

SENATE No. 89

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 to strengthen community development in the commonwealth.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Harriette L. Chandler	First Worcester
David M. Torrasi	14th Essex
Sean Garballey	23rd Middlesex
Anne M. Gobi	5th Worcester
John W. Scibak	2nd Hampshire
Timothy J. Toomey, Jr.	26th Middlesex
Susan C. Tucker	Second Essex and Middlesex
Benjamin B. Downing	Berkshire, Hampshire and Franklin
Brian A. Joyce	Norfolk, Bristol and Plymouth
Anthony D. Galluccio	Middlesex, Suffolk and Essex

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT TO STRENGTHEN COMMUNITY DEVELOPMENT IN THE COMMONWEALTH.

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

1 SECTION 1. Chapter 40F Section 1 of the Massachusetts General Laws is hereby amended by
2 replacing the words “to carry out certain public purposes and with by-laws providing that,” with “to carry out
3 the purposes of this Chapter and meet the following criteria,” in the definition for “Community
4 Development Corporation” and by replacing items (1) through (6) inclusive in the definition for “Community
5 Development Corporation” with the following:

6 (1) The organization must be a non profit organization organized under Chapter 180 of the General
7 Laws.

8 (2) The organization must be designated as a 501c3 tax-exempt organization by the U.S. Internal
9 Revenue Service.

10 (3) The organization must focus a substantial majority of its efforts on serving one or more specific
11 neighborhoods or municipalities or serving a region of the Commonwealth or serving a constituency
12 that is economically disadvantaged.

13 (4) A primary purpose of the organization is to engage local residents and businesses to work together to
14 undertake community development programs, projects and activities which develop and improve
15 urban, rural and suburban communities in sustainable ways that create and expand economic
16 opportunities for low and moderate income people.

17 (5) The organization must be able to demonstrate to the Department that the organization's
18 constituency, including low and moderate income people, is meaningfully represented on the board
19 of directors of the organization. In making such determination, the Department shall consider the
20 following criteria (a) the percentage, if any, of the board is elected by the general membership; (b) the
21 percentage of the board members are residents of the service area; (c) the percentage of board
22 members that are people of low or moderate income, (d) the racial and ethnic composition of the
23 board in comparison to the racial and ethnic composition of the community being served, (e) other
24 mechanisms, including committees, membership meetings, and others that the organization uses to
25 ensure that their constituency has a meaningful role in the governance and direction of the
26 organization, and (f) other criteria as determined by the Department.

27 SECTION 2. Chapter 40F of the Massachusetts General Laws is hereby amended by inserting a new
28 Section 1A that says the following:

29 The purpose of this Chapter is to create, develop and sustain economically and ethnically diverse
30 communities in urban, rural and suburban areas of the Commonwealth where low and moderate income
31 people have access to a full range of economic opportunities and have the opportunity to work together
32 through community development corporations, as defined herein, to initiate and implement programs,
33 projects and activities designed to improve their communities and expand opportunities for low and
34 moderate income people.

35 SECTION 3. Chapter 40F of the Massachusetts General Laws is hereby amended by inserting a new
36 Section 1B that says the following:

37 (a) The Department shall establish and maintain a list of organizations that have been certified as
38 Community Development Corporations consistent with this Chapter and develop a process for
39 certifying said organizations, provided further that said organizations must be recertified at least once
40 every four years.

41 (b) The Secretary of Housing and Economic Development shall file an annual report on December 15
42 of each year to the Speaker of the House of Representatives, the President of the Senate, the Chairs
43 of the House and Senate Ways & Means Committees, the Chairs of the Joint Committee on
44 Housing, and the Chairs of the Joint Committee on Community Development and Small Business
45 detailing the following:

- 46 a. A list of certified CDCs in the Commonwealth;
- 47 b. A summary of any programs, initiatives or partnerships operated by the Executive Office of
48 Housing and Economic Development, its agencies and any quasi public agencies organized
49 under the Executive Office, that are designed to build the capacity of CDCs, provide training or
50 technical assistance to CDC employees or board members, provide funding to support CDCs
51 and their programs, projects and initiatives, and otherwise help CDCs advance the purposes of
52 this Chapter.
- 53 c. Recommendations, if any, for action that would enhance the ability of CDCs to advance the
54 purposes of this Chapter.

55 SECTION 4. Section 6 of chapter 324 of the acts of 1987 is hereby repealed.

56 SECTION 5. Chapter 324 of the acts of 1987 is hereby amended by striking out the words “Section
57 7” and inserting in place thereof the following:- Section 6

58 SECTION 6. Chapter 324 of the acts of 1987 is further amended by striking out the words “Section
59 7A” and inserting in place thereof the following:- Section 7

60 SECTION 7. Chapter 324 of the acts of 1987 is further amended by striking out the words “Section
61 7B” and inserting in place thereof the following:- Section 8

62 SECTION 8. Section 8 of chapter 324 of the acts of 1987, as most recently amended by section 302
63 of chapter 159 of the acts of 2000, is hereby repealed.