



# ABC LEGISLATIVE BRIEFING

THURSDAY, JUNE 20<sup>TH</sup>, 2024

**TOM RYAN (HE/HIM)**

**SENIOR ADVISOR ON POLICY, GOVERNMENT,  
& COMMUNITY AFFAIRS**

**ISABELLA GAMBILL (SHE/HER)**

**ASSISTANT DIRECTOR OF CLIMATE, ENERGY,  
& RESILIENCE**

# WELCOME & OVERVIEW

- **Update On A Better City's Recent Work**
- **Overview of the “Big Legislative Issues”  
Happening in State Government**
- **Feedback and Comments from Members**

# UPCOMING EVENTS



# SUMNER TUNNEL CLOSURE

## Virtual Briefing

*Tuesday June 25, |  
10:00 – 11:00 AM*

We will discuss the Sumner Tunnel shutdown plan (July 5 – August 5<sup>th</sup>) with MassDOT officials & talk about mitigation plans



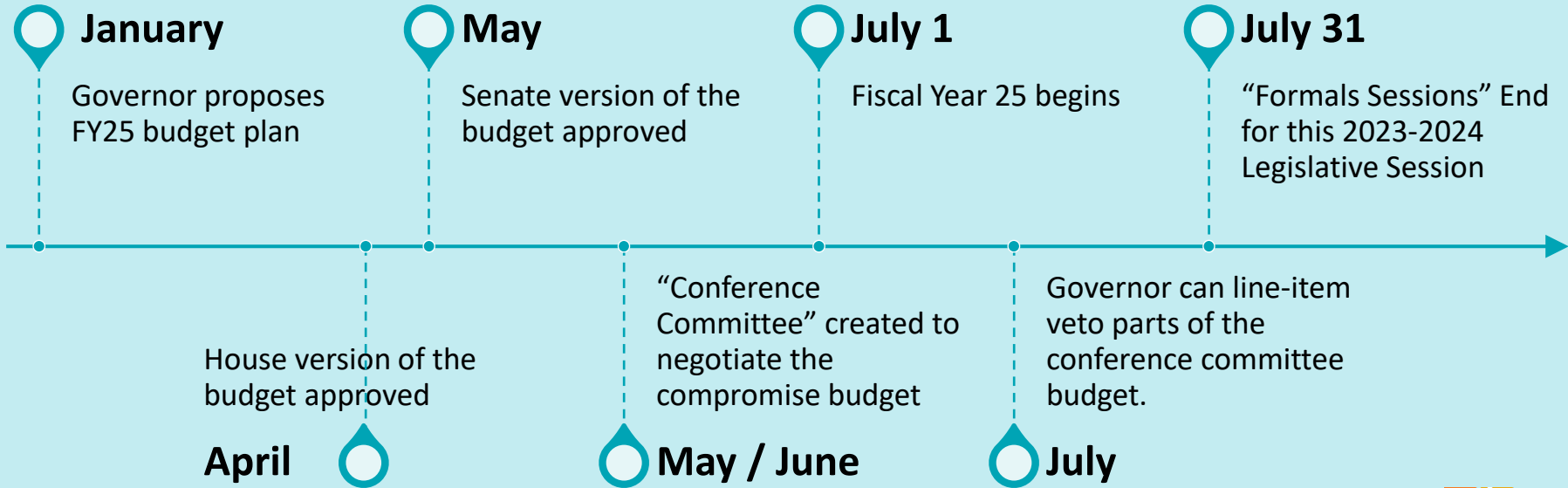
# BIG ISSUES AT THE STATE HOUSE



# STATE HOUSE BILL TRACKER

- State Budget
- Housing Bond Bill
- State Matching Funds for Federal Grants
- Municipal Empowerment Act
- City of Boston Tax Classification Bill
- Economic Development Bill (Mass Leads Act)
- Climate Legislation

# STATE BUDGET TIMELINE



# A BETTER CITY'S IMPACT

**With transportation issues, A Better City is encouraged by each step in the FY25 budget cycle.**

**Our comment letter called for:**

- **New Borrowing Plan with Millionaire's Surtax**
- **Increased State Funding for MBTA**
- **MBTA Low-Income Fare program**
- **Creation of Transportation Funding Task Force**



# HOUSE / SENATE BUDGET PRIORITIES

- Overlapping priorities: child care, housing
- Senate: Expanding Free Community College
- House: MBTA funding

# STATE BUDGET SUMMARY

- House and Senate show different priorities with Millionaires Amendment Surtax funds
- House would use **47%** of Surtax on Transportation  
Senate would use **43%** of Surtax on Transportation

	House	Senate	Difference (Senate - House)
MBTA	240,000,000	55,000,000	(185,000,000)
Municipal Roads & Bridges	25,000,000	140,000,000	115,000,000
Regional Transit Authorities	90,000,000	120,000,000	30,000,000
MassDOT	250,000,000	250,000,000	-
	<b>605,000,000</b>	<b>565,000,000</b>	<b>(40,000,000)</b>

# CONCERNS: MILLIONAIRE'S AMENDMENT

- Agreement to spend \$1 billion in FY24 budget.
  - Collections totaled almost \$2 Billion
- FY24 budget spent **47%** on Transportation
- Ongoing request from ABC and others business groups: Spend **50%** on Transportation and **50%** on Education

# HOUSING BOND BILL

- **October 2023:** Gov Healey files “The Affordable Homes Act”
- \$4 Billion in “Bond authorizations” for state housing programs
  - Public Housing renovations
  - Affordable Housing Trust Fund (private affordable housing projects)
  - Housing Stabilization and Investment Trust fund
  - Funding for “Green Housing initiatives”, such as Transit-Orientated Development
- Tax Credits
  - Making community Investment Tax Credit Permanent
  - new Home Ownership Production Tax Credit (\$10 million annually)

# HOUSING BOND BILL

- **Gov's Bill proposes a local option, real estate transfer fee of between 0.5 % - 2% on the portion of sale over \$1 million.**
  - Or the “county median home sale price, which ever is greater”
  - Revenue raised would be required for affordable housing programs
- **Gov's Bill proposes allowing accessory dwelling units, or ADU's, by right in single-family zoning districts**

# HOUSING BOND BILL

- **June 2024:** House approves Housing Bond Bill
- \$6.5 Billion in “Bond authorizations”
- Does not include Real Estate Transfer Tax
- House would allow only one ADU by right per property
- **Senate has not taken action on their bill yet.**

# STATE MATCH TO FEDERAL GRANTS BILL

- **October 2023:** Gov. proposes to use \$800 Million over next three years for matching funds to federal infrastructure grants
- Money would come from the interest on the State Rainy Day Fund (currently over \$8 billion)
- **Jan 2024:** Passed Senate,
- **Feb 2024:** Passed House, with different language
- Currently waiting action to complete final bill

# MUNICIPAL EMPOWERMENT BILL (MEA)

- **January 2024:** Gov files MEA, that contains over 80 policies that impact local government
  - Enable a local option for remote or hybrid meetings
  - Procurement changes for municipal gov.
  - Allows long-term borrowing term of 40 years - up from 30



# MUNICIPAL EMPOWERMENT BILL (MEA)

- **Local Option Taxes**

- Creates a new local option motor vehicle excise surcharge of 5%
- Increases the local option hotel tax from 6% to 7% (and 6.5% to 7.5% in Boston)
- Increases the local option meals tax from .75% to 1%

# MUNICIPAL EMPOWERMENT BILL (MEA)

- **Hearing held in February**
- **No action from either branch of legislature, so far.**

# CITY OF BOSTON TAX CLASSIFICATION

- **Mayor Wu proposed a plan to change property tax classification rules for Boston for next 5-years**
- **Requires State law change**
- **Proposal filed by Mayor Wu on April 1, 2024**

# CITY OF BOSTON TAX CLASSIFICATION

- **Passed City Council in June 2024**
- **Filed in legislature by Rep. Consalvo on June 18<sup>th</sup>.**
- **Unclear if there will be a legislative hearing.**
- **Needs to pass both House & Senate before July 31st**

# ECONOMIC DEVELOPMENT BILL (“MASS LEADS ACT”)

## H.4722: An Act Strengthening Massachusetts’ Economic Leadership

- In March 2024, the Healey-Driscoll Administration unveiled the \$3.5B Mass Leads Act, implementing the recommendations of Secretary of Economic Development Yvonne Hao’s Team MA Economic Development Plan (2023)
- Currently before the Joint Committee on Bonding, Capital Expenditures, and State Assets
- Includes a 10-year, \$1B proposed investment in climatetech, to make MA the global hub for climatetech innovation (building off the 2008 Life Sciences Initiative model)
- Establishes a new Climatetech Tax Incentive Program to enable the state to invest in climatetech companies (with \$30M statutory cap), administered by MassCEC
- Includes \$300M over 10 years to MassCEC operational budget, including workforce development, internships, strategic partnerships, and more.
- Next steps: ABC has drafted a comment letter in support (submission pending additional member suggestions), this bill is expected to pass before 7/31/24

# TRACKING EMERGING CLIMATE BILLS

## S.2829: An Act Upgrading the Grid and Protecting Ratepayers

- Released from Senate Ways and Means 6/18, Senate expected to vote today (6/20)
- Senate and Administration-backed bill, implementing many of the Commission on Clean Energy Siting and Permitting's recommendations
- **What the bill is hoping to address:** lack of deadline for siting decisions, permitting delays (up to 4+ years), a need for more streamlined permitting, and integrating climate into state agencies' missions

# S.2829: AN ACT UPGRADING THE GRID AND PROTECTING RATEPAYERS

## Key bill topics include:

- **Clean Energy Permitting:** State, regional, and local permits for solar, wind, and transmission projects >25MW and battery storage >100MW would be consolidated under a single permit, with EFSB approval/rejection decision made within 15 months
- **Energy Justice:** Standardized community benefit agreements and community engagement requirements
- **Energy Burden:** Expanding discounts on energy bills to moderate-income customers (addressing anticipated increases in energy costs from the clean energy transition)
- **Fossil Fuel Restriction:** Restrictions on the expansion of new natural gas utilities
- **Expansion of MassCEC Research:** new research to include carbon removal, embodied carbon, nuclear power
- **Codifying Climate in State Agencies:** Updated missions of several state agencies to better incorporate climate change (including requiring Massport to prioritize reduction of GHGs)
- **3<sup>rd</sup> Party Electricity Suppliers:** Ban on third-party competitive electricity suppliers for residential\*

# S.2829: AN ACT UPGRADING THE GRID AND PROTECTING RATEPAYERS

## Next steps:

- Senate to vote on S.2829 and a plastic bag ban bill today, which if passed, would then be sent to the House side and Chair of the Telecommunications, Utilities, and Energy Committee for amendments.
- Between now and July 31<sup>st</sup>, the Senate and House will have to agree on bill language, likely in a conference committee, before sending to the Governor's desk for signing. ABC will likely be submitting written comments in the coming weeks.



# OTHER CLIMATE POLICY: MASSDEP'S "RESILIENCE 1.0"

**The MA Department of Environmental Protection (MassDEP) is in the process of integrating climate resilience into their Chapter 91 waterways regulations, in a process known as "Resilience 1.0"**

- ABC submitted written comments on resilience 1.0, offering suggestions for how to accelerate and improve regulations and permitting for innovative climate resilient projects
- Suggestions included the establishment of a Commission on Resilient Permitting

# CLIMATE RESILIENCE UPDATE: HEAT SENSOR PILOT

**Monitoring Extreme Heat:** In June, ABC launched a temperature sensor pilot deploying 15 sensors across the heat island neighborhoods of Chinatown, Dorchester, East Boston, Mattapan, and Roxbury, as well as Jamaica-Plain and Allston-Brighton, to learn about differences in lived heat experiences. We are pursuing this project in partnership with the City of Boston, The Boston Foundation, and the BU School of Public Health/C-HEAT team.



An aerial night photograph of a city, likely Boston, showing a large stadium (Fenway Park) on the left, a river (the Charles River) on the right, and a highway with light trails in the center. The city lights are visible throughout the scene.

**COMMENTS & FEEDBACK**

**A**



**BETTER**

**CITY**