcel, and where the owner of another parcel may obtain and exercise those rights in addition to the development rights already existing on that second parcel.

SECTION 79. Section 5 of said chapter 40A, as so appearing, is hereby amended by striking out the fifth paragraph and inserting in place thereof the following paragraph:-

Except as provided herein, no zoning ordinance or by-law or amendment thereto shall be adopted or changed except by a two-thirds vote of all the members of the town council, or of the city council where there is a commission form of government or a single branch, or of each branch where there are two branches, or by a two-thirds vote of a town meeting; provided, however, the following shall be adopted by a vote of a simple majority of all members of the

town council or of the city council where there is a commission form of government or a single branch or of each branch where there are two branches or by a vote of a simple majority of town meeting:

- (1) An amendment to a zoning ordinance or by-law to allow any of the following as of right: (a) multifamily housing or mixed-use development; in an eligible location; (b) accessory dwelling units, whether within the principal dwelling or a detached structure on the same lot; or (c) open-space residential development.
- (2) An amendment to a zoning ordinance or by-law to allow by special permit: (a) multi-family housing or mixed-use development in an eligible location (b) an increase in the permissible density of population or intensity of a particular use in a proposed multi-family or mixed use development pursuant to section 9 of chapter 40A of the general laws; (c) accessory dwelling units in a detached structure on the same lot or (d) a diminution in the amount of parking required for residential or mixed-use development pursuant to section 9 of chapter 40A of the general laws;
- (3) Zoning ordinances or by-laws or amendments thereto that (a) provide for TDR zoning or natural resource protection zoning in instances where the adoption of such zoning promotes concentration of development in areas that the municipality deems most appropriate for such development, but will not result in a diminution in the maximum number of housing units that could be developed within the municipality; or (b) modify regulations concerning the bulk and height of structures, yard sizes, lot area, setbacks, open space, parking and building coverage requirements to allow for additional housing units beyond what would otherwise be permitted under the existing zoning ordinance or by-law.

(4) The adoption of a smart growth zoning district or starter home zoning district in accordance with section 3 of chapter 40R of the general laws.

Provided, further, that any amendment that requires a simple majority vote shall not be combined with amendments that require a two-thirds majority vote; provided, further, that if in a city or town with a council of fewer than 25 members there is filed with the clerk prior to final action by the council a written protest against a zoning change under this section, stating the reasons duly signed by owners of 50 per cent or more of the area of the land proposed to be included in such change or of the area of the land immediately adjacent extending 300 feet therefrom, no change of any such ordinance shall be adopted except by a two-thirds vote of all members.

SECTION 80. Section 9 of said chapter 40A, as so appearing, is hereby amended by inserting after the word "interests," in line 34, the following words:-; provided, however, that nothing herein shall prohibit a zoning ordinance or by-law from allowing transfer of development rights to be permitted as of right, without the need for a special permit or other discretionary zoning approval.

SECTION 81. Said section 9 of said chapter 40A, as so appearing, is hereby further amended by striking out, in lines 35 and 39, the word "cluster" each time it appears and inserting in place thereof in each instance the following words:- open space residential.

SECTION 82. Said section 9 of said chapter 40A, as so appearing, is hereby further amended by inserting, after the word "control," in line 43, the following words:-; provided, however, that nothing herein shall prohibit a zoning ordinance or by-law from allowing open

space residential developments to be permitted as of right, without the need for a special permit or other discretionary zoning approval.

SECTION 83. Said section 9 of said chapter 40A, as so appearing, is hereby further amended by striking out the seventh paragraph and inserting in place thereof the following paragraph:-

Zoning ordinances or by-laws may also provide that special permits may be granted for reduced parking space to residential unit ratio requirements after a finding by the special permit granting authority that the public good would be served and that the area in which the development is located would not suffer a substantial adverse effect from such diminution in parking.

SECTION 84. Said section 9 of said chapter 40A, as so appearing, is hereby further amended by inserting after the twelfth paragraph the following paragraph:-

However, a special permit issued by a special permit granting authority shall require a simple majority vote for any of the following: (a) multifamily housing that is located within .5 miles of a commuter rail station, subway station, ferry terminal, or bus station, provided, not less than 10 per cent of the housing is affordable to and occupied by households whose annual income is less than 80 per cent of the area wide median income as determined by the United States Department of Housing and Urban Development and affordability is assured for a period of not less than 30 years through the use of an affordable housing restriction as defined in section 31 of chapter 184; (b) mixed-use development in centers of commercial activity within a municipality, including town and city centers, other commercial districts in cities and towns, and rural village districts, provided, not less than 10 per cent of the housing is affordable to and

occupied by households whose annual income is less than 80 per cent of the area wide median income as determined by the United States Department of Housing and Urban Development and affordability is assured for a period of not less than 30 years through the use of an affordable housing restriction as defined in section 31 of chapter 184; or (c) a reduced parking space to residential unit ratio requirement, pursuant to this section, provided that a reduction in the parking requirement will result in the production of additional housing units.

SECTION 85. Section 2 of chapter 40G of the General Laws, as so appearing, is hereby amended by striking out, in lines 23 through 25, inclusive, the words "1 person appointed by the governor who is a cabinet secretary or officer of the commonwealth having experience appropriate to the functions of MTDC" and inserting in place thereof the following words:- the executive director of the Massachusetts Technology Park Corporation established by chapter 40J.

SECTION 86. Chapter 40J of the General Laws, as so appearing, is hereby amended by striking out section 4G and inserting in place thereof the following section:-

Section 4G. (a) In order to undertake projects and programs to promote job creation and retention and economic development, competitiveness and growth in the commonwealth through support of the technology and innovation ecosystems, there is hereby established a fund to be known as the Technology Research and Development and Innovation Fund, hereinafter referred to as the fund, to which shall be credited the proceeds of bonds or notes of the commonwealth issued for this purpose, and any appropriations designated by the general court to be credited thereto. The fund shall be administered by the corporation. The corporation shall hold the fund in an account or accounts separate from other funds of the corporation.

(b) The fund shall be administered to foster scientific and technology research and development in the Commonwealth by providing matching funds for capital expenditures to be made in connection with projects which are sponsored by the University of Massachusetts, research universities, non-profit entities, independent research institutions, or technology companies in the commonwealth for scientific or technology research and development that will increase and strengthen the commonwealth's economic development, employment opportunities and commercial and industrial sectors, and are funded in part by the federal government or other public or private funds; provided, however, that any grant awarded in accordance with this subsection shall leverage at least \$1, in the aggregate, during activities funded by such grant, from sources other than an agency as defined in section 39 of chapter 6 for each dollar granted; provided further, funds expended specifically for this matching grant program from the higher education bond bill, established by chapter 258 of the acts of 2008, shall not count towards the \$1 of financing that is required for the matching grant program; provided further, that as a condition of such grants being awarded, the corporation shall reach agreement with the grant recipient on performance measures and indicators that will be used to evaluate the performance of the grant recipient in carrying out the activities described in the recipient's application; provided further, that prior to awarding any grant under this subsection the corporation shall determine that the grant will advance the purposes of this subsection; provided further, that priority shall be given to large-scale, long-term research and development activities that have the greatest potential to support scientific and technological innovation and stimulate economic and employment opportunities in the commonwealth through industry partnerships; and provided, further that at least 50 per cent of the grant funds under this subsection shall be reserved for award, over the term of each authorization or appropriation, subject to qualification, to the

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University of Massachusetts. The University of Massachusetts may, if it deems necessary to help ensure efficient and effective research and development efforts, enter into collaborative agreements with other higher education institutions in the commonwealth to undertake parts of any research and development project for which grant funding under this subsection is sought. Funds may be used by the corporation to support costs associated with managing this program.

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(c) The fund also shall be administered to support technology and innovation ecosystems through grants or loans to eligible participants to pay or reimburse eligible capital costs of facilities that foster innovation, demonstration, research and product development in emerging technologies and systems, with preference given to sectors identified by the corporation as of strategic importance to the commonwealth, including but not limited to artificial intelligence, robotics, quantum computing, advanced manufacturing, cyber security, financial technology, blockchain and marine technologies. Eligible participants shall include universities and public entities, and may include for-profit business entities when the corporation has made a finding that the use of funds by the private entity is primarily for a public purpose and will result in a significant and measurable public benefit. Eligible costs shall include the costs of acquiring and improving real property; costs of acquiring and installing fixtures, equipment and other personal property; costs of planning and designing, any combination of the foregoing. Any such improvements, property or equipment shall be owned by one or more public entities but may be leased or licensed for use by private institutions; provided, however, that such assets may be privately owned where the corporation makes a finding that such private ownership is necessary to achieve the public purpose of the grant. The corporation shall establish guidelines, requirements and standards for participation in the program.

(d) There shall be credited to the fund revenue from appropriations or other monies authorized by the general court and specifically designated for the fund. Any such appropriations remaining in the fund at the end of a fiscal year shall not revert to the General Fund. Appropriations from the general court into the fund may be expended by the corporation to establish programs that support technology and innovation ecosystems, consistent with the terms of the appropriation.

- (e) A portion of the fund proceeds may be used by the corporation to support costs of administering the fund.
- (f) The corporation shall annually file a report with the joint committee on higher education and the house and senate committees on ways and means detailing the grants awarded under this section.
- SECTION 87. Section 6B of said chapter 40J, as so appearing, is hereby amended by inserting after the words "secretary of housing and economic development," in line 33, the following words:- or a designee,.
- SECTION 88. The definition of "Affordable housing" in section 2 of chapter 40R of the General Laws, as so appearing, is hereby amended by striking out, in line 4, the words "less than" and inserting in place thereof the following words:- at or below.
- SECTION 89. Said section 2 of said chapter 40R, as amended by section 12 of chapter 5 of the acts of 2019, is hereby further amended by striking out the definition of "Approving authority".

763 SECTION 90. Said section 2 of said chapter 40R, as so amended, is hereby further 764 amended by inserting after the definition of "Open space" the following definition:-765 "Plan approval authority", a unit of municipal government designated by the city or town 766 to review projects and issue approvals under section 11. 767 SECTION 91. Section 3 of said chapter 40R of the General Laws, as appearing in the 768 2018 Official Edition, is hereby amended by inserting, in line 4, after the word "have" the 769 following word:- safe. 770 SECTION 92. Said section 3 of said chapter 40R, as so appearing, is hereby further 771 amended by inserting, in line 5, after the word "frequent", the following word:- pedestrian. 772 SECTION 93. Said section 3 of said chapter 40R, as so appearing, is hereby further 773 amended by striking out, in line 14, the words "by a city or town". 774 SECTION 94. Said section 3 of said chapter 40R, as so appearing, is hereby further 775 amended by adding the following words:-776 ; provided, however, that a smart growth zoning district or starter home zoning district 777 ordinance or by-law shall be adopted by a simple majority vote of all the members of the town 778 council, or of the city council where there is a commission form of government or a single 779 branch, or of each branch where there are two branches, or by a simple majority vote of a town 780 meeting.

SECTION 95. Section 6 of said chapter 40R, as so appearing, is hereby amended by

striking out, in lines 55 to 56, the words "the comprehensive housing plan, housing production

plan or housing production summary submitted as part of".

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SECTION 96. Subsection (a) of said section 6 of said chapter 40R, as so appearing, is hereby amended by striking out clause (8) and inserting in place thereof the following clause:-

(8) A proposed smart growth zoning district or starter home zoning district shall not impose restrictions on age or any other occupancy restrictions on the district as a whole or any portion thereof or project therein. Applicants may pursue the development of specific projects within a smart growth zoning district that are exclusively for the elderly, the disabled or for assisted living, provided that the department shall adopt regulations limiting the percentage of units in the district that qualify the city or town for density bonus payments under section 9 that may be subject to such restrictions that limit occupancy exclusively for the elderly, the disabled or for assisted living. Not less than 25 per cent of the housing units in a project that limits occupancy exclusively for the elderly, the disabled or for assisted living within a smart growth zoning district shall be affordable housing, as defined in section 2.

SECTION 97. Said section 6 of said chapter 40R, as so appearing, is hereby further amended by striking out, in line 86, the words "approving authority" and inserting in place thereof the following words:- plan approval authority.

SECTION 98. Said section 6 of said chapter 40R is hereby further amended by striking out subsection (c) and inserting in place thereof the following subsection:-

(c) The zoning for a proposed smart growth zoning district or starter home zoning district may provide for mixed use development subject to any limitations that may be imposed by regulations of the department. In a starter home zoning district, mixed use development will only be permitted if the proposed density achieves a minimum of 4 units per acre.

SECTION 99. Said section 6 of said chapter 40R is hereby further amended by striking out subsection (g) and inserting in place thereof the following subsection:-

(g) Any amendment or repeal of a zoning ordinance or by-law affecting an approved smart growth zoning district or starter home zoning district shall not be effective without the written approval by the department. In addition, no such amendment or repeal shall be effective until the city or town has made the payment required under subsection (b) of section 14. Each amendment or repeal shall be submitted to the department with an evaluation of the effect on the number of projected units that will remain developable, if any, in relation to the number of units that have been built and the number of units that determined any corresponding zoning incentive payment paid to the city or town. Amendments shall be approved only to the extent that the district remains in compliance with this chapter. If the department does not respond to a complete request for approval of an amendment or repeal within 60 days of receipt, the request shall be deemed approved.

SECTION 100. Section 7 of said chapter 40R, as so appearing, is hereby amended by striking out, in line 14, the words "approving authority" and inserting in place thereof the following words:- plan approval authority.

SECTION 101. Said section 7 of said chapter 40R, as so appearing, is hereby further amended by striking out, in lines 17 through 20, inclusive, the words "the city or town's comprehensive housing plan, housing production plan, or the housing production summary submitted with the city or town's initial application for approval by the department, as applicable,".

SECTION 102. Section 9 of said chapter 40R, as amended by section 13 of chapter 5 of the acts of 2019, is hereby further amended by striking out, in lines 18 through 21, inclusive, the words ", and consistent with either the city or town's comprehensive housing plan or housing production plan, if any, or the housing production summary submitted in accordance with section 8".

SECTION 103. Section 10 of said chapter 40R of the General Laws, as appearing in the 2018 Official Edition, is hereby amended by striking out, in line 3, the words "approving authority" and inserting in place thereof the following words:- plan approval authority.

SECTION 104. Said section 10 of said chapter 40R, as so appearing, is hereby further amended by striking out, in lines 6 through 8, inclusive, the words "and is consistent with the city or town's comprehensive housing plan or housing production plan, if any, and any applicable master plan or plans for the city or town".

SECTION 105. Said chapter 40R, as so appearing, is hereby amended by striking out section 11 and inserting in place thereof the following section:-

Section 11. (a) A city or town may incorporate provisions within the smart growth zoning district or starter home zoning district ordinance or by-law that prescribe contents of an application for approval of a project. The ordinance or by-law may require the applicant to pay for reasonable consulting fees to provide peer review of the applications for the benefit of the plan approval authority. Such fees shall be held by the municipality in a separate account and used only for expenses associated with the review of the development application by outside consultants and any surplus remaining after the completion of such review, including any interest accrued, shall be returned to the applicant forthwith. The smart growth zoning district or starter

home zoning district ordinance or by-law may provide for the referral of the plan to municipal officers, agencies or boards other than the plan approval authority for comment. Any such board, agency or officer shall provide any comments within 60 days of its receipt of a copy of the plan and application for approval.

- (b) An application to a plan approval authority for approval under a smart growth zoning district or starter home zoning district ordinance or by-law shall be governed by the applicable zoning provisions in effect at the time of the submission, while the plan is being processed, during the pendency of any appeal and for 3 years after approval. If an application is denied, the zoning provisions in effect at the time of the application shall continue in effect with respect to any further application filed within 2 years after the date of the denial except as the applicant may otherwise choose.
- (c) An application for approval under this section shall be filed by the applicant with the city or town clerk and a copy of the application including the date of filing certified by the town clerk shall be filed forthwith with the plan approval authority. The plan approval authority shall hold a public hearing for which notice has been given as provided in section 11 of chapter 40A. The decision of the plan approval authority shall be made, and a written notice of the decision filed with the city or town clerk, within 120 days of the receipt of the application by the city or town clerk. The required time limits for such action may be extended by written agreement between the applicant and the plan approval authority, with a copy of such agreement being filed in the office of the city or town clerk. Failure of the plan approval authority to take action within said 120 days or extended time, if applicable, shall be deemed to be an approval of the plan. The applicant who seeks approval of a plan by reason of the failure of the plan approval authority to act within such time prescribed, shall notify the city or town clerk, in

writing within 14 days from the expiration of said 120 days or extended time, if applicable, of such approval and that notice has been sent by the applicant to parties in interest. The applicant shall send such notice to parties in interest by mail and each such notice shall specify that appeals, if any, shall be made pursuant to this section and shall be filed within 20 days after the date the city or town clerk received such written notice from the applicant that the plan approval authority failed to act within the time prescribed.

- (d) The plan approval authority shall issue to the applicant a copy of its decision containing the name and address of the owner, identifying the land affected, and the plans that were the subject of the decision, and certifying that a copy of the decision has been filed with the city or town clerk and that all plans referred to in the decision are on file with the plan approval authority. If 20 days have elapsed after the decision has been filed in the office of the city or town clerk without an appeal having been filed or if such appeal, having been filed, is dismissed or denied, the city or town clerk shall so certify on a copy of the decision. If the plan is approved by reason of the failure of the plan approval authority to timely act, the clerk shall make such certification on a copy of the application. A copy of the decision or application bearing such certification shall be recorded in the registry of deeds for the county and district in which the land is located and indexed in the grantor index under the name of the owner of record or recorded and noted on the owner's certificate of title. The fee for recording or registering shall be paid by the owner or applicant.
- (e) The project shall be approved by the plan approval authority subject only to those conditions that are necessary: (1) to ensure substantial compliance of the proposed project with the requirements of the smart growth zoning district or starter home zoning district ordinance or by-law; or (2) to mitigate any extraordinary adverse impacts of the project on nearby properties.

An application may be denied only on the grounds that: (i) the project does not meet the conditions and requirements set forth in the smart growth zoning district or starter home zoning district ordinance or by-law; (ii) the applicant failed to submit information and fees required by the ordinance or by-law and necessary for an adequate and timely review of the design of the project or potential project impacts; or (iii) it is not possible to adequately mitigate extraordinary adverse project impacts on nearby properties by means of suitable conditions.

- (f) Any court authorized to hear appeals under section 17 of chapter 40A shall be authorized to hear an appeal from a decision under this section by a party who is aggrieved by such decision. Such appeal may be brought within 20 days after the decision has been filed in the office of the city or town clerk. Notice of the appeal, with a copy of the complaint shall be given to such city or town clerk so as to be received within such 20 days. Review shall be based on the record of information and plans presented to the plan approval authority. To avoid delay in the proceedings, instead of the usual service of process, the plaintiff shall within 14 days after the filing of the complaint, send written notice thereof, with a copy of the complaint, by delivery or certified mail to all defendants, including the members of the plan approval authority, and shall within 21 days after the entry of the complaint file with the clerk of the court an affidavit that such notice has been given. If no such affidavit is filed within such time, the complaint shall be dismissed.
- (g) A complaint by a plaintiff challenging the approval of a project under this section shall allege the specific reasons why the project fails to satisfy the requirements of this chapter or other applicable law and allege specific facts establishing how the plaintiff is aggrieved by such decision. The plan approval authority's decision in such a case shall be affirmed unless the court concludes the plan approval authority abused its discretion under subsection (e) in approving the

project. The applicant and all members of the plan approval authority shall be named as defendant parties.

- (h) A plaintiff seeking to reverse approval of a project under this section shall post a bond in an amount to be set by the court that is sufficient to cover twice the estimated: (i) annual carrying costs of the property owner, or a person or entity carrying such costs on behalf of the owner for the property, as may be established by affidavit; plus (ii) an amount sufficient to cover the defendant's attorneys fees, all of which shall be computed over the estimated period of time during which the appeal is expected to delay the start of construction. The bond shall be forfeited to the property owner in an amount sufficient to cover the property owner's carrying costs and legal fees less any net income received by the plaintiff from the property during the pendency of the court case in the event a plaintiff does not substantially prevail on its appeal.
- (i) An applicant for plan approval who appeals from a project denial or conditional approval shall identify in its complaint the specific reasons why the plan approval authority's decision fails to satisfy requirements of this chapter or other applicable law. The plan approval authority shall have the burden of justifying its decision by substantial evidence in the record.
- (j) The land court department, the superior court department and the housing court department shall have jurisdiction over an appeal under this section and shall give priority to such an appeal.
- (k) The first paragraph of section 16 of chapter 40A shall not apply to applications for projects within a smart growth zoning district or starter home zoning district.
- (l) A project approval shall remain valid and shall run with the land indefinitely provided that construction has commenced within 2 years after the decision is issued, which time

shall be extended by the time required to adjudicate any appeal from such approval and which time shall also be extended if the project proponent is actively pursuing other required permits for the project or there is other good cause for the failure to commence construction, or as may be provided in an approval for a multi-phase project.

SECTION 106. Section 14 of said chapter 40R, as amended by section 14 of chapter 5 of the acts of 2019, is hereby amended by striking out said section 14, and inserting in place thereof the following section:-

Section 14. (a) If, within 3 years, no construction of an approved project has been started within the smart growth zoning district or starter home zoning district, the department shall require the cities and towns to repay to the department all monies paid to the city or town under this chapter for said smart growth zoning district or starter home zoning district. Said 3 years shall commence on the date of the payment of the zoning incentive payment for said smart growth zoning district or starter home zoning district and may be extended by the department for good cause in accordance with the department's regulations. All monies repaid to the department under this section shall be credited to the funding source from which the payment originated.

(b) Within 60 days of receiving written approval by the department of an amendment of a zoning ordinance or by-law affecting an approved smart growth zoning district or starter home zoning district in accordance with subsection (g) of section 6, the city or town must repay to the department any portion of the zoning incentive payment received in excess of the zoning incentive payment that would have been payable based on the sum of (i) the number of units that have been built and (ii) the number of units, if any, that will remain developable under the smart growth zoning or starter home zoning. The department may include under (ii) in the preceding

sentence any units that are developable in one or more adopted smart growth zoning district or starter home zoning district for which no zoning incentive payment has been paid but for which the city or town is nonetheless eligible if the associated units would have the effect of replacing some or all of the units that will no longer be developable as a result of the proposed amendment or repeal. All monies repaid to the department under this section shall be credited to the funding source from which the payment originated.

SECTION 107. Section 1 of chapter 40S of the General Laws, as appearing in the 2018 Official Edition, is hereby amended by striking out, in line 51, the word "properties" and inserting in place thereof the following word:- buildings.

SECTION 108. Said section 1 of said chapter 40S, as so appearing, is hereby further amended by inserting, in line 61, after the figure "40R," the following words:- including without limitation smart growth zoning districts and starter home zoning districts as defined in section 1 of said chapter 40R.

SECTION 109. Section 1 of chapter 40V of the General Laws, as so appearing, is hereby amended by inserting after the definition of "Gateway municipality", the following definition:-

"Gateway-like municipality", a city or town determined by the department to have similar economic and demographic characteristics to a gateway municipality and to be in need of increased housing production.

SECTION 110. Said section 1 of said chapter 40V, as so appearing, is hereby further amended by inserting, in line 15, after the word "municipalities", the following words:- and gateway-like municipalities.

SECTION 111. Said section 1 of said chapter 40V, as so appearing, is hereby further amended by inserting, in line 17, after the word "municipality", the following words:- or gateway-like municipality.

SECTION 112. Said section 1 of said chapter 40V, as so appearing, is hereby further amended by striking out the definition of "Housing development zone" and inserting in place thereof the following definition:-

"Housing development zone" or "HD zone", a zone designated by a gateway municipality or gateway-like municipality which shall be characterized by a need for multi-unit market rate residential properties in accordance with department guidelines.

SECTION 113. Section 2 of said chapter 40V, as so appearing, is hereby amended by inserting, in line 2, after the word "municipality", the following words:- or gateway-like municipality.

SECTION 114. Said section 2 of said chapter 40V, as so appearing, is hereby further amended by striking the last sentence and inserting in place thereof the following:- The application shall include a plan which shall include a description of the activities, public and private, contemplated for such zone as of the date of the adoption of the zone plan, with such detail and information as the department may require in written guidelines.

SECTION 115. Clause (i) of subsection (a) of section 4 of said chapter 40V, as so appearing, is hereby amended by striking out, in line 4, the figure "2" and inserting in place thereof the following figure:- 8.

SECTION 116. Subsection (b) of said section 4 of said chapter 40V, as so appearing, is hereby amended by striking out, in line 15, the words "HD zones designated as certified projects under section 2" and inserting in place thereof the following words:- HD zones designated under section 2 as certified projects under this section.

SECTION 117. Clause (ii) of said subsection (b) of said section 4 of said chapter 40V, as so appearing, is hereby amended by striking out, in line 25, the words "executed agreement by the municipality which" and inserting in place thereof the following words:- agreement executed by the municipality which is approved by the department and.

SECTION 118. Said clause (ii) of said subsection (b) of said section 4 of said chapter 40V, as so appearing, is hereby further amended by striking out subclause (A) and inserting in place thereof the following subclause:-

(A) is consistent with and can reasonably be expected to benefit significantly from the plans of the gateway municipality or gateway-like municipality relative to the project property tax exemption;.

SECTION 119. Subsection (c) of said section 4 of said chapter 40V, as so appearing, is hereby amended by striking out, in line 51, the words "a term of 20 years" and inserting in place thereof the following words:- the term approved by the municipality, which term shall be consistent with clause (iii) of subsection (b).

SECTION 120. Subsection (e) of said section 4 of said chapter 40V, as so appearing, is hereby amended by inserting, in line 60, after the word "decision" the following words:- or, in the case a housing development project is constructively approved under subsection (c), for the period approved by the municipality,.

SECTION 121. Section 5 of said chapter 40V, as so appearing, is hereby amended by inserting, in line 9, after the word "municipality", the following words:- or gateway-like municipality.

SECTION 122. Said section 5 of said chapter 40V, as so appearing, is hereby further amended by striking out clause (iii) and inserting in place thereof the following 2 clauses:-

(iii) the total number of units in the project; and

(iv) the percentage of market rate units contained in the certified housing development project.

SECTION 123. Section 5 of chapter 59 of the General Laws, as so appearing, is hereby amended by adding the following clause: -

Fifty-ninth. Up to 100 percent of the assessed value of real estate in agricultural, horticultural or agricultural and horticultural use, as those terms are defined in sections 1 and 2 of chapter 61A, provided that the real estate or portion thereof in agricultural, horticultural or agricultural and horticultural use is less than 2 acres in area; provided further, that gross sales of agricultural, horticultural or agricultural and horticultural products resulting from such uses together total not less than \$500 in the previous year. The exemption provided in this clause shall apply only to the portion of real estate in agricultural, horticultural or agricultural and horticultural use. This clause shall take effect in any city or town upon acceptance of this section; provided, that such city or town has a population of at least 50,000 inhabitants or meets the definition of a gateway municipality under section 3A of chapter 23A. The legislative body of any city or town that accepts this clause shall establish and may thereafter modify the percentage of the assessed value exempt from taxation.

SECTION 124. Paragraph (2) of subsection (q) of section 6 of chapter 62 of the General Laws, as so appearing, is hereby amended by striking out, in line 868, the following words:
Credits passed through to individual partners and members are not transferable.

SECTION 125. Paragraph (5) of said subsection (q) of said section 6 of said chapter 62, as so appearing, is hereby further amended by striking out, in lines 896 through 898, inclusive, the words "The total amount of credits that may be authorized by DHCD in a calendar year pursuant to this subsection and section 38BB of chapter 63 shall not exceed \$10,000,000 and" and inserting in place thereof the following:- DHCD may authorize up to \$30,000,000 in credits annually under this subsection and section 38BB of chapter 63. In addition, DHCD may authorize (i) any unused credits for the preceding calendar years under this subsection or said section 38BB of said chapter 63; and (ii) any credits under this subsection or said section 38BB of said chapter 63 returned to DHCD by a certified housing development project. The total amount of credits authorized during a year.

SECTION 126. Said paragraph (5) of said subsection (q) of said section 6 of said chapter 62, is hereby further amended by inserting, in line 900, after the words "chapter 63;" the following word:- and.

SECTION 127. Said paragraph (5) of said subsection (q) of said section 6 of said chapter 62, is hereby further amended by striking out, in lines 903 through 905, inclusive, the words "Any portion of the \$10,000,000 annual cap not awarded by the DHCD in a calendar year shall not be applied to awards in a subsequent year."

SECTION 128. Said paragraph (5) of said subsection (q) of said section 6 of said chapter 62, as so appearing, is hereby further amended by striking out, in line 906, the words "The DHDC" and inserting in place thereof the following word:- DHCD.

SECTION 129. Paragraph (1) of subsection (v) of said section 6 of said chapter 62, as so appearing,, is hereby amended by adding, in line 1158, after the words "NAICS code 31-33" the following words:- and other expansion industries new to apprenticeship the secretary of labor and workforce development identifies as critical to a regional labor market economy.

SECTION 130. Subdivision (5) of section 38BB of chapter 63 of the General Laws, as so appearing, is hereby amended by striking out, in lines 42 through 44, inclusive, the words "The total amount of credits that may be authorized by DHCD in a calendar year under this section and subsection (q) of section (6) of chapter 62 shall not exceed \$10,000,000 and" and inserting in place thereof the following:- DHCD may authorize up to \$30,000,000 in credits annually under this section and subsection (q) of section (6) of chapter 62. In addition, DHCD may authorize; (i) any unused credits for the preceding calendar years under this section or said subsection (q) of said section (6) of said chapter 62; and (ii) any credits under this section or said subsection (q) of said section (6) of said chapter 62 returned to DHCD by a certified housing development project. The total amount of credits authorized during a year.

SECTION 131. Said subdivision (5) of said section 38BB of said chapter 63, as so appearing, is hereby further amended by inserting, in line 46, after the words "chapter 62;" the following word:- and.

SECTION 132. Said subdivision(5) of said section 38BB of said chapter 63, as so appearing, is hereby further amended by striking out, in lines 50 through 52, inclusive, the words

"Any portion of the \$10,000,000 annual cap not awarded by DHCD in a calendar year shall not be applied to awards in a subsequent year."

SECTION 133. Subsection (a) of section 38HH of said chapter 63, as so appearing, is hereby amended by adding, in line 18, after the words "NAICS code 31-33" the following words:- and other expansion industries new to apprenticeship the secretary of labor and workforce development identifies as critical to a regional labor market economy.

SECTION 134. The definition of "Blighted open area" in section 1 of chapter 121B of the General Laws, as so appearing, is hereby amended by striking out in lines 7 and 31 to 32, the word "morals".

SECTION 135. Said section 1 of said chapter 121B, as so appearing, is hereby further amended by inserting, after the definition of "Blighted open area," the following definition:-

"Capital funds", funds advanced by the department to a housing authority financing capital outlays for housing production or preservation from proceeds of a bond authorization as defined in section 1 of chapter 29.

SECTION 136. Said section 1 of said chapter 121B, as so appearing, is hereby further amended by striking out, in line 36, the words "subsection (d) of section twenty-six", and inserting the following words:- sections 11, 26 or 46.

SECTION 137. Said section 1 of said chapter 121B as so appearing, is hereby further amended by striking out, in line 58, the word "morals".

SECTION 138. Said section 1 of said chapter 121B, as so appearing, is hereby further amended by striking out, in line 99, the word "director" and inserting the following word:
department.

SECTION 139. The definition of "Redevelopment authority" in said section 1 of said chapter 121B, as so appearing, is hereby amended by adding the following words:- or by special legislation.

SECTION 140. Said section 1 of said chapter 121B, as so appearing, is hereby further amended by striking out the definitions of "Relocation payments", "Relocation project", and "Substandard area" and inserting in place thereof the following 3 definitions:-

"Relocation payments", payments made by an operating agency to persons, businesses, farm operations or other organizations displaced as a result of the public actions described in this chapter. Such payments shall be made in accordance with the applicable federal or state relocation requirements.

"Replacement units", low rent housing created to replace an existing housing project that is demolished or disposed of under subsection (k) of section 26; such units may be included within a privately owned mixed-income development that also includes dwellings that are not low rent housing, provided that the use and occupancy of the replacement units is subject to a binding legal contract and land use restriction under paragraph (7) of subsection (k) of section 26.

"Substandard area", any area wherein dwellings or other buildings predominate which, by reason of dilapidation, abandonment, foreclosure, overcrowding, faulty arrangement or design,

lack of ventilation, light or sanitation facilities or any combination of these factors, are detrimental to safety or health.

SECTION 141. Said section 1 of said chapter 121B, as so appearing, is hereby further amended by striking out the definitions of "Urban renewal plan", "Urban renewal project", and "Urban Revitalization and Development Project" and inserting in place thereof the following 2 definitions:-

"Urban renewal plan", a detailed plan to redevelop a decadent, substandard or blighted open area within a municipality, which shall comply with all requirements prescribed by state legislation and regulations of the department. Such plan shall (1) conform to the general plan for the municipality as a whole and be consistent with any definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational, educational and community facilities and other public improvements; (2) be sufficiently complete to indicate the boundaries of the area, such land acquisition, such demolition, removal, and rehabilitation of structures, and such redevelopment and general public improvements as may be proposed to be carried out within such area, zoning and planning changes, if any, and proposed land uses, maximum densities and building requirements; and (3) indicate or be accompanied by materials indicating that persons, businesses, farm operations and other organizations displaced by the project will be provided relocation benefits and payments in accordance with applicable federal and state requirements.

"Urban renewal project", a project to be undertaken in accordance with an urban renewal plan.

SECTION 142. Said chapter 121B as so appearing is hereby amended by striking out Section 7A and inserting in place thereof the following section:-

Section 7A. The department shall promulgate guidelines for contracts to be executed by the housing authority and an executive director. The department may review all contracts between the housing authorities and executive directors and all terms for payments or monetary remuneration where a housing authority operates state-aided housing, regardless of the source of such remuneration; provided, however, that the department shall review all contracts and all terms for payments or monetary remuneration that exceed \$100,000 per annum. The department may, and for contracts providing for payments or monetary remuneration in excess of \$100,000 per annum shall, strike or require modification of contract provisions that do not conform to the guidelines.

SECTION 143. Section 11 of said chapter 121B, as so appearing, is hereby amended by adding the following paragraph:-

Notwithstanding any general or special law to the contrary, a housing authority, with the approval of the department, shall have the power to secure indebtedness incurred for the preservation, modernization and maintenance of one or more of its low-rent housing developments assisted under section 32 or section 34 of chapter 121B by a pledge of a portion of capital funds awarded to it for improvements to be carried out pursuant to a department-approved capital improvement plan in accordance with department regulations governing capital projects. The department shall promulgate regulations establishing limitations on the percentage of awarded capital funds that may be pledged to secure indebtedness, describing permitted terms for borrowing and repayment, and establishing criteria for housing authorities that will be permitted

to incur indebtedness secured by a pledge of capital funds. Any pledge of future year capital funds under this section is subject to the availability of funds under the department's capital spending plan as approved by the governor for that year. All financing documents related to future year capital fund amounts must include a statement that the pledging of funds is subject to the availability of funds under the department's capital spending plan as approved by the governor.

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SECTION 144. Section 16 of said chapter 121B, as so appearing, is hereby amended by adding the following paragraph:-

Notwithstanding any provision to the contrary in this chapter or in any other general or special law relative to the tax status of real property, where a housing authority sells or transfers ownership of buildings or other structures on land owned by it to a private entity, including without limitation a for-profit or charitable corporation, general or limited partnership, or limited liability company, for the purpose of rehabilitation, repair, development, or redevelopment of multifamily housing that will contain replacement units as defined in section 1, so much of the resulting buildings or structures as is restricted for use as replacement units, including associated common areas, and associated land shall be exempt from taxation, betterments and special assessments. If replacement units and associated common areas constitute only a portion of such resulting buildings or structures, the exemption shall be prorated based on the ratio which the square footage of replacement units bears to the square footage of all other residential or commercial units within the buildings or structures. The private entity shall pay (i) with respect to the exempt portion of the buildings or structures and land, a payment in lieu of taxes consistent with the valuation or other formula generally applicable under this section to the housing authority's real estate in the city or town in which such real estate is located, or as

otherwise previously agreed upon between the city or town and the housing authority as the method for computing the payments to be made in lieu of taxes, and using the ratio described above, and (ii) with respect to the non-exempt portion of the buildings or structures and land, real estate taxes in accordance with chapter 59 based on the fair cash value of the non-exempt portion of the buildings or structures and non-exempt portion of the land using the ratio described above.

SECTION 145. Section 26 of said chapter 121B, as so appearing, is hereby amended by inserting, in line 91, after the word "sale," the following words:- or other disposition.

SECTION 146. Subsection (k) of said section 26 of said chapter 121B, as so appearing, is hereby further amended by striking out paragraphs (1) through (4), inclusive, and inserting in place thereof the following 4 paragraphs:-

- (1) found that all or a substantial portion of such existing housing project or part thereof requires such substantial modernization or rehabilitation to continue to provide decent, safe and sanitary housing that, in the judgment of the department, the required substantial modernization or rehabilitation cannot feasibly be executed by the housing authority pursuant to the provisions of this chapter;
- (2) approved the proposed project, including a relocation plan for occupants of the existing project and a plan to make housing available on the land where the existing project is situated, in which the number of replacement units restricted as low rent housing for occupancy by low income persons or families shall be the same as the number of low rent housing units in the existing housing project or part thereof that is subject to demolition or disposition, unless the department determines that (A) a shortage of low-rent housing no longer exists in the applicable city or town, or (B) the reduction in the number of units is necessary to increase the number of

units that are accessible for persons with disabilities, which project may include plans to use a portion of such land for market-rate housing or for a public purpose ancillary to such development and approved by the department;

- (3) approved the sale or other disposition and the terms thereof, which shall be at a value determined through procedures customarily accepted by the appraising profession as valid, unless the department determines that a below-market disposition would be in the public interest in order to support the continued occupancy of dwelling units in the new development by families of low income:
- (4) determined that the availability of funds to the housing authority for such project is conditioned upon the occurrence of the initial mortgage loan closing for the development of new or rehabilitated housing on the land where the existing project is situated; and the housing authority has selected, through a qualifications-based competitive procurement process approved by the department, a developer best qualified to develop, own and operate the new or rehabilitated housing on the existing land, to provide for such development of the new housing within a reasonable time in accordance with department-approved contracts, and to assure continued occupancy of the required number of replacement units in the new development by families of low income in accordance with the requirements of this chapter.
- SECTION 147. Said subsection (k) of said section 26 of said chapter 121B, as so appearing, is hereby further amended by adding the following paragraph:-
- (7) approved a binding legal contract and land use restriction to be entered into by the transferee of the property in favor of the local housing authority and the department of housing and community development that requires compliance with chapter 121B of the General Laws

and the department's regulations in so far as the statute and regulations apply to tenancy at and application to public housing, as determined by the department, with respect to the replacement units in the same manner and to the same effect as if such entity were a housing authority, subject to such regulatory waivers given by the department of housing and community development as may be necessary to secure financing. The contract shall require compliance in perpetuity unless the department determines that the project financing requires the use of Federal low income housing tax credits and that compliance in perpetuity would make it infeasible to comply with Internal Revenue Service requirements with respect to the low income housing tax credit program.

SECTION 148. Said section 26 of said chapter 121B, as so appearing, is hereby further amended by striking out, in line 243 the words "this section or section 34" and inserting in place thereof the following words:- any provision of this chapter.

SECTION 149. Said section 26 of said chapter 121B, as so appearing, is hereby further amended by inserting, in line 248, after the words "feasible to", the following words:- maintain or to.

SECTION 150. Said section 26 of said chapter 121B, as so appearing, is hereby further amended by inserting, in line 252, after the word "demolition" the following words:- or other disposition

SECTION 151. Said section 26 of said chapter 121B, as so appearing, is hereby further amended by striking out, in line 254 the words "as of November 1, 2012", and inserting in place thereof the following words:- for reasons DHCD has determined not to be the fault of the housing authority for at least two years,.

SECTION 152. Said section 26 of said chapter 121B, as so appearing, is hereby further amended by adding the following subsection:-

- (q) Notwithstanding any general or special law to the contrary, including without limitation section 16 of chapter 30B, a housing authority may dispose of property pursuant to this section or section 34 to a developer selected by competitive, qualifications-based procurement without separately soliciting proposals for the property disposition, provided that the developer procurement declares the property available for disposition and that, in the case of a disposition of property pursuant to subsection (k), the number of replacement units required under paragraph (2) of said subsection (k) are provided. Without limiting the generality of the foregoing:
- (1) A housing authority shall not be required to determine the value of the property prior to soliciting proposals for selection of a developer best qualified to develop, own and operate the new or rehabilitated housing on the land. Prior to disposition of property by deed or other instrument, the housing authority shall determine the value of the property through procedures customarily accepted by the appraising profession as valid prior to the sale or other disposition of the property, and if, with the approval of the department, the housing authority decides to dispose of the property at a price less than the value as so determined, the housing authority shall publish notice of its decision in the central register, explaining the reasons for its decision and disclosing the difference between such value and the price to be received; and
- (2) A housing authority shall not be required to specify all of the restrictions that may be placed on the subsequent use of property prior to selecting a developer through a qualifications-based competitive procurement process, provided that the developer procurement identifies the minimum number of dwelling units in the new development that must be occupied by families of

low income. In the case of a disposition pursuant to subsection (k), such minimum number must conform to the requirements of paragraph (2) of subsection (k).

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SECTION 153. Section 29 of said chapter 121B, as so appearing, is hereby amended by adding the following paragraph:-

Notwithstanding any provision to the contrary in this section or elsewhere in this chapter, if a housing authority does not own, lease or manage any housing project eligible to receive ongoing capital or operating assistance under section 32 or section 34 of this chapter, the department shall not investigate such housing authority's budgets, finances, dealings, transactions and relationships or other affairs, nor shall the department require periodic reporting by any such housing authority. Without limiting the generality of the foregoing, a housing authority that does not own, lease or manage any housing project eligible to receive ongoing capital or operating assistance under section 32 or section 34 of this chapter shall not be required to: (a) participate in a training program under section 5B; (b) submit contracts with its executive director to the department for review pursuant to section 7A; (c) participate in the performancebased monitoring program established pursuant to section 26B; (d) participate in the regional capital assistance team program established pursuant to section 26C; (e) prepare and submit an annual plan pursuant to section 28A and this section; or (f) prepare and submit, or make available, a written report and agreed upon procedures for review of housing authority financial records pursuant to this section.

SECTION 154. Section 34 of said chapter 121B, as so appearing, is hereby amended by striking out the fifth paragraph and inserting in place thereof the following paragraph:-

The proceeds of any sale or other disposition of such project in excess of the total of all obligations of the housing authority with respect to such project shall, after the payment of all bonds issued by the housing authority to finance the cost of such project and payment of the costs of the sale or disposition, be retained by the housing authority for the preservation, modernization and maintenance of its public housing assisted under this chapter as approved by the department, or where the housing authority has no public housing assisted under this chapter, such proceeds shall be paid to the department to fund capital improvements for the preservation, modernization and maintenance of state-aided public housing.

SECTION 155. Said section 34 of said chapter 121B, as so appearing, is hereby further amended by striking out the tenth paragraph and inserting in place thereof the following paragraph:-

Whenever a housing authority shall determine that land acquired by it under clause (d) of section 11 for the purpose of this section is in excess of or no longer required for such purposes it may, upon approval by the department, sell or otherwise dispose of such land by deed or instrument approved as to form by the attorney general. If the housing authority is disposing of such land for purposes of housing development, it may do so in accordance with section 26. So long as any bonds issued by a housing authority to finance the cost of a project under this section or section 35 and guaranteed by the commonwealth are outstanding, funds received from a disposition of land as provided in this chapter shall be applied in accordance with the fourth paragraph of this section. After the payment of all bonds issued by the housing authority to finance the cost of such project, funds received shall be applied in accordance with the fifth paragraph of this section.

| 1325 | SECTION 156. Sections 42 through 44A, inclusive, of said chapter 121B are hereby |
|------|---|
| 1326 | repealed. |
| 1327 | SECTION 157. Section 45 of said chapter 121B of the General Laws, as appearing in the |
| 1328 | 2018 Official Edition, is hereby further amended by striking out, in line 4, the word "morals". |
| 1329 | SECTION 158. Said section 45 of said chapter 121B, as so appearing, is hereby further |
| 1330 | amended by striking out, in line 9, the words "the treatment of juvenile delinquency and". |
| 1331 | SECTION 159. Said section 45 of said chapter 121B, as so appearing, is hereby further |
| 1332 | amended by inserting after the word "business," in lines 42 to 43, the following words:- |
| 1333 | including the conduct of business by nonprofit entities,. |
| 1334 | SECTION 160. Said section 45 of said chapter 121B, as so appearing, is hereby further |
| 1335 | amended by striking out, in line 55, the words "and evils". |
| 1336 | SECTION 161. Section 46 of said chapter 121B, as so appearing, is hereby further |
| 1337 | amended by striking out, in line 32, the words "to the federal government,". |
| 1338 | SECTION 162. Said section 46 of said chapter 121B, as so appearing, is hereby further |
| 1339 | amended by striking out, in lines 41 to 42, the words "In any city whose population exceeds one |
| 1340 | hundred and fifty thousand,". |
| 1341 | SECTION 163. Section 47 of said chapter 121B, as so appearing, is hereby repealed. |
| 1342 | SECTION 164. Section 48 of said chapter 121B, as appearing in the 2018 Official |
| 1343 | Edition, is hereby amended by striking out, in lines 2 through 3, the words "for such project". |

SECTION 165. Said section 48 of said chapter 121B, as so appearing, is hereby further amended by striking out the third paragraph.

SECTION 166. Said section 48 of said chapter 121B, as so appearing, is hereby further amended by striking out, in lines 37 through 38, the words "the relocation plan has been approved under chapter seventy-nine A." and inserting in place thereof the following words:-relocation assistance will be provided pursuant to the applicable federal or state relocation requirements.

SECTION 167. Said section 48 of said chapter 121B, as so appearing, is hereby further amended by striking out the seventh and eighth paragraphs and inserting in place thereof the following paragraph:-

When the urban renewal plan or such a project has been approved by the department and notice of such approval has been given to the urban renewal agency, such agency may proceed at once to acquire real estate within the urban renewal project area as is necessary to carry out the urban renewal plan, either by eminent domain or by grant, purchase, lease, gift, exchange or otherwise.

SECTION 168. Said chapter 121B, as so appearing, is hereby amended by striking out section 49 as and inserting in place thereof the following section:-

Section 49. If an urban renewal agency shall sell or lease any property acquired by it for an urban renewal project, the terms of such sales or leases shall obligate the purchasers or lessees: (a) to devote the land to the use specified in the urban renewal plan for said land; (b) to begin the building of their improvements within a reasonable time; (c) for a residential redevelopment project, to give preference in the selection of tenants to eligible families displaced

as a result of the project, subject to applicable federal or state laws and requirements; and (d) to comply with such other conditions as are deemed necessary to carry out the purposes of this chapter, including complying with the applicable federal or state relocation requirements.

Nothing in this chapter shall be construed as limiting the power of an urban renewal agency in the event of a default by a purchaser or lessee of land in an urban renewal project to retake title to and possession of the property sold or leased free from the obligations in the conveyance or lease thereof.

SECTION 169. Said chapter 121B, as so appearing, is hereby amended by striking out section 50 and inserting in place thereof the following section:-

Section 50. If necessary to redevelop a decadent, substandard or blighted open area, an urban renewal agency is authorized to delegate to a city or town or other public body or to any board or officer of a city, town or other public body any of the powers or functions of the agency with respect to the planning or undertaking of an urban renewal project in the area in which such city, town or other public body is authorized to act, and such city, town or other public body, or such board or officer thereof, is authorized to carry out or perform such powers or functions for the agency. An urban renewal agency, to the greatest extent it determines to be feasible in carrying out the provisions of this chapter, shall afford maximum opportunity consistent with the sound needs of the city or town as a whole for the rehabilitation or redevelopment of decadent, substandard or blighted open areas by private enterprise.

SECTION 170. Section 51 of said chapter 121B is hereby repealed.

SECTION 171. Section 52 of said chapter 121B, as appearing in the 2018 Official Edition, is hereby amended by striking out the first paragraph and inserting in place thereof the following paragraph:-

Each urban renewal agency shall keep an accurate account of all its activities, receipts and expenditures in connection with the planning and execution of urban renewal projects and shall annually in the month of January make a report of such activities, receipts and expenditures to the department, the state auditor and the mayor of the city or to the selectmen of the town within which such authority is organized. The department or state auditor shall have the power to examine into the properties and records of urban renewal agencies for such activities, receipts and expenditures.

SECTION 172. Said section 52 of said chapter 121B, as so appearing, is hereby further amended by striking out, in line 32, the word "six," and inserting in place thereof the following figure:- 9.

SECTION 173. Sections 53 through 57, inclusive, of said chapter 121B are hereby repealed.

SECTION 174. Section 97 of chapter 140 of the General Laws, as appearing in the 2018 Official Edition, is hereby amended by striking out, in lines 15 to 16, the words ", at least once in every two calendar years and more often if he deems it necessary,".

SECTION 175. Sections 19B, 19C, 19D, and 19E of chapter 159 of the General Laws are hereby repealed.

SECTION 176. Section 37 of chapter 159 of the General Laws, as appearing in the 2018
Official Edition, is hereby amended by inserting, in line 3, after the word "thereof," the
following words:-by electronic medium as defined by the department,.

SECTION 177. Section 1 of chapter 159C of the General Laws, as so appearing, is hereby amended by inserting after the definition of "Unsolicited telephonic sales call" the following definitions:-

"voice service", (a) any service that is interconnected with the public switched telephone network and that furnishes voice communications to an end user using resources from the North American Numbering Plan or any successor to the North American Numbering Plan adopted by the Federal Communication Commission under section 251(e)(1) of the Communications Act of 1934 (47 U.S.C. 251(e)(1)); and (b) includes—

- (i) transmissions from a telephone facsimile machine, computer, or other device to a telephone facsimile machine; and
- (ii) without limitation, any service that enables real-time, two-way voice communications, including any service that requires internet protocol-compatible customer premises equipment (commonly known as "CPE") and permits out-bound calling, whether or not the service is one-way or two-way voice over internet protocol.

"voice service provider", a person that provides voice service to a subscriber or end user.

SECTION 178. Subsection (b) of section 5 of said chapter 159C, as so appearing, is hereby amended by striking out, in lines 12 to 14, inclusive, the words "telephone company, subject to the authority of the department of telecommunications and energy", and in lines 18

and 19, the words "telephone company" and inserting in place thereof in each instance the following words:- voice service provider.

SECTION 179. Section 6 of said chapter 159C, as so appearing, is hereby amended by striking out, in line 2, the words "local exchange company" and inserting in place thereof the following words:- voice service provider.

SECTION 180. Said chapter 159C, as so appearing, is hereby further amended by inserting after section 7 the following section:-

Section 7A. A person shall not, with the intent to deceive, defraud, harass, cause harm, or wrongfully obtain anything of value, including, but not limited to, financial resources or personal identifying information, (a) utilize voice service, or (b) engage in conduct that results in the display of misleading, false, or inaccurate caller identification information on the receiving party's telephone or device.

SECTION 181. Subsection (a) of section 8 of said chapter 159C, as so appearing, is hereby amended by striking out, in line 4, the figure "\$5,000" and inserting in place thereof the following figure:- "\$25,000"

SECTION 182. Said subsection (a) of said section 8 of said chapter 159C, as so appearing, is hereby further amended and by striking out, in line 5, the figure "\$1,500" and inserting in place thereof the following figure:- "\$5,000".

SECTION 183. Subsection (b) of section 8 of said chapter 159C, as so appearing, is hereby amended by striking out, in line 15, the figure "\$5,000" and inserting in place thereof the following figure:- "\$25,000".

SECTION 184. Section 47E of chapter 164 of the General Laws, as so appearing, is hereby amended by adding the following 2 sentences:- A cooperative or municipal lighting plant shall, upon commencing operations of a telecommunications system, provide notice to the department of telecommunications and cable. A cooperative or municipal lighting plant that is engaged in the business of operating a broadband telecommunications system shall file annually with the department of telecommunications and cable, on a form prescribed by the department of telecommunications and cable, a statement of its revenues and expenses and a financial balance sheet, each of which shall be open to public inspection.

SECTION 185. Subsection (1) of section 20A of chapter 175 of the General Laws, as so appearing, is hereby amended by inserting, in line 4, after the words "(E)" the following words:-, (E1/2).

SECTION 186. Said subsection (1) of said section 20A of said chapter 175, as so appearing, is hereby further amended by inserting after paragraph (E) the following paragraph:-

- (E1/2) (i) Credit shall be allowed when the reinsurance is ceded to an assuming insurer meeting each of the conditions set forth below.
- (a) The assuming insurer must have its head office or be domiciled in, as applicable, and be licensed in a Reciprocal Jurisdiction. A "Reciprocal Jurisdiction" is a jurisdiction that meets one of the following:
- 1. A non-U.S. jurisdiction that is subject to an in-force covered agreement with the United States, each within its legal authority, or, in the case of a covered agreement between the United States and European Union, is a member state of the European Union. For purposes of this subsection, a "covered agreement" is an agreement entered into pursuant to Dodd-Frank

Wall Street Reform and Consumer Protection Act, 31 U.S.C. §§ 313 and 314, that is currently in effect or in a period of provisional application and addresses the elimination, under specified conditions, of collateral requirements as a condition for entering into any reinsurance agreement with a ceding insurer domiciled in this state or for allowing the ceding insurer to recognize credit for reinsurance.

- 2. A U.S. jurisdiction that meets the requirements for accreditation under the NAIC financial standard and accreditation program; or
- 3. A qualified jurisdiction, as determined by the commissioner pursuant to clause (iii) of paragraph (E) of subsection (1), which is not otherwise described in subclause 1 or 2 of this subparagraph above and which meets certain additional requirements, consistent with the terms and conditions of inforce covered agreements, as specified by the commissioner in regulation.
- (b) The assuming insurer must have and maintain, on an ongoing basis, minimum capital and surplus, or its equivalent, calculated according to the methodology of its domiciliary jurisdiction, in an amount to be set forth in regulation. If the assuming insurer is an association, including incorporated and individual unincorporated underwriters, it must have and maintain, on an ongoing basis, minimum capital and surplus equivalents (net of liabilities), calculated according to the methodology applicable in its domiciliary jurisdiction, and a central fund containing a balance in amounts to be set forth in regulation.
- (c) The assuming insurer must have and maintain, on an ongoing basis, a minimum solvency or capital ratio, as applicable, which will be set forth in regulation. If the assuming insurer is an association, including incorporated and individual unincorporated underwriters, it

must have and maintain, on an ongoing basis, a minimum solvency or capital ratio in the Reciprocal Jurisdiction where the assuming insurer has its head office or is domiciled, as applicable, and is also licensed.

- (d) The assuming insurer must agree and provide adequate assurance to the commissioner, in a form specified by the commissioner pursuant to regulation, as follows:
- 1. The assuming insurer must provide prompt written notice and explanation to the commissioner if it falls below the minimum requirements set forth in subparagraphs (b) or (c), or if any regulatory action is taken against it for serious noncompliance with applicable law;
- 2. The assuming insurer must consent in writing to the jurisdiction of the courts of the Commonwealth and to the appointment of the commissioner as agent for service of process. The commissioner may require that consent for service of process be provided to the commissioner and included in each reinsurance agreement. Nothing in this provision shall limit, or in any way alter, the capacity of parties to a reinsurance agreement to agree to alternative dispute resolution mechanisms, except to the extent such agreements are unenforceable under applicable insolvency or delinquency laws;
- 3. The assuming insurer must consent in writing to pay all final judgments, wherever enforcement is sought, obtained by a ceding insurer or its legal successor, that have been declared enforceable in the jurisdiction where the judgment was obtained;
- 4. Each reinsurance agreement must include a provision requiring the assuming insurer to provide security in an amount equal to 100 per cent of the assuming insurer's liabilities attributable to reinsurance ceded pursuant to that agreement if the assuming insurer resists enforcement of a final judgment that is enforceable under the law of the jurisdiction in which it

was obtained or a properly enforceable arbitration award, whether obtained by the ceding insurer or by its legal successor on behalf of its resolution estate; and

- 5. The assuming insurer must confirm that it is not presently participating in any solvent scheme of arrangement which involves this state's ceding insurers, and agrees to notify the ceding insurer and the commissioner and to provide security in an amount equal to 100 per cent of the assuming insurer's liabilities to the ceding insurer, should the assuming insurer enter into such as solvent scheme of arrangement. Such security shall be in a form consistent with the provisions of paragraph (E) of subsection (1) and subsection (2) and as specified by the commissioner in regulation.
- (e) The assuming insurer or its legal successor must provide, if requested by the commissioner, on behalf of itself and any legal predecessors, certain documentation to the commissioner, as specified by the commissioner in regulation.
- (f) The assuming insurer must maintain a practice of prompt payment of claims under reinsurance agreements, pursuant to criteria set forth in regulation.
- (g) The assuming insurer's supervisory authority must confirm to the commissioner on an annual basis, as of the preceding December 31 or at the annual date otherwise statutorily reported to the Reciprocal Jurisdiction, that the assuming insurer complies with the requirements set forth in subparagraphs (b) and (c).
- (h) Nothing in this provision precludes an assuming insurer from providing the commissioner with information on a voluntary basis.
 - (ii) The commissioner shall timely create and publish a list of Reciprocal Jurisdictions.

(a) A list of Reciprocal Jurisdictions is published through the NAIC Committee Process. The commissioner's list shall include any Reciprocal Jurisdiction as defined under subclauses 1 and 2 of subparagraph (a) of clause (i) of this paragraph, and shall consider any other Reciprocal Jurisdiction included on the NAIC list. The commissioner may approve a jurisdiction that does not appear on the NAIC list of Reciprocal Jurisdictions in accordance with criteria to be developed under regulations issued by the commissioner.

- (b) The commissioner may remove a jurisdiction from the list of Reciprocal Jurisdictions upon a determination that the jurisdiction no longer meets the requirements of a Reciprocal Jurisdiction, in accordance with a process set forth in regulations issued by the commissioner, except that the commissioner shall not remove from the list of Reciprocal Jurisdiction as defined under subclauses 1 and 2 of subparagraph (a) of clause (i) of this paragraph. Upon removal of a Reciprocal Jurisdiction from the list credit for reinsurance ceded to an assuming insurer which has its home office or is domiciled in that jurisdiction shall be allowed, if otherwise allowed pursuant to this section 20A.
- (iii) The commissioner shall timely create and publish a list of assuming insurers that have satisfied the conditions set forth in this subsection and to which cessions shall be granted credit in accordance with this subsection. The commissioner may add an assuming insurer to such list if an NAIC accredited jurisdiction has added such assuming insurer to a list of such assuming insurers or if, upon initial eligibility, the assuming insurer submits the information to the commissioner as required under subparagraph (d) of clause (i) of this paragraph and complies with any additional requirements that the commissioner may impose by regulation, except to the extent that they conflict with an applicable covered agreement.

(iv) If the commissioner determines that an assuming insurer no longer meets one or more of the requirements under this subsection, the commissioner may revoke or suspend the eligibility of the assuming insurer for recognition under this subsection in accordance with procedures set forth in regulation.

- (a) While an assuming insurer's eligibility is suspended, no reinsurance agreement issued, amended or renewed after the effective date of the suspension qualified for credit except to the extent that the assuming insurer's obligations under the contract are secured in accordance with subsection 2.
- (b) If an assuming insurer's eligibility is revoked, no credit for reinsurance may be granted after the effective date of the revocation with respect to any reinsurance agreements entered into by the assuming insurer, including reinsurance agreements entered into prior to the date of revocation, except to the extent that the assuming insurer's obligations under the contract are secured in a form acceptable to the commissioner and consistent with the provision of subsection 2.
- (v) If subject to a legal process of rehabilitation, liquidation or conservation, as applicable, the ceding insurer, or its representative, may seek and, if determined appropriate by the court in which the proceedings are pending, may obtain an order requiring that the assuming insurer post security for all outstanding ceded liabilities.
- (vi) Nothing in this subsection shall limit or in any way alter the capacity of parties to a reinsurance agreement to agree on requirements for security or other terms in that reinsurance agreement, except as prohibited by this section 20A or other applicable law or regulation.

(vii) Credit may be taken under this subsection only for reinsurance agreements entered into, amended, or renewed on or after the effective date of the statute adding this subsection, and only with respect to losses incurred and reserves reported on or after the later of (1) the date on which the assuming insurer has met all eligibility requirements pursuant to clause (i) of this paragraph (E1/2) of this subsection herein, and (2) the effective date of the new reinsurance agreement, amendment, or renewal.

- (a) This paragraph does not alter or impair a ceding insurer's right to take credit for reinsurance, to the extent that credit is not available under this subsection, as long as the reinsurance qualifies for credit under any other applicable provision of this section 20A.
- (b) Nothing in this subsection shall authorize an assuming insurer to withdraw or reduce the security provided under any reinsurance agreement except as permitted by the terms of the agreement.
- (c) Nothing in this subsection shall limit, or in any way alter, the capacity of parties to any reinsurance agreement to renegotiate the agreement.
- SECTION 187. Said subsection (1) of said section 20A of said chapter 175, as so appearing, is hereby further amended by striking out paragraph (F) and inserting in place thereof the following paragraph:-
- (F) Credit shall be allowed when the reinsurance is ceded to an assuming insurer not meeting the requirements of paragraphs (A), (B), (C), (D), (E), or (E1/2) but only with respect to the insurance of risks located in jurisdictions where such reinsurance is required by applicable law or regulation of that jurisdiction.

SECTION 188. Said subsection (1) of said section 20A of said chapter 175, as so appearing, is hereby further amended by striking out paragraph (H) and inserting thereof the following paragraph:-

(H) If the assuming insurer does not meet the requirements of paragraphs (A), (B), (C) or (E1/2), the credit permitted by paragraph (D) shall not be allowed unless the assuming insurer agrees in substance in the trust agreements to the following conditions:.

SECTION 189. Clause (iv) of paragraph (B) of subsection (5) of said section 20A of said chapter 175, as so appearing, is hereby amended by striking out subparagraphs (a) and (b) and inserting in place thereof the following 3 subparagraphs:-

- (a) meets the conditions set forth in paragraph (E1/2) of subsection (1) of this section;
- (b) is certified in the commonwealth; or

(c) maintains at least \$250,000,000 in capital and surplus when determined in accordance with the NAIC Accounting Practices and Procedures Manual, including all amendments thereto adopted by the NAIC, excluding the impact of any permitted or prescribed practices; and is licensed in at least 26 states; or licensed in at least 10 states and licensed or accredited in a total of at least 35 states.

SECTION 190. Said chapter 175 of the General Laws, as so appearing, is hereby further amended by striking out section 117C and inserting in place thereof the following section:-

Section 117C. (a) The following method of determination of premium rates with respect to credit life insurance and credit accident and health insurance is required only for such insurance written in connection with obligations, other than loans secured by first liens on real

property, which are subject to section 12G of chapter 255, section 10 of chapter 255B, section 14A of chapter 255C, or subsection C of section 26 of chapter 255D, for which an identifiable charge is paid by insured persons.

(b) The following are the procedures for determining the maximum premium rates permitted to be charged any account:

A. Rate Review.

- (1) Minimum loss ratio test: Benefits will be considered reasonable in relation to the premium charged if the loss ratio equals or exceeds or is reasonably expected to equal or exceed the minimum loss ratio standard specified below. The minimum loss ratio standard is:
 - (i) for credit life insurance, 50 per cent and
 - (ii) for credit accident and health insurance, 55 per cent.

In applying the minimum loss ratio test, the commissioner shall make appropriate adjustment to account for differences in loss ratios that may be expected on single premium credit life insurance plans resulting from changes in the benefit structure.

The rate review will be made each year for all classes of business.

B. Reports of Experience:

(1) Each insurer writing said life insurance and accident and health insurance shall report to the commissioner its claims experience and loss ratio data on said insurance separately for the motor vehicle dealers class of business and for all classes of business combined on the credit

insurance supplement forms as specified by the National Association of Insurance Commissioners for inclusion in the annual statement blanks filed pursuant to section 25.

(2) Each insurer writing said life insurance and accident and health insurance shall annually report to the commissioner, on a form prescribed by him or her, its claims experience and loss ratio data on said insurance separately for motor vehicle dealers and other than motor vehicle dealers. Should the reported experience indicate that claims experience does not meet the minimum loss ratio tests, taking into consideration the credibility of said experience as measured by the table set forth in paragraph C, corrective action will be required. If corrective action is indicated, the carrier shall include with its submission its proposed plan for such corrective action.

C. Definitions:

As used in this section the following terms, unless the context clearly requires otherwise, shall have the following meanings:

- (1) "Average Number of Life Years", the average number of group certificates in force during the experience period, without regard to multiple coverage, times the number of years in the experience period, or some equivalent calculation, which shall be made separately for credit life insurance and for credit accident and health insurance.
- (2) "Credibility factor", the extent to which past experience can be expected to recur in the future. The credibility factor may be based on either the number of claims incurred or on the "average number of life years" for the case during the experience period using the credibility table.

| 1660 | (3) "Credibility table" means the following table: |
|------|--|
| 1661 | |
| 1662 | The above integral numbers represent the lower end of the bracket for each "Z" factor. |
| 1663 | The upper is 1 less than the lower end for the next higher "Z" factor. |
| 1664 | (4) "Earned premiums", the premiums earned at the premium rates actually charged for |
| 1665 | coverage in force during the experience period. |
| 1666 | (5) "Experience", earned premiums, incurred claims, incurred claim count, number of life |
| 1667 | years insured, and average amount of insurance during the experience period. |
| 1668 | (6) "Incurred claims", total claims paid during the experience period, adjusted for the |
| 1669 | change in the claim reserve. |
| 1670 | (7) "Incurred claim count", the number of claims incurred during the experience period. |
| 1671 | This means the total number of claims reported during the experience period, whether paid or in |
| 1672 | the process of payment. If a debtor has been issued more than one certificate for the same plan of |
| 1673 | insurance, only one claim is counted. If a debtor receives disability benefits, only the initial claim |
| 1674 | payment for that period of disability is counted. |
| 1675 | (8) "Loss Ratio", the ratio of incurred claims to earned premiums. |
| 1676 | SECTION 191. The second paragraph of section 32 of chapter 184 of the General Laws, |
| 1677 | as so appearing, is hereby amended by adding the following sentence:- |
| 1678 | Notwithstanding the foregoing, the director of housing and community development may |
| 1679 | release or approve the release of an affordable housing restriction after soliciting public comment |

upon reasonable public notice, in lieu of a public hearing, provided that the director first determines that the release is likely to be in the public interest and states the basis for such determination in the notice of public comment.

SECTION 192. Section 2 of chapter 239 of the General Laws, as so appearing, is hereby amended by adding the following paragraph:- The defendant named in a summary process summons and complaint shall not include any minors, and any such minors' names so included shall be expunged from any court record and electronic docket entry.

SECTION 193. Section 3 of chapter 614 of the acts of 1968, as most recently amended by section 5 of chapter 454 of the acts of 1969, is hereby further amended by adding after subsection (h) the following subsection:-

- (i) "Nonprofit Beneficiary". Any nonprofit person, as defined in section 1 of chapter 23G of the General Laws, to which the agency is authorized to provide financing.
- SECTION 194. Section 5 of said chapter 614, as most recently amended by section 9 of said chapter 454, is hereby further amended by striking out subsection (o) and inserting in place thereof the following 2 subsections:-
- (o) to make loans from the assets of any existing authority trust to nonprofit beneficiaries in support of such trust;
 - (p) to do all things necessary and convenient to carry out the purposes of this act.
- SECTION 195. Section 12 of chapter 490 of the acts of 1980 is hereby repealed.
- SECTION 196. Sections 46, 48, 61 and 63 of chapter 287 of the acts of 2014, as most recently amended by chapter 99 of the acts of 2018, are hereby repealed.

SECTION 197. Section 124A of chapter 287 of the acts of 2014, as added by section 26 of chapter 99 of the acts of 2018, is hereby repealed.

SECTION 198. The executive office of housing and economic development shall issue guidance to assist local officials determining the voting thresholds for various zoning amendments. Such guidance shall be assembled in consultation with the Department of Housing and Community Development, the Massachusetts Attorney General's Municipal Law Unit, and Massachusetts Housing Partnership.

SECTION 199. The secretary of housing and economic development shall report annually to the clerks of the house of representatives and the senate, who shall forward the report to the house of representatives and the senate, the chairs of the joint committee on housing, and the chairs of the senate and house committees on ways and means, on the activities and status of the Housing Choice Initiative, as described by the governor in a message to the general court dated December 11, 2017, including progress made towards the production of 135,000 new units by 2025. The report also shall include a list of all cities and towns that qualify as "housing choice" communities and a list and description of grant funds disbursed to such cities and towns and a description of how the funds were used to support the production of new housing.

SECTION 200. Notwithstanding any general or special law to the contrary, to meet the expenditures necessary in carrying out section 2, the state treasurer shall, upon receipt of a request by the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time but not exceeding, in the aggregate, \$155,000,000. All bonds issued by the commonwealth, as aforesaid, shall be designated on their face "Commonwealth Economic Development Act of 2020", and shall be issued for a maximum term of years, not

exceeding 30 years, as the governor may recommend to the general court pursuant to section 3 of Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall be payable not later than June 30, 2055. All interest and payments on account of principal on such obligations shall be payable from the General Fund. Bonds and interest thereon issued under the authority of this section shall, notwithstanding any other provision of this act, be general obligations of the commonwealth.

SECTION 201. Notwithstanding any general or special law to the contrary, to meet the expenditures necessary in carrying out section 2A, the state treasurer shall, upon receipt of a request by the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time but not exceeding, in the aggregate, \$85,000,000. All bonds issued by the commonwealth, as aforesaid, shall be designated on their face "Commonwealth Economic Development Act of 2020", and shall be issued for a maximum term of years, not exceeding 30 years, as the governor may recommend to the general court pursuant to section 3 of Article LXII of the Amendments to the Constitution; provided, however, that all such bonds shall be payable not later than June 30, 2055. All interest and payments on account of principal on such obligations shall be payable from the General Fund. Bonds and interest thereon issued under the authority of this section shall, notwithstanding any other provision of this act, be general obligations of the commonwealth.

SECTION 202. Sections 76 to 84, inclusive, section 94, sections 107 and 108, and sections 198 and 199, shall take effect 90 days after enactment.

SECTION 203. Sections 124 to 128, inclusive, and sections 130 to 132, inclusive, shall apply to tax years beginning on or after January 1, 2021.