AN ACT RELATIVE TO STRENGTHENING MASSACHUSETTS' ECONOMIC LEADERSHIP

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Rural Communities

Introduction

Massachusetts is home to 181 rural communities, each with their own flavor, their own way of life, and their own challenges. The Healey-Driscoll Administration has always been committed to creating more favorable conditions for economic development in rural areas. To signify that commitment and to lead this work, Governor Healey and Lieutenant Governor Driscoll announced last year the creation of a new Director of Rural Affairs to begin the effort to provide more support. This new role operates as a dedicated advocate and ombudsperson cultivating economic development within rural communities. Since last spring, this position has allowed the state to provide technical assistance to over 100 municipal officials.

From FY22 to FY24, rural and small towns have seen an 84% increase in grant dollars awarded via the Community One Stop for Growth. With this proposed legislation, the administration looks forward to expanding support for rural communities.



Support for Rural Communities

• **\$100 M for the Rural Development Fund** to provide financial support for infrastructure improvements and community planning efforts in rural communities. Available through the Community One Stop for Growth, this competitive grant program deploys capital

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resources for a variety of activities related to economic and community development in rural communities and small towns throughout the Commonwealth.

- In October, the administration announced 17 grants totaling \$5.4 million. With the \$100 million authorization request in this bill, the administration intends to expand the program moving forward to support more rural communities across the Commonwealth.
- **\$40 M for Destination Development Grants** to support critical capital improvements at tourism assets across Massachusetts, with preference given to projects in state-designated cultural districts and projects supporting rural tourism, such as agricultural tourism and outdoor recreation.
- New Rural Designation to signal the state's long-term commitment to rural communities by codifying the definition of "rural community." By doing so, this allows the state to create more specific opportunities for these communities and to help rural communities secure more resources to advance local priorities and unlock more economic opportunity. The administration will push to ensure funding and programs take this factor into consideration when making decisions to drive much needed investment in rural areas.
- **Pathway for Foreign-Trained Physicians** to help improve access to health care, such as primary care physicians, by creating new avenues for foreign-trained doctors to obtain licensure in Massachusetts. This language includes a requirement that qualified physicians that obtain licensure must serve in underserved regions for a period of time, such as rural areas of the state.

Ongoing Efforts to Partner with Rural Communities

- Support for businesses, tourism, and cultural institutions in rural Massachusetts. As the administration stands up the Business Front Door, business resources will be evaluated to ensure businesses are located in every corner of the Commonwealth.
 - This bill establishes a new Business Builds Program that will provide support to businesses for improvements necessary for selecting property locations, such as rural communities, expanding economic opportunities for rural residents.
 - This bill also includes capital resources for the tourism sector and cultural economy to ensure this important part of the economy is supported and growing, particularly among the rural economic landscape.
- **Director of Rural Affairs** Last year, the administration created a position to focus on cultivating economic development within rural communities. This position ensures that the needs of rural and regional economies are met, while pushing the coordination with secretariats and state agencies to ensure that state government is attend to the unique needs of these towns.
- **Community One Stop for Growth** With a new round launched in January, the administration will continue to support rural communities by making grants more accessible to smaller towns with an easier process and more direct results. Each

application submitted by a designated rural community will get two looks from programs, increasing the likelihood of them being funded. This includes access to programs like the Rural Development Fund and the Small Town Road Improvement resources within MassWorks.

- **Develop a Statewide Land Use Plan** The administration is committed to developing a holistic strategy that addresses land use, open space, housing and development to guide future growth in a more responsible, proactive and equitable manner, especially in the face of climate change. Moving forward, the administration will ensure that rural communities are part of the strategy to preserve and develop our natural resources.
- Infrastructure Needs Assessment The Director of Rural Affairs, in collaboration with the Rural Policy Advisory Commission, has been tasked to convene a team of stakeholders to inventory the infrastructure needs, including municipal buildings, that are in need of repair or replacement to gain a complete understanding of the unique infrastructure needs in rural towns.
- **Supporting Rural Mobility** The Governor's FY25 House 2 recommendation includes \$100 million in supplemental Chapter 90 funding, plus \$24 million for Rural Road Aid, through Fair Share. This is the first investment in road aid that is specifically dedicated to rural communities, which typically have limited transportation options.
- **Growing resources for rural leaders** In January, the Healey-Driscoll Administration filed the Municipal Empowerment Act, which aims to grow the toolbox available for local governments so that they are equipped to best serve their residents. Many of the provisions included in the bill are designed to address the unique needs of leaders of our rural communities, including the creation of regional boards of assessors, permanently allowing for hybrid meetings, and permitting the creation of a new Motor Vehicle Excise local option surcharge.
- **Broadband** The Healey-Driscoll Administration will continue to prioritize broadband adoption, digital equity, and access through federal investments. This will apply throughout the state, including rural areas of Massachusetts.