Amendments to the Economic Development Bill—S.2625
TO REHABILITATE PUBLIC HOUSING, PROTECT HOUSING ASSISTANCE PROGRAMS, & PROMOTE ECONOMIC MOBILITY

Please support the following amendments to the Economic Development Bill to help everyone in the Commonwealth have a safe, healthy, and affordable home.

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Please support the following amendments to the Economic Development Bill to help everyone in the Commonwealth have a safe, healthy, and affordable home!

**Amendment 236: Public Housing**
Sponsored by Sen. Joseph Boncore

Sen. Boncore’s amendment will help rehabilitate and preserve public housing by providing housing authorities with flexibility and new resources.

The amendment authorizes housing authorities to borrow against capital funds. The amount of capital funds available to a housing authority in any given year is often less than what is required to undertake urgent capital needs, such as a large roof replacement project. The ability to borrow against a stream of funds will allow housing authorities to complete critical capital repairs and in a timelier manner with associated cost savings.

The amendment also exempts a portion of private-owned redevelopment projects, that include both state and federal public housing replacement units, from ordinary real estate taxes. The exempt portion of the redeveloped land will be subject to the same agreements on payments in lieu of taxes (PILOT) that apply to other public housing units in the municipality, as the units would serve the same low-income populations at the same rent structures as the public housing units. This will save housing authorities money that could be leveraged for the repair of other public housing.

Finally, the amendment also allows a housing authority to retain the proceeds from the disposition or sale of its property. Under current law, these proceeds are paid back to the state’s General Fund. This amendment would direct any proceeds to be reinvested into the modernization and maintenance of other public housing units.

**Amendment 64: Mortgage Licensing Exemptions**
Sponsored by Sen. Jamie Eldridge

Sen. Eldridge’s amendment will help create affordable homes and protect access to housing assistance programs by creating a narrow exemption for affordable housing nonprofits from state licensing requirements for mortgage loan originators.

Many affordable housing nonprofit organizations administer loan programs that help families buy homes, address home repair needs or lead paint remediation, prevent foreclosure, and acquire or preserve housing. Frequently, the nonprofit is administering loans from completely publicly-funded programs.

Creating an exemption from mortgage loan originator licensing requirements for certain affordable housing nonprofits would re-establish in state law an exemption provided by the Division of Banks (DOB) for the past decade. Unfortunately, the DOB rescinded this exemption last year based on a reinterpretation of state law.
Without this exemption, the low-and moderate-income households and their communities would be harmed by losing access to programs that help create and preserve affordable homes. Additionally, these affordable housing nonprofits would face significant expenses for meeting mortgage loan licensing requirements that are more suitable for lenders operating in a commercial, for-profit context. This may result in some nonprofits choosing to stop offering housing assistance programs that involve lending public funds.

**Amendment 25: Economic Mobility & Stability Commission**
Sponsored by Sen. Jamie Eldridge

Sen. Eldridge’s amendment creates a commission to identify the most effective self-sufficiency programs, examine the impact of cliff effects, and help shape programs that will best assist low-income families achieve economic mobility and independence.

Numerous self-sufficiency and economic mobility programs administered on federal, state and local levels work to provide households a path to economic mobility. These programs help families get education, increase their incomes, and build assets to attain financial self-sufficiency and reduce reliance on public supports. Each program offered across the state, including the Family Self-Sufficiency Program, MassLEAP, and Jobs Plus, has a different approach with varying components and different outcomes.

The commission will also examine cliff effects and determine ways to adjust assistance in response to changes in income, including automatic adjustments tied to minimum wage increases. When recipients of support programs begin to work or receive raises, they often experience an economic penalty – or cliff effects – because of the steep decline in their benefits which leaves them worse off than before getting a job or a raise. These setbacks are a barrier for families trying to achieve economic independence and financial stability. With minimum wage increases going into effect, it is necessary that we look at program adjustments to avoid more families from experiencing the cliff effects.

This commission will help more households across the Commonwealth build assets, reduce their reliance on public assistance, and attain financial stability. Establishing this commission will ensure an evidence-based approach to identify and expand, effective economic development opportunities in Massachusetts.

**Amendment 121: Community Preservation Act (CPA)**
Sponsored by Sen. Cynthia Creem

Sen. Creem’s amendment adjusts recording fees at the state’s Registries of Deeds to provide a higher distribution from the Community Preservation Trust Fund to communities that have enacted the CPA. This will help sustain CPA for the benefit of all these communities as a resource that builds affordable housing and create jobs.

The amendment would increase the recording fee by $30 – the first increase to the fee since the CPA was enacted in 2000. It is estimated that this increase would restore the state match to CPA communities to 30%. Without the increase to the deeds recording fee, the match for next year is expected to drop to less than 12%.