

SENATE No. 88

The Commonwealth of Massachusetts

PRESENTED BY:

Harriette L. Chandler

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to district improvement financing.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Harriette L. Chandler	First Worcester
Karen E. Spilka	Second Middlesex and Norfolk

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. S00131 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO DISTRICT IMPROVEMENT FINANCING.

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.** Section 1 of chapter 40Q of the General Laws is hereby amended by striking the
2 definition "Inflation factor" inserted by section 18 of chapter 46 of the acts of 2003 and inserting in place
3 thereof the following:
4 "Inflation factor", if the city or town has not included an election statement in its invested revenue district
5 development program, a ratio: (1) the numerator of which shall be the total assessed value of all parcels of
6 residential, commercial and industrial real estate that are assessed at full and fair cash value for the
7 current fiscal year minus the new growth adjustment factor for the current fiscal year attributable to the
8 residential, commercial and industrial real estate as determined by the commissioner of revenue pursuant
9 to paragraph (f) of section 21C of chapter 59; and (2) the denominator of which shall be the total assessed
10 value for the preceding fiscal year of all the parcels included in the numerator; provided, however, the
11 ratio shall not be less than 1. In the event, that the proposed Invested Revenue District does not include
12 residential property, then the assessed value attributable to residential property shall not be included in
13 either the numerator or the denominator in calculating the inflation factor.

14 **SECTION 2.** Section 1 of chapter 40Q of the General Laws is hereby further amended by

15 striking the word “and” appearing between subparagraphs (6) and (7) of the definition “Invested revenue
16 district development program” and by inserting at the end of the sentence defining “Invested revenue
17 district program” the following punctuation and words:-
18 ,and (8) if applicable, a statement of the city or town electing that the original assessed value not be
19 increased by the adjustment factor

20 **SECTION 3.** Section 1 of chapter 40Q of the General Laws is hereby further amended by
21 striking the definition of “Original assessed value” inserted by section 18 of chapter 46 of the acts of 2003
22 and inserting in its place the following two sentences:-

23 "Original assessed value", the aggregate assessed value of the invested revenue district as of the base
24 date. If the city or town has not included an election statement in its investment district development
25 program, the original assessed value in any year shall be equal to the original assessed value as of the base
26 date multiplied by the adjustment factor for that fiscal year.

27 **SECTION 4.** Section 1 of chapter 40Q of the General Laws is hereby further amended by
28 inserting the following new definition immediately prior to the definition of “Base date” as appearing in
29 section 18 of chapter 46 of the acts of 2003: -

30 “Adjustment factor”, for each fiscal year of the term of a given development program, the product of the
31 inflation factors for each fiscal year subsequent to the first fiscal year immediately following the base
32 date.

33 **(e)** Section 1 of chapter 40Q of the General Laws is hereby further amended by striking subparagraph 8
34 of the definition of “Development program” inserted by section 18 of chapter 46 of the acts of 2003 and
35 inserting in its place the following new subparagraph:-

36 “the duration of the program which shall not exceed the longer of (i) 30 years from the date of
37 designation of the district or (ii) 30 years from project stabilization (as defined in the development
38 program).