



The Commonwealth of Massachusetts

MASSACHUSETTS SENATE

COMMITTEE ON WAYS AND MEANS

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M E M O R A N D U M

TO: Members of the Senate Committee on Ways and Means

FROM: Chair Michael J. Rodrigues

DATE: July 8, 2024

SUBJECT: Poll

Attached is a summary of the bill presently before the Senate Committee on Ways and Means. Committee members will be polled today from 10:15 am to 11:15 am on the question of reporting the bill favorably.

Please be advised that under Senate Rule 12, all recorded votes of the Senate Committee on Ways and Means will be posted on the website of the General Court immediately following the conclusion of the poll.

Do not hesitate to contact Aaron Carty in my office if you have any questions. Thank you for your participation.

2HOUSE 4804:

**AN ACT RELATIVE TO STRENGTHENING
MASSACHUSETTS' ECONOMIC LEADERSHIP**

(summary reflects text as redrafted)

SPONSORS:

House Committee on Ways and Means

**LEGISLATIVE
HISTORY:**

06/27/24 H4789, published as amended and passed to be
engrossed
07/01/24 Read and referred to the Committee on Senate Ways
and Means

**EXISTING LAWS
AFFECTED:**

M.G.L. c. 6 § 204; c. 6A § 16G; c. 10 § 35FF; c. 23A §§ 3A, 3B, 3C, 3D, 3E, 3F, 3H, 3L, 56, 62, 66 & 69; c. 23D §§ 16 & 20; c. 23G §§ 1, 2 & 3; c. 23I §§ 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12 & 15; c. 23J §§ 1, 2, 3, 5, 7, 8, 9, 9A, 10, 13 & 15; c. 23N § 18; c. 29 § 23K; c. 30B § 1; c. 40A §§ 6 & 59; c. 40J §§ 4G & 6B; c. 40W; c. 43D §§ 2, 3, 11, 12 & 13; c. 62 § 6; c. 63 §§ 31M, 38M, 38N, 38U, 38LL, 38MM & 42B; c. 64H § 6; c. 90 § 2E; c. 100A; c. 112 § 9; c. 138 § 26; c. 140 §§ 185C & 185D; c. 142A §§ 4, 5, 7, 15, 17 & 18; c. 147 § 32-51 & 192; c. 152 § 25Q; c. 167F § 2; c. 231 § 85W; c. 265 §§ 9, 10 & 12; Chapter 498 of the Acts of 1993; and Chapter 24 of the Acts of 2021.

**PROPOSED
LEGISLATION:**

- Authorizes \$2,444,000,000 in bond obligations to provide for economic development initiatives, including:
 - \$225M for the Life Sciences Breakthrough Fund to support the reauthorization of the Life Sciences Initiative;
 - \$100M for the Seaport Economic Council to support marine economies and protect coastal assets in coastal communities;
 - \$25M for Small Business Technology grants to help early-stage companies commercialize new technologies;
 - \$5M for grants to help early-stage companies commercialize alternative protein technology;
 - \$133M for the Research & Development Matching Grant Fund for capital investments in research and development projects;
 - \$3M for grants to improve the readiness of sites for economic development projects;
 - \$35M for Community Development Financial institutions (CDFIs) for grants to CDFIs to help disadvantaged and underserved businesses;

- \$30M for the Brownfields Redevelopment Fund to support the remediation of land impacted by environmental contamination;
- \$10M for Biz-M-Power for matching grants to small businesses with capital needs;
- \$40M for Destination Development grants to support capital improvements of tourism assets;
- \$10M for capital improvements at zoos operated by the Commonwealth Zoological Corporation;
- \$10M for Broadband Incentive Fund for the capital maintenance of the MassBroadband 123 middle mile network;
- \$99M for flexible grants to support advanced manufacturing initiatives;
- \$400M for MassWorks for public infrastructure projects that spur economic development and help support job creation;
- \$90M for Revitalizing Underutilized Properties to support the redevelopment of underutilized, blighted or abandoned buildings;
- \$5M for grants to support alternative proteins;
- \$50M for Mass Impact for the development of large, transformative projects that generate economic growth;
- \$100M for the Rural Development Fund to provide financial assistance for infrastructure and community planning efforts in rural communities;
- \$25M for a capital grant program to support business improvements;
- \$100M for the Applied AI Hub program to facilitate the application of artificial intelligence;
- \$115M for the Massachusetts Tech Hub to establish key industry consortia across the commonwealth;
- \$25M for capital grants to advance research, commercialization and training in robotics;
- \$50M for the Cultural Facilities Fund for the improvement of cultural facilities;
- \$100M for Local Economic Development Grants for economic development in cities and towns;
- \$85M for the Massachusetts Education Financing Authority (MEFA) to improve access to affordable higher education opportunities;
- \$1M for local economic development projects;
- \$150M for capital grants for public libraries;
- \$15M for a capital grant program to support the Commonwealth's agriculture, commercial fishing and cranberry growing industries;

- \$8M for historical preservation grants through the Massachusetts Historical Commission;
 - \$200M for the Clean Energy Investment Fund to facilitate research and development, commercialization and deployment of climatetech technologies
 - \$200M for the Massachusetts Offshore Wind Industry Investment Trust Fund to support the growth of the offshore wind industry
- Merges the Massachusetts Growth Capital Corporation into the Massachusetts Development Finance Agency.
- Authorizes the Office of Performance Management and Oversight to establish performance metrics for regional economic development organizations and clarifies annual reporting requirements.
- Requires the Secretary of Economic Development to report on the status of the commercial fishing industry every 4 years.
- Authorizes the Secretary of Economic Development to direct the Designated Port Area Fund and clarifies reporting requirements.
- Authorizes the Massachusetts Alternative and Clean Energy Investment Fund to make qualified investments in climatetech.
- Modifies definitions for the Economic Development Incentive Program (EDIP).
- Removes the requirement for the Economic Assistance Coordinating Council (EACC) to approve a temporary reduction in real property tax offered by a municipality and removes the Secretary of Housing and Livable Communities as co-chairperson of the Council.
- Requires the director of the Massachusetts Office of Business Development to administer EDIP.
- Removes the requirement that a project proposal to the EACC include a municipal project endorsement and requires the EACC to make certain findings prior to certifying a project.
- Authorizes the EACC to determine the extent to which EDIP tax credits are refundable for certified projects.

- Modifies the process by which a municipality may offer tax increment financing.
- Repeals the interagency permitting board and authorizes the director of the permit regulatory office to provide technical assistance to municipalities, review municipal priority development site proposals and support the administration of the growth districts initiative.
- Clarifies the definition of “rural community” for the purposes of the rural policy advisory commission to mean a municipality with population density of less than 500 persons per square mile or a population of less than 7,000 persons.
- Requires the Executive Office of Economic Development to administer a rural development program to provide financial assistance for projects that advance economic development.
- Clarifies the definition of “microbusiness” for the purpose of the microbusiness development center to be a business in the Commonwealth with not more than 10 employees and annual revenue of not more than \$250,000.
- Authorizes the Massachusetts Life Sciences Breakthrough Fund to support biosecurity, life sciences related artificial intelligence, medical technology, preventative medicine, health equity, biomanufacturing, diversity in life sciences entrepreneurship and programs to make qualified equity investments in early-stage life sciences companies.
- Amends the board of the Massachusetts Life Sciences Center to include 1 member with significant experience in the medical device sector, 1 member with significant experience in the health equity subsector of the life sciences sector and 1 member of the board of the Massachusetts Health and Hospital Association.
- Authorizes the president of the Massachusetts Life Sciences Center to appoint a chief administrative and operational officer.
- Authorizes the Massachusetts Life Sciences Center to allocate bond proceeds to institutions of higher education, non-profit

organizations, public or quasi-public entities and certified life sciences companies.

- Authorizes the Massachusetts Life Sciences Center to convene advisory boards as necessary.
- Amends the certification period for a life sciences company from 5 to 3 years.
- Authorizes the Massachusetts Life Sciences Breakthrough Fund to transfer funds to funds supporting small business equity investments and higher education grants.
- Repeals Small Business Matching Grant Fund, the Massachusetts Life Sciences Education Fund and the Massachusetts Life Science Center advisory board.
- Updates the Massachusetts Clean Energy Center enabling statute to include climatetech and authorizes spending from the Massachusetts Renewable Energy Trust Fund for climatetech.
- Authorizes expenditures from the Massachusetts Offshore Wind Industry Investment Fund for climatetech research, to promote jobs and workforce development in offshore wind and to provide for reasonable administrative and personnel costs related to the administration of the fund.
- Authorizes expenditures from the Clean Energy Investment Fund for the promotion of jobs and workforce development to support climatetech technologies.
- Establishes a climatetech industry tax incentive program to be administered by the Massachusetts Clean Energy Technology Center not to exceed \$30M annually.
- Clarifies that expenditures from the Workforce Investment Trust Fund shall be competitively granted under existing workforce development programs.
- Clarifies the duties of the State Athletic Commission.
- Creates a special working group on youth sports to conduct an investigation and study of the current state of youth sports in

the Commonwealth and to make recommendations relative to the regulation of youth sports.

- Requires the state athletic commission, in coordination with the special working group on youth sports, to conduct a public education campaign regarding youth sports, including the physical and mental health, personal financial and economic development impacts of youth sports.
- Authorizes the board of directors of state authorities to meet independently or in executive session to discuss matters of the audit or compensation committees.
- Authorizes a governmental body to procure internet service or the design and installation of fiberoptic or wireless communication networks in a single procurement.
- Requires zoning ordinances or by-laws to provide that construction or operations under a special permit shall conform to subsequent amendments to the zoning ordinance or by-law unless the use or construction is commenced with not later than 3 years after the issuance of the permit.
- Removes the requirement that parcels of land be within economic target areas or areas designated by the EACC as tax increment financing eligible.
- Updates the reporting requirements for the owner of a parcel under a tax increment financing agreement.
- Clarifies that the University of Massachusetts may leverage agency funding to meet matching funds requirement of the Scientific and Technology Research and Development Matching Grant Fund.
- Removes the requirement for the board of directors of the Massachusetts Broadband Institute to meet 4 times annually.
- Updates the proposal process for the designation of a priority development site and requires the Secretary of Economic Development to establish criteria to designate a priority development site.

- Clarifies that an expedited permit may transfer to successors if local authorized by local ordinance or bylaw or state law.
- Clarifies the benefits available to priority development sites from the Massachusetts Technology Park Corporation.
- Requires the Commissioner of Revenue to provide the EACC with documentation confirming tax credits claimed by the owner or lessee of a certified project.
- Repeals the Angel Investor Tax Credit.
- Requires a taxpayer claiming a jobs credit under the offshore wind tax incentive program to commit to the creation of not less than 10 net new permanent full-time jobs.
- Clarifies the eligibility requirements for a tenant of an offshore wind facility to claim an offshore wind tax credit.
- Establishes a climatetech tax credit, a climatetech jobs credit, a climatetech research credit and an employer internship tax credit.
- Authorizes the qualified research expense tax credit refundability to apply to taxpayers claiming the credit under the climatetech tax incentive program.
- Exempts from sales tax tangible property purchased for a certified climatetech company for use in connection with construction, research or development.
- Requires the Registrar of Motor Vehicles to make available to owners of private passenger motor vehicles distinctive registration plates with a design celebrating Massachusetts state parks that provides admission to state parks.
- Establishes an auto body labor rate advisory board in the Division of Insurance.
- Authorizes foreign-licensed physicians to apply for a limited license to practice medicine in the Commonwealth with a pathway to a full unrestricted license.

- Clarifies a license for the sale of alcohol may be issued to a citizen of the United States or a qualified alien.
- Prohibits the use or sale of ticket purchasing software and authorizes the Commissioner of Occupational Licensure to fine and revoke the license of a person, firm or corporation that uses such software.
- Requires a ticket seller or reseller of a ticket to any theatrical exhibition, public show, public amusement or exhibition to disclose in a clear and conspicuous manner the total ticket price inclusive of fees, interests, charges and other components of the total ticket price.
- Extends to 5 years the deadline for a homeowner to file an arbitration claim against a contractor or subcontractor and authorizes findings by an arbitrator for use in a claim against the Residential Contractor's Guaranty Fund.
- Increases the maximum award from the Residential Contractor's Guaranty Fund to not more than \$25,000.
- Requires a contractor or subcontractor to repay the Residential Contractor's Guaranty Fund for any amounts paid due to their conduct and prohibits a contractor or subcontractor from operating if their license was suspended or revoked in a different state or territory.
- Authorizes the Director of Consumer Affairs and Business Regulations to enter into consent agreements with a contractor or subcontractor for violations.
- Deems a professional employer organization an employer for the purposes of sponsoring retirement and welfare benefit plans for covered employees.
- Authorizes workers compensation for self-insured groups in operation for not less than 5 years to utilize monthly payment plans.
- Authorizes officers and directors of non-profit organizations to receive not more than \$500 without losing personal civil liability protection.

- Clarifies there shall be no square foot limit or cap on the amount of commercial or industrial development or residential units that may be developed within the Devens Regional Enterprise Zone.
- Extends the cranberry bog qualified renovation credit to January 1, 2030.
- Requires the Secretary of Economic Development and Secretary of Housing and Livable Communities to convene a working group with the towns of Ayer, Harvard, Shirley and the Devens Committee to determine a strategy to increase housing production in the Devens Regional Enterprise Zone.
- Creates a 5-year surety bond assistance program in the Executive Office of Economic Development to provide technical and financial assistance to economically and socially disadvantaged businesses.
- Authorizes permits issued between January 1, 2023, and January 1, 2025 to be extended for 2 additional years.
- Requires the Massachusetts Clean Energy Technology Center to set benchmarks for the climatetech tax incentive program and evaluate the program after it has been in effect for 5 years.
- Authorizes a certain parcel of land to be removed from the boundaries of the Mystic River designated port area.
- Authorizes the internship tax credit to take effect for the tax years following the first year a fiscal year closes with a consolidated net surplus of not less than \$400M.

ESTIMATED

FISCAL

IMPACT:

This legislation authorizes \$2,444,000,000 in bond obligations.

(AJP)