SENATE No. 2564

PETITION OF:

NAME:DISTRICT/ADDRESS:Diana DiZoglioFirst Essex

SENATE No. 2564

By Ms. DiZoglio, a petition (accompanied by bill, Senate, No. 2564) (subject to Joint Rule 12) of Diana DiZoglio for legislation to support MassMakers. Community Development and Small Businesses.

The Commonwealth of Alassachusetts

In the One Hundred and Ninety-First General Court (2019-2020)

An Act to support MassMakers.

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

- SECTION 1. This Act may be known as the MassMakers Act. For purposes of this Act,
- 2 the following terms shall have the following meanings unless the context clearly requires
- 3 otherwise:
- 4 "HîRE MASS", the entrepreneurial and business skills program established pursuant to
- 5 Section 9 of this Act, designed to provide skills to aspiring entrepreneurs and microbusinesses, as
- 6 defined in this Act, to start up, scale up, and become the next generation's employers.
- 7 "Mass Main Streets", the office of Massachusetts main streets established pursuant to
- 8 Section 7 of this Act, for the purpose of protecting, coordinating, promoting, and revitalizing
- 9 downtowns and commercial districts of the commonwealth's cities and towns.
- "MassMade business", an enterprise which (i) has its principal place of business in the
- 11 commonwealth; (ii) is in good standing with the department of revenue; (iii) is registered with

Supply Mass/Buy Mass, as defined in this Act; and (iv) produces raw materials, including agricultural items, in the commonwealth, or manufactures products or goods in the commonwealth.

"MassMakers Portal", the one-stop shop interactive web portal established pursuant to Section 5 of this Act for prospective and established businesses in the commonwealth, to serve as the single, unified entry point for business information and statutory and regulatory compliance.

"Massport Model", the bidder selection model implemented by the port authority which, in the port authority's requests for proposals, requires bidders to incorporate diversity and inclusion plans into their bids, such plans to be considered alongside traditional criteria when evaluating bids and given a weight of 25%.

"Microbusiness", an enterprise which has its principal place of business in the commonwealth, is independently owned and operated, and (i) if a manufacturing firm, has 25 or fewer employees, or (ii) if a service, construction or non-manufacturing firm, has 25 or fewer employees and average annual gross receipts over the 3 previous years not exceeding \$3,500,000, indexed for inflation.

"Minority business", an enterprise which has its principal place of business in the commonwealth, is independently owned and operated, and at least 51% of which is owned and dominantly controlled by adult minority principals as defined in 425 CMR 2.02(1), or any successor regulation thereto.

"Small business", a business entity, including its affiliates, that: (i) is independently owned and operated; (ii) has a principal place of business in the commonwealth; and (iii) would

- be defined as a "small business" under applicable federal law, as established in the United States
 Code and promulgated from time to time by the United States Small Business Administration.
- 35 "Supply Mass/Buy Mass", the program established pursuant to Section 6 of this Act for 36 the purpose of connecting local suppliers with local purchasers.
- 37 SECTION 2. Chapter 6 of the General Laws is hereby amended by inserting after section 38 15IIIIII the following section:-
 - Section 15JJJJJJ: Local is the New Black Weekend

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- Section 15JJJJJJ. The governor shall annually issue a proclamation setting apart the first Friday, Saturday and Sunday following Thanksgiving Day as Local is the New Black Weekend, in recognition and to promote awareness of the vital role that local businesses play in the economy and general welfare of the commonwealth throughout the year, and recommending that the weekend be observed in an appropriate manner by the people.
- SECTION 3. Section 57 of chapter 7 of the General Laws is hereby amended by adding the following paragraphs:-
 - In order to fulfill the commitment embodied in the foregoing policy, it is not sufficient that the state government see that all available services and programs are put to the best use. The state government has an affirmative duty to advance diversity and equity in all of its own rules, regulations and practices. It is therefore incorporated into the policy of the commonwealth that all agencies of the commonwealth, when procuring supplies or services via requests for proposals from private businesses, include diversity and inclusion plan requirements in all such requests and consider those plans alongside traditional criteria when evaluating bids. The weight

given to diversity and inclusion plans when evaluating bids shall be determined by each agency of the commonwealth in collaboration with the executive office of housing and economic development, the executive office of labor and workforce development, the executive office for administration and finance, the commission against discrimination, the supplier diversity office established pursuant to section 58A, the vendor advisory team formed by the gaming commission, and the port authority. Agencies may seek guidance from the Massport Model in determining the weight to be given to diversity and inclusion plans when evaluating bids.

The secretary of each executive office is hereby authorized to promulgate regulations to assure the timely and effective implementation of this section.

SECTION 4. Chapter 7 of the General Laws is hereby amended by striking out sections 58 through 61, inclusive.

SECTION 5. Chapter 9 of the General Laws is hereby amended by inserting after section 31 the following section:-

Section 32: MassMakers Portal

Section 32. (a) There is hereby established a one-stop shop interactive web portal to be known as the MassMakers Portal for prospective and established businesses in the commonwealth. The state secretary, the executive office for administration and finance, the executive offices of education, energy and environmental affairs, health and human services, housing and economic development, labor and workforce development, public safety and security, and technology services and security, and the department of revenue shall jointly develop and implement the MassMakers Portal, which shall serve as a single, unified entry point for prospective and established businesses to obtain local business information and execute all

statutory and regulatory compliance tasks required by the commonwealth in connection with the creation, continuing operation, or upscaling of business.

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(b) In order to develop and implement the MassMakers Portal, the agencies identified in subsection (a) shall assemble a task force which shall consist of the state secretary, ex officio, or a designee, the secretaries of administration and finance, education, energy and environmental affairs, health and human services, housing and economic development, labor and workforce development, public safety and security, and technology services and security, ex officio, or their designees, the commissioner of revenue, ex officio, or a designee; 7 persons appointed by the attorney general, 1 of whom shall be from each of the 7 regions of the commonwealth: the western region, the central region, the northeast region, the Merrimack Valley, the metro west region, the Greater Boston region, and the southeast region; and 7 persons appointed by the governor, 1 of whom shall be from each of the 7 identified regions of the commonwealth. The governor, attorney general, state treasurer, and co-chairs of the task force shall have the discretion to appoint other members to the task force by majority vote. Persons appointed to the task force shall be members or representatives of the business community, including entrepreneurs, microbusiness owners, minority business owners and small business owners, and/or have demonstrated interests and experience in state agency processes, business regulations, web portal design and implementation, and/or other qualifications and experience that the appointing authorities determine are necessary to fulfilling the mission of the task force. Members shall be selected without regard to political affiliation, shall as fully as possible represent a diverse and equitable array of stakeholders, and shall serve without compensation. The state secretary, or a designee from among the members of the task force, and the secretary of housing and economic development, or a designee from among the members of the task force, shall serve as co-chairs.

- (c) The task force shall perform a needs and cost assessment and may, subject to appropriation and the laws and regulations pertaining to the employment of consultants, employ such consultants as the task force deems necessary to assist in the execution of said assessment. Said assessment shall be completed and the results thereof shall be presented to the governor and the general court by March 1, 2021, to inform the budget of the next legislative session. The assessment shall include, but not be limited to, the following:
- (1) recommendations on the location, design, functionality and scope of services of the MassMakers Portal, which at a minimum shall include:
- (i) online account services through which businesses can monitor deadlines for submission of forms, documents and payments, as well as compliance status and standing with each state agency;
 - (ii) electronic applications for licenses and renewals thereof;
- (iii) electronic payment options for fees and taxes incident to the creation, continuing operation or upscaling of business;
- (iv) compliance alerts in connection with new or revised state statutes, regulations and procedures;
- (v) toolkits and video tutorials on all aspects of starting a business in the commonwealth, operating a business, upscaling a business, completing forms and complying with state statutory and regulatory requirements in connection therewith;

120 online services; 121 (vii) Mass Main Streets information, and coordination with Mass Main Streets online 122 services; 123 (viii) HûRE MASS information, and coordination with HûRE MASS onlines services; 124 and 125 (ix) technical assistance resources; 126 (2) an estimate of the costs of full implementation of the MassMakers Portal, including, 127 but not limited to, those associated with technology, infrastructure, operations and maintenance, 128 sharing and coordination of agency data, and security; 129 (3) recommendations for and an estimate of the costs of establishing and maintaining a 130 help center staffed with persons trained to answer questions and assist with navigation of the 131 MassMakers Portal; 132 (4) recommendations on the time-line for designing, developing and testing the 133 MassMakers Portal, which at the latest shall have its first testing phase for the state secretary's 134 office to process new business registrations and associated fee payments by December 31, 2021, 135 and shall have its second testing phase to submit tax payments with the department of revenue by 136 December 31, 2022; 137 (5) recommendations as to the roles of the agencies identified in subsection (a) regarding 138 ongoing operational management of the MassMakers Portal;

(vi) Supply Mass/Buy Mass information, and coordination with Supply Mass/Buy Mass

(6) a comprehensive analysis of the processes of all state agencies with respect to the creation, continued operation or upscaling of businesses located in the commonwealth, with a goal of simplifying and streamlining regulatory tasks and forms required by said agencies and strengthening the delivery of services provided by said agencies to entrepreneurs, microbusinesses, small businesses, and other businesses in the commonwealth;

- (7) identification of any state statutory, regulatory or procedural changes that need to be made to effectuate the functionality of the MassMakers Portal;
- (8) identification of existing entrepreneurial, microbusiness, small business, and other business assets, resources, web content and functions provided by state agencies to coordinate and incorporate such assets, resources, web content and functions into the MassMakers Portal;
- (9) identification of potential impediments to functionality posed by federal law, if any, and recommendations for work-arounds or solutions to such impediments;
 - (10) the impact of prioritizing microbusiness applications and account services; and
- (11) recommendations on potential incentives to encourage municipalities or regional planning authorities to create local portals for similar purposes or committed to similar mission outcomes as the MassMakers Portal, with the option of linking to or being incorporated into the MassMakers Portal.
- (d) The task force may, subject to appropriation, appoint and may remove all such employees as may be necessary to carry out the work of designing and implementing the MassMakers Portal based on the results of the needs and cost assessment. Unless otherwise

- provided by law, all such appointments and removals of employees shall be made under chapter31.
 - (e) The state secretary shall hold as a separate fund and may expend such sums as may be appropriated for the MassMakers Portal by the general court, and may accept gifts, donations, grants or bequests or any federal funds for any of the purposes set forth in this section, which shall be credited to the fund. All available money in the fund that is unexpended at the end of each fiscal year shall not revert to the General Fund and shall be available for expenditure by the task force in the subsequent fiscal year.
 - (f) The state secretary is hereby authorized to promulgate regulations to assure the timely and effective implementation of this section.
 - SECTION 6. Chapter 23A of the General Laws is hereby amended by striking out section 10A and inserting the following section:-
- 171 Section 10A: Supply Mass/Buy Mass; MassMade

- Section 10A. (a) In order for the commonwealth to execute on its responsibility of facilitating expansion of the local economy, MOBD shall establish a program to be known as Supply Mass/Buy Mass for the purpose of connecting local suppliers with local purchasers, whether public or private, institutional, commercial or individual. In implementing said program, MOBD shall:
- (1) establish requirements for local suppliers to register as MassMade businesses with Supply Mass/Buy Mass;

(2) design and implement a Supply Mass/Buy Mass interactive web portal through which local suppliers can register as MassMade businesses and create MassMade business profiles with industry-specific information;

- (3) assemble a searchable database of MassMade businesses through the portal by industry, raw materials produced or products or goods manufactured, and other identifying characteristics, with specific search features independently tailored toward local institutional purchasers, commercial purchasers, and individual purchasers;
- (4) develop toolkits and training videos available through the portal to guide MassMade businesses to better understand the needs and procurement processes of local institutional and commercial purchasers;
- (5) enable local institutional and commercial purchasers to issue requests for proposals through the portal and MassMade businesses to respond to such requests through the portal;
- (6) promote live networking events through the portal to connect MassMade businesses with local institutional and commercial purchasers;
- (7) determine those raw materials, products or goods needed by local institutional and commercial purchasers currently purchased outside the commonwealth or from foreign countries, especially raw materials, products or goods required for the first time; inquire whether other local institutional or commercial purchasers are in need of such raw materials, products or goods; assess whether any MassMade businesses are capable of producing or manufacturing the needed raw materials, products or goods with additional capital or retooling;
 - (8) coordinate and connect the portal with the MassMakers Portal;

- (9) identify other obstacles to conducting business in the commonwealth and advance resources through the portal to address those obstacles to the extent possible;
 - (10) promote public-private partnerships;

- (11) develop, evaluate and recommend policies, initiatives and incentives to prevent consumer flight from local suppliers in the cities and towns of the Merrimack Valley and other border municipalities to suppliers in New Hampshire or other tax advantaged states or from other sources; and
 - (12) undertake any other activities necessary to implement the purposes of this section.

Dedicated effort shall be made to encourage diversity and advance equity based on race, color, religious creed, national origin, sex, gender identity, sexual orientation, genetic information, ancestry, disability, and language in implementing Supply Mass/Buy Mass.

- (b) MOBD may consult with and seek input from interested stakeholders and shall work with entities including MassMade businesses, regional economic development organizations, microbusiness and small business associations, chambers of commerce, the supplier diversity office, the Massachusetts marketing partnership and the office of consumer affairs and business regulations in order to collect and provide business and product information related to MassMade businesses. All Supply Mass/Buy Mass information shall be readily accessible and free to the public.
- (c) MOBD shall hold as a separate fund and may expend such sums as may be appropriated for Supply Mass/Buy Mass by the general court, and may accept gifts, donations, grants or bequests or any federal funds for any of the purposes set forth in this section, which

shall be credited to the fund. All available money in the fund that is unexpended at the end of each fiscal year shall not revert to the General Fund and shall be available for expenditure by MOBD for Supply Mass/Buy Mass in the subsequent fiscal year.

(d) MOBD is hereby authorized to promulgate regulations to assure the timely and effective implementation of this section.

SECTION 7. Chapter 23A of the General Laws is hereby amended by inserting after section 13 the following section:-

Section 13 ½: Mass Main Streets; executive director; function; employees; advisory commission; industrial mill buildings; gifts and grants; trust fund

Section 13 ½. (a) There shall be within MOBD an office of Massachusetts main streets to be known as Mass Main Streets, in this section referred to as MMS, which shall be under the supervision and control of an executive director. The powers and duties given to the executive director of MMS in this section and in any other general or special law shall be exercised and discharged subject to the direction, control and supervision of MOBD.

- (b)(1) The executive director of MMS shall be appointed by the governor, and serve at the pleasure of the governor. The position of executive director of MMS shall be classified under section 45 of chapter 30 and the executive director of MMS shall devote full time during business hours to the duties of MMS.
- (2) The executive director of MMS shall be the executive and administrative head of MMS and shall be responsible for administering and enforcing the laws relative to MMS, any administrative unit of MMS, and the policies, programs and initiatives enacted to fulfill the

mission of MMS pursuant to this section. Powers and duties given to an administrative unit of MMS by a general or special law shall be exercised subject to the direction, control and supervision of the executive director of MMS.

- (c) MMS shall serve as the principal agency for protecting, coordinating, promoting and revitalizing downtowns and commercial districts of the commonwealth's cities and towns, advancing economic and community development within the context of historic preservation, and advocating public-private partnerships to ensure continuing progress and enduring success, by providing strategic, organizational, informational, marketing and technical assistance and resources to the commonwealth's cities and towns and to public and private entities organized for similar purposes or committed to similar mission outcomes. Dedicated effort shall be made to encourage diversity and advance equity based on race, color, religious creed, national origin, sex, gender identity, sexual orientation, genetic information, ancestry, disability, and language in any recommendations, policies, programs and initiatives developed to fulfill the mission of MMS pursuant to this section.
- (d) The executive director of MMS may, subject to appropriation and with the approval of MOBD, appoint and may, with like approval, remove all such employees as may be necessary to carry out the work of MMS. Unless otherwise provided by law, all such appointments and removals shall be made under chapter 31. The executive director may, subject to appropriation and the laws and regulations pertaining to the employment of consultants, employ such consultants as the executive director may deem necessary.
- (e)(1) MMS shall establish an advisory commission to develop budget recommendations and strategies for the development of policies, programs and initiatives to fulfill the mission of

MMS pursuant to this section, including, but not limited to, the design and implementation of an MMS interactive web portal, coordination of such portal with the MassMakers Portal, and qualification of MMS for Main Street America Certification in order to be eligible for programs, tools and resources provided by Main Street America. The executive director of MMS shall convene the advisory commission quarterly. The advisory commission shall annually report its recommendations to MOBD not later than November 1. The advisory commission shall annually file its recommendations with the clerks of the senate and house of representatives not later than November 1. The membership of the commission shall annually elect a chairperson.

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(2) The advisory commission shall have 32 members: 1 representative from the Massachusetts cultural council: 1 representative from the Massachusetts historical commission: 1 representative from the community economic development assistance corporation; 1 representative from Boston Main Streets Foundation; the executive director or the executor director's designee of each of the commonwealth's 14 regional planning agencies: Berkshire Regional Planning Commission, Boston Region Metropolitan Planning Organization, Cape Cod Commission, Central Massachusetts Regional Planning Commission, Franklin Regional Council of Governments, Martha's Vineyard Commission, Merrimack Valley Planning Commission, Metropolitan Area Planning Council, Montachusett Regional Planning Commission, Nantucket Planning and Economic Development Commission, Northern Middlesex Council of Governments, Old Colony Planning Council, Pioneer Valley Planning Commission, and Southeastern Regional Planning and Economic Development District; and 14 persons appointed by the governor, 2 of whom shall be from each of the 7 regions of the commonwealth: the western region, the central region, the northeast region, the Merrimack Valley, the metro west region, the Greater Boston region, and the southeast region. Commission members shall be

persons with demonstrated interests and experience in advancing the cultural, historical and/or economic vitality of downtowns and commercial districts of the commonwealth's cities and towns. All persons appointed to the commission shall be selected without regard to political affiliation and solely on the basis of the qualifications and experience that the appointing authorities determine are necessary to fulfilling the mission of the commission, and shall as fully as possible represent a diverse and equitable array of stakeholders. Each member appointed by the governor shall serve at the pleasure of the governor.

- (3) The members of the commission shall receive no compensation for their services but shall be reimbursed for any usual and customary expenses incurred in the performance of their duties. This commission shall annually, not later than November 1, make a report to the executive director and the secretary of housing and economic development, and may make such special reports as the commission or the executive director of MMS may deem desirable.
- (f)(1) MMS shall establish a subcommittee of the advisory commission to develop strategies to stimulate the redevelopment, rehabilitation and revitalization of industrial mill buildings and their environs in the commonwealth. Recommendations of the subcommittee shall be incorporated into the annual report filed by the advisory commission with the clerks of the senate and house of representatives pursuant to paragraph 1 of subsection (e).
- (2) The subcommittee shall serve as a research body for issues critical to the redevelopment, rehabilitation and revitalization of industrial mill buildings and their environs in the commonwealth and shall: (i) create a database and study, review and report on the status of industrial mill buildings and their environs in the commonwealth; (ii) assess market conditions relative to the economic robusticity of each active industrial mill building in its current use; (iii)

identify measures to improve industrial mill building energy efficiency and prevent further structural and environmental degradation; (iv) investigate potential short-term and long-term uses or development solutions for vacant or underutilized industrial mill buildings; (v) review and advise the general court and the executive branch on the impact of existing and proposed state laws, policies and regulations on the potential redevelopment, rehabilitation or revitalization of industrial mill buildings and their environs, including, but not limited to, tax incentives and renewable energy initiatives; (vi) explore innovative permitting processes, zoning regulations and building codes to encourage the redevelopment, rehabilitation or revitalization of industrial mill buildings and their environs; (vii) advance legislative and policy solutions to effectuate the foregoing; (viii) advocate public-private partnership opportunities; and (ix) take such other actions as deemed necessary in furtherance of its purposes.

(3) The subcommittee shall consist of those members of the advisory commission representing jurisdictions containing industrial mill buildings, and 1 industrial mill building owner from each region of the 7 regions identified in paragraph (2) of subsection (e) which contains an industrial mill building appointed by the governor. Subcommittee members shall be persons with demonstrated interests and experience in the redevelopment, rehabilitation and/or revitalization of industrial mill buildings and their environs in the commonwealth. All persons appointed to the subcommittee shall be selected without regard to political affiliation and solely on the basis of the qualifications and experience that the appointing authorities determine are necessary to fulfilling the mission of the subcommittee, and shall as fully as possible represent a diverse and equitable array of stakeholders. Each member appointed by the governor shall serve at the pleasure of the governor. The members of the subcommittee shall receive no compensation

for their services but shall be reimbursed for any usual and customary expenses incurred in the performance of their duties.

- (g) MMS may accept and solicit funds, including any gifts, donations, grants or bequests or any federal funds for any of the purposes set forth in this section, which shall be credited to the Mass Main Streets Trust Fund established pursuant to subsection (h).
- (h)(1) There shall be a Mass Main Streets Trust Fund which shall be administered by MOBD as custodian for MMS and held by MOBD separate and apart from its other funds. There shall be credited to the fund such sums received pursuant to subsection (g) and such sums as may be appropriated for MMS by the general court.
- (2) All available money in the fund that is unexpended at the end of each fiscal year shall not revert to the General Fund and shall be available for expenditure by MMS in the subsequent fiscal year.
- (3) MMS shall submit an annual report to MOBD, the clerks of the senate and house of representatives and the joint committee on community development and small businesses not later than December 31 on the cost-effectiveness of the fund. The report shall be made available on the MMS website. The report shall include: (i) expenditures made by MMS from money out of the fund to promote the revitalization of downtowns and commercial districts of the commonwealth's cities and towns and to otherwise fulfill the mission of MMS pursuant to this section; and (ii) expenditures made by MMS for administrative costs.
- SECTION 8. Chapter 23A of the General Laws is hereby amended by inserting after section 66 the following section:-

Section 66A: Microbusiness and minority business strategy commission; members; powers and duties; meetings; annual report

Section 66A. (a) There shall be a microbusiness and minority business strategy commission within, but not subject to the supervision or control of, the executive office of housing and economic development. The mission of the commission shall be to enhance the economic vitality of the commonwealth's microbusinesses and minority businesses, recognizing the fundamental role that microbusinesses and minority businesses play in the economy and the contributions made by microbusinesses and minority businesses to the general welfare of the commonwealth.

(b) The commission shall consist of the following 18 members: the secretary of housing and economic development, ex officio, or a designee; the secretary of administration and finance, ex officio, or a designee; the chair of the commission against discrimination, ex officio, or a designee; the director of the supplier diversity office, ex officio, or a designee, and 14 persons appointed by the governor, 2 of whom shall be from each of the 7 regions of the commonwealth: the western region, the central region, the northeast region, the Merrimack Valley, the metro west region, the Greater Boston region, and the southeast region. Of those 14 appointees, at least 3 shall be microbusiness owners or representatives of microbusiness owners in underserved communities or communities with a high percentage of low-income households, at least 3 shall be founders or organizers of platforms, pop-up markets, or other vendor collaboratives serving microbusinesses organized for similar purposes or committed to similar mission outcomes as, for example, CI Works, WeWork, and Top Knots CoWorking, and/or minority

businesses organized for similar purposes or committed to similar mission outcomes for advancing equity based on race, color, religious creed, national origin, sex, gender identity, sexual orientation, genetic information, ancestry, disability, or language as, for example, BLK+GRN, the e-commerce platform We Buy Black, and the Black-Owned Market. Commission members shall be persons with demonstrated interests and experience in advancing the interests of microbusinesses and/or minority businesses, and their owners. All persons appointed to the commission shall be selected without regard to political affiliation and solely on the basis of the qualifications and experience that the appointing authorities determine are necessary to fulfilling the mission of the commission, and shall as fully as possible represent a diverse and equitable array of stakeholders.

- (c) Members of the commission may serve a maximum of 3 consecutive 3–year terms. A vacancy occurring on the commission shall be filled within 90 days by the original appointing authority. A person appointed to fill a vacancy shall serve initially only for the balance of the unexpired term. The commission shall annually elect from among its members a chair, a vice chair, and any other officers it considers necessary. The members of the commission shall receive no compensation for their services but shall be reimbursed for any usual and customary expenses incurred in the performance of their duties. Members shall be considered special state employees for the purposes of chapter 268A. Each member of the commission shall be a resident of the commonwealth.
- (d) The commission shall serve as a research body for issues critical to the welfare and vitality of the commonwealth's microbusinesses and minority businesses and shall: (i) study, review and report on the status of microbusinesses and minority businesses in the commonwealth; (ii) advise the general court and the executive branch of the impact of existing

and proposed state laws, policies and regulations on the commonwealth's microbusinesses and minority businesses; (iii) advance legislative and policy solutions that address the needs of the commonwealth's microbusinesses and minority businesses; (iv) advocate to ensure that the commonwealth's microbusinesses and minority businesses receive a fair share of state investment; (v) work with lending institutions, insurance companies, and other private businesses in the commonwealth to encourage formation of seed money and microcredit opportunities for facilitating the starting up and upscaling of microbusinesses and minority businesses in their efforts to obtain loan money and operating capital from private and public lenders; (vi) promote collaboration among the commonwealth's microbusinesses and minority businesses to improve efficiency in delivery of services and other cost efficiencies; and (vii) develop and support access to state resources for the commonwealth's microbusinesses and minority businesses. The executive office shall provide the commission with adequate office space and any research, analysis or other staff support that the commission reasonably requires.

- (e) The commission shall meet on a quarterly basis at the discretion of the chair. Meeting locations shall rotate between the 7 regions of the commonwealth identified in subsection (b). Meetings shall be open to the public pursuant to sections 18 to 25, inclusive, of chapter 30A.
- (f) The commission may accept and solicit funds, including any gifts, donations, grants or bequests or any federal funds for any of the purposes of this section. The funds shall be deposited in a separate account with the state treasurer, shall be received by the state treasurer on behalf of the commonwealth and shall be expended by the commission under the law.
- (g) The commission shall annually, not later than June 2, report the results of its findings and activities of the preceding year and its recommendations to the governor and to the clerks of

the senate and the house of representatives who shall forward the same to the joint committee on economic development and emerging technologies.

(h) Notwithstanding any general or special law, regulation, policy or procedure to the contrary, microbusinesses shall be exempt from the annual report fees imposed by the state secretary's office, and minority businesses that qualify as microbusinesses shall be exempt from the diversity certification and third-party certification application fees imposed by the supplier diversity office. The state secretary is hereby authorized to promulgate regulations to assure the timely and effective implementation of this subsection.

SECTION 9. Chapter 23A of the General Laws is hereby amended by inserting after section 68 the following sections:-

Section 69: HûRE MASS

Section 69. (a) MOBD shall establish an entrepreneurial and business skills program to be known as HTRE MASS, designed to provide entrepreneurial and business skills to residents of the commonwealth who are in the process of acquiring or who possess valuable saleable trade skills, including, but not limited to, hairstylists and barbers, manicurists, aestheticians, massage therapists, electricians, plumbers, and gas fitters, but who lack the knowledge to start or expand their own businesses, in order to raise them to the level where they can start their own businesses, become microbusinesses and eventually scale up to become small businesses and the next generation's employers. Dedicated effort shall be made to encourage diversity and advance equity based on race, color, religious creed, national origin, sex, gender identity, sexual orientation, genetic information, ancestry, disability, and language in the program developed

pursuant to the authority conferred in this section, and any successor policies, programs and initiatives related to said program.

- (b) MOBD shall consult with and engage relevant stakeholders in the commonwealth, including, but not limited to, students, educators and administrators of vocational and technical schools, community colleges, public colleges and universities, and private colleges and universities, participants and administrators of other trade, certification and apprenticeship programs, microbusiness and small business associations and owners, minority business associations and owners, and trade and labor associations, to assist in the development and periodic review of the program and its implementation, including, but not limited to:
- (1) determining the criteria and processes for participation in H⊕RE MASS, whether as a student or educator, to maximize the number and diversity of people served;
- (2) identifying entrepreneurial and microbusiness development needs and existing resources and services;
- (3) addressing obstacles for aspiring entrepreneurs and upscaling microbusiness owners in utilizing existing resources and services and exploring methods to simplify, streamline and strengthen the delivery of such resources and services;
- (4) establishing curricula for HîRE MASS, with special attention paid to the needs of aspiring entrepreneurs and microbusiness owners for off-hour and accelerated programming, including variants for entrepreneurial and business skills weekend "bootcamps", to maximize the skills gained and quality of outcomes achieved;

- (5) engaging voluntary uncompensated and, subject to appropriation, compensated
 educators and administrators to implement HŷRE MASS;
 - (6) cultivating and promoting public-private partnerships to ensure an enduring H⊕RE MASS program;
 - (7) generating toolkits and training videos to be made available through the MassMakers Portal; and
 - (8) developing budget recommendations.

MOBD shall hold its first public outreach not more than 60 days after the effective date of this act and shall, to the extent possible, ensure fair representation and input from a diverse and equitable array of stakeholders. MOBD may assemble a task force to effectuate the foregoing, whose members shall serve without compensation.

- (c) MOBD shall hold as a separate fund and may expend such sums as may be appropriated for HûRE MASS by the general court, and may accept gifts, donations, grants or bequests or any federal funds for any of the purposes set forth in this section, which shall be credited to the fund. All available money in the fund that is unexpended at the end of each fiscal year shall not revert to the General Fund and shall be available for expenditure by MOBD for HûRE MASS in the subsequent fiscal year.
- (d) MOBD shall annually, on or before December 31, file a report with the clerks of the house of representatives and the senate, the house and senate committees on ways and means, the joint committee on economic development and emerging technologies, the joint committee on

community development and small businesses, the joint committee on labor and workforce development, and the joint committee on education.

(e) MOBD is hereby authorized to promulgate regulations to assure the timely and effective implementation of this section.

Section 70: Definitions applicable to Secs. 72 to 74

Section 70. As used in sections 72 to 74 of this chapter, the following words shall have the following meanings, unless a contrary intent is clearly indicated:—

"Certified business enterprise" and "certified business", a business certified pursuant to section 74.

"Director", the director of the supplier diversity office.

"Disadvantaged business enterprise", a disadvantaged business enterprise as defined by the United States Department of Transportation in 49 C.F.R. § 26 et seq.

"Minority business enterprise" or "MBE", for the purpose of receipt of services from SDO, a business enterprise that is both owned and controlled by 1 or more socially or economically disadvantaged persons who have invested in an ongoing business free of conversion rights. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to, minority persons as defined in 425 CMR 2.02(1), or any successor regulation thereto. For purposes of section 74, the term "minority-owned business" shall have the same meaning as "minority business enterprise".

"Office", the supplier diversity office as established by section 71.

"SDO", the supplier diversity office as designated by section 71. The office shall be the successor to the office of minority and women business assistance and the preceding supplier diversity office within the operational services division of the executive office for administration and finance.

"Unified certification program", the program, whereby the supplier diversity office certifies disadvantaged business enterprises, as required by regulations of the United States Department of Transportation in 49 C.F.R. § 26 et seq.

"Veteran business enterprise" or "VBE", for the purpose of receipt of services from SDO, a business enterprise that is both owned and controlled by 1 or more veterans, as defined in section 7 of chapter 4, who have invested in an ongoing business free of conversion rights. For purposes of section 74, the term "veteran-owned business" shall have the same meaning as "veteran business enterprise".

"Women business enterprise" or "WBE", for the purpose of receipt of services from SDO, a business enterprise that is both owned and controlled by 1 or more women who have invested in an ongoing business free of conversion rights. For purposes of section 74, the term "women-owned business" shall have the same meaning as "women business enterprise".

Section 71: Supplier diversity office

Section 71. There shall be a supplier diversity office which shall be an agency within the executive office of housing and economic development.

Section 72: Director of supplier diversity office

Section 72. SDO shall have a director and such other specialists as may be authorized. The director shall have all necessary authority to effect the purposes of section 57 of chapter 7 and sections 70 to 74 of this chapter, inclusive, and shall have the authority to seek such funds, public or private, as may be available and needed to carry out the intent of those sections.

Section 73: Unified Certification Program Trust Fund

Section 73. (a) There shall be established a separate account to be known as the Unified Certification Program Trust Fund, in this section called the fund. The director shall expend funds, without further appropriation, exclusively for the operation of the unified certification program.

(b) Funds received from the federal government by the following state and regional authorities and municipal and regional airports, in this section collectively referred to as the participants, and any others that take part in the unified certification program, for the purpose of operating the unified certification program, shall be deposited in the fund: the Massachusetts Department of Transportation, the Massachusetts Bay Transportation Authority, the Massachusetts Port Authority, the Berkshire Regional Transit Authority, the Brockton Area Transit Authority, the Cape Cod Regional Transit Authority, the Greater Attleboro-Taunton Regional Transit Authority, the Lowell Regional Transit Authority, the Merrimack Valley Regional Transit Authority, the Montachusett Regional Transit Authority, the Pioneer Valley Regional Transit Authority, the Southeastern Regional Transit Authority, the Worcester Regional Transit Authority, Barnstable Municipal Airport, Martha's Vineyard Airport, Nantucket Memorial Airport and New Bedford Regional Airport. The methodology used in determining the allocation of payments due from each participant shall be determined pursuant to a formula,

subject to modification from time to time, that is established by and between the Massachusetts

Department of Transportation, the participants and the United States Department of

Transportation, consistent with applicable federal laws and regulations.

Section 74: Powers and duties of supplier diversity office

Section 74. (a) SDO shall adopt regulations and policies for the establishment and management of the office's certification process, including regulations and policies governing the streamlining, approval, denial or revocation of any such certification.

- (b) SDO shall seek to develop and maintain a directory of certified minority, women and veteran businesses within the commonwealth, and shall, from time to time, notify such businesses of the programs and services available to them, whether from public or private sources, or from local, state or federal agencies. To the extent feasible, SDO shall separately categorize minority businesses pursuant to the categories specified in 425 CMR 2.02(1), or any successor regulation thereto, and shall separately track outcomes of programs and policies under this section with respect to such categories.
- (c) SDO may establish its own programs and policies and seek from any official or agency of the commonwealth or its political subdivisions, information and assistance necessary to carry out its functions and duties; and all officials, agencies or political subdivisions of the commonwealth shall supply such information or assistance.
- (d) SDO shall receive assistance from state agencies including, where consistent with existing law, commitments that such agencies do a minimum amount of contracting and subcontracting with minority or women or veteran businesses. SDO shall assist minority, women

- (e) SDO shall coordinate its activities with those of other offices, and shall assist minority, women and veteran businesses in their dealings with federal agencies and with state departments and agencies. SDO shall also provide assistance to all cabinet secretaries and departments, in evaluating economic activities of their offices to determine how their offices may be of assistance in providing fair opportunities for minority, women and veteran businesses.
- (f) SDO may work with lending institutions, insurance companies, and other private businesses in the commonwealth to encourage the formation of seed money for facilitating the starting-up and expansion of minority, women and veteran businesses. SDO may provide assistance to minority, women and veteran businesses in their efforts to obtain loan money and operating capital from private and public lenders.
- (g) SDO may seek to increase the amount of financial assistance available to minority, women and veteran businesses from private financial institutions; and may, from time to time, sponsor conferences, workshops or other informational programs.
- (h) SDO shall seek to encourage voluntary assistance programs by which nonminority, non-women and non-veteran business employees are loaned to minority, women and veteran businesses or by which minority, women and veteran business persons are taken into viable business ventures to acquire training and experience in managing business affairs.
- (i) SDO may encourage state contract awarding authorities to seek to increase the incidence of joint ventures between nonminority state contractors and minority, women and veteran contractors, by specifically pointing out that such arrangements would constitute one

method of partially meeting affirmative action requirements imposed upon both nonminority state contractors and the state. The director of affirmative action shall be kept informed of actions taken under this provision. SDO shall follow advertisements for construction work by public bodies in the commonwealth, shall notify minority, women and veteran general contractors and subcontractors of the bid opening dates for the approximate amount of the contract and subcontract work being bid, may assist them in securing bonds and in bidding for that construction work and shall initiate a program to help qualified minority persons, women and veterans to get started as small business firms in the construction field by helping to arrange joint ventures with qualified general contractors and subcontractors and by arranging for administrative and accounting assistance to help them carry out their subcontract and general contract obligations during the period of contract performance.

(i ½) SDO shall promulgate regulations to encourage and facilitate participation on public projects for service-disabled veteran-owned small businesses interested in and capable of providing construction and design services on public construction and design projects. For the purposes of this subsection, "service-disabled veteran-owned small business" shall mean a business that is verified by the federal government's Department of Veterans Affairs pursuant to the Veterans Benefits, Health Care, and Information Technology Act of 2006, Pub. L. 109–461, and determined to be a service-disabled veteran-owned small business concern in accordance with 38 CFR Part 74 and Pub. L. 111–275.

(i ¾) SDO shall, every 3 years and in consultation with the department of veterans' services, establish goals for participation of service-disabled, veteran-owned business enterprises in all areas of state procurement contracting, including contracts for public construction, design services and commodities and service. In calculating such goals, the director shall base the

determination on an understanding of the pool of service-disabled, veteran-owned business enterprises available for participation.

- (j) SDO shall submit an annual report to the general court on the minority, women and veteran businesses which it assists, the type of services which it renders, the difficulties it encounters. The report may include recommendations for legislative or executive action.
- (k) SDO shall, after notice and an opportunity to be heard, impose administrative penalties on an applicant for certification or recertification that knowingly provides false or misleading information on its application or in support of its application for certification or recertification as a minority- or women- or veteran-owned business, or on a person who fails to comply with any provision of any regulation or approval issued or adopted by the agency or of any law which the agency has the authority or responsibility to enforce.
- $(k \frac{1}{2})(1)$ SDO shall have oversight and enforcement authority over the performance of contracts awarded to nonminority state contractors who enter into joint ventures with minority or women or veteran contractors or subcontractors for the purpose of partially meeting affirmative action requirements imposed upon both nonminority state contractors and the state, with respect to the participation of such minority or women or veteran contractors or subcontractors in the performance of such contracts.
- (2) SDO shall, after notice and an opportunity to be heard, have the authority to impose a minimum 5-year ban on awarding contracts to nonminority state contractors who enter into joint ventures with minority or women or veteran contractors or subcontractors for the purpose of partially meeting affirmative action requirements imposed upon both nonminority state contractors and the state but who, after being awarded such contract, willfully terminate such

joint venture or willfully do not fulfill the requirements of such joint venture with respect to the participation of such minority or women or veteran contractors or subcontractors without being granted a waiver by the director pursuant to subsection (p), and such other administrative or financial penalties as the director may deem appropriate. The director of affirmative action shall be kept informed of actions taken under this provision.

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- (1) The director shall consult with the commissioner of capital asset management and maintenance on the establishment of an affirmative marketing program pursuant to section 6 of chapter 7C. The affirmative marketing program shall be established for the purpose of ensuring the fair participation of minority-owned and women-owned businesses on capital facility projects and state assisted building projects. The affirmative marketing program shall establish participation goals for minority-owned and women-owned business on capital facility projects and state assisted building projects. Participation goals for minority-owned business and womenowned business shall be based upon the broadest and most inclusive pool of available minorityowned businesses and women-owned businesses interested in and capable of performing construction work and design services on such capital facility projects and state assisted building projects. The director and the commissioner of capital asset management and maintenance shall meet on a quarterly basis to determine the status of implementation of the affirmative marketing program and what further steps both agencies deem necessary to achieve the purposes of section 6 of chapter 7C and this subsection. For purposes of this subsection, the terms "capital facility project" and "state assisted building project" shall have the same meanings as found in section 6 of chapter 7C.
- (m) In connection with the affirmative marketing program established pursuant to section 6 of chapter 7C, SDO shall regularly review and, where necessary, modify its certification

process to ensure that it operates effectively, and shall report annually to the secretary of the executive office of housing and economic development and the secretary of the executive office for administration and finance regarding these matters.

- (n) SDO shall be responsible for the overall management, monitoring, and enforcement of the affirmative marketing program as it relates to minority-owned and women-owned business participation on state assisted building projects. The director may appoint a program director to assist in program development, coordination of program operations and compliance with program goals and objectives. The program director shall also have responsibility for monitoring compliance regarding minority-owned and women-owned business participation on state assisted building projects, addressing program violations and coordinating enforcement activities.
- (o) The director shall develop a written procedure by which participation goals, for an individual state assisted building project, may be adjusted for minority-owned businesses, women-owned businesses or both; but, the adjustment shall be based upon the actual availability of minority-owned businesses and women-owned businesses, the geographic location of the project, the scope of work of the capital facility project or other relevant factors.
- (p) The director shall develop a written waiver procedure by which, at any time before the award of a contract, it may be determined that compliance with the participation goals is not feasible and by which the participation goals on a state assisted building project may be reduced or waived. Waiver shall be granted only upon a showing that good faith efforts have been made to comply with the participation goals.
- (q) The director and the commissioner of capital asset management and maintenance shall by March 15 of each year submit to the joint committee on state administration and

regulatory oversight, the senate committee on ways and means, the house committee on ways and means, the clerk of the house, and the clerk of the senate a report on the performance of the affirmative marketing program for the preceding year. The report shall, at a minimum, show the name and address of each such minority-owned business and women-owned business, its designation as a minority-owned or women-owned business, the contract or subcontract price, a description of the work performed on the contract by class of work, and project type, and shall show separately the total number of contracts awarded to minority-owned and women-owned businesses as a percentage of the total number of contracts awarded and as a percentage of the total contract price.

- (r) The director shall adopt regulations necessary to implement this subsection.
- (s) The SDO shall, every 2 years and in consultation with the Massachusetts Office on Disability, establish goals for participation of individuals with disabilities in all areas of state procurement contracting. Participation goals may be met by contracting or subcontracting with businesses that hire, or identify and recruit with the intent to hire, qualified applicants with disabilities. SDO shall provide assistance to the executive offices in determining opportunities for contracting with businesses that hire persons with disabilities to meet the participation goal set forth in this paragraph, including contractors and subcontractors providing goods and services under multi-year contracts or grants funded by agencies within the executive offices.

SDO shall file an annual report with the clerks of the house of representatives and the senate on or before October 31 on the progress made toward meeting the participation goal set forth in this paragraph

SECTION 10. Chapter 30A of the General Laws is hereby amended by striking out section 5A and inserting in place thereof the following section:-

Section 5A: Review of rules and regulations regarding economic impact on microbusinesses and small businesses

Section 5A. Existing rules and regulations shall be reviewed by each agency contemporaneously with the development of the written comprehensive economic development policy for the commonwealth and the strategic plan for implementing the policy during the first year of each new gubernatorial administration required pursuant to subsection (I) of section 16G of chapter 6A, which review shall be completed no later than June 30 of that year in order to inform said economic development policy, or 5 years from the date last reviewed, whichever occurs first, to ensure that those rules and regulations minimize economic impact on microbusinesses and small businesses in a manner consistent with the stated objectives of applicable statutes.

In reviewing a rule or regulation to minimize economic impact of the rule or regulation on microbusinesses and small businesses, the agency shall file a business impact statement which considers the following factors and any impact differentials between microbusinesses and small businesses that are not microbusinesses:

- (1) the continuing need for the rule or regulation;
- (2) the nature of complaints or comments received concerning the rule or regulation from the public;
 - (3) the complexity of the rule or regulation;

719 (4) the extent to which the rule or regulation overlaps, duplicates or conflicts with other 720 federal, state and local governmental rules and regulations; 721 (5) the length of time since the rule or regulation has been enacted, changed, amended or 722 modified; and 723 (6) the degree to which technology, economic conditions or other factors have changed in 724 the subject areas affected by the rule or regulation. 725 SECTION 11. Section 6 of chapter 30B of the General Laws is hereby amended by striking out subsection (b) and inserting the following subsection:-726 727 (b) The chief procurement officer shall solicit proposals through a request for proposals. 728 The request for proposals shall include: 729 (1) the time and date for receipt of proposals, the address of the office to which the 730 proposals are to be delivered, the maximum time for proposal acceptance by the governmental 731 body; 732 (2) the purchase description and all evaluation criteria that will be utilized pursuant to 733 paragraph (e); 734 (3) a requirement for a diversity and inclusion plan which shall be considered alongside 735 traditional criteria when evaluating bids; and 736 (4) all contractual terms and conditions applicable to the procurement provided that the

contract may incorporate by reference a plan submitted by the selected offeror for providing the

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required supplies or services.

The request for proposals may incorporate documents by reference; provided, however, that the request for proposals specifies where prospective offerors may obtain the documents. The request for proposals shall provide for the separate submission of price, and shall indicate when and how the offerors shall submit the price. The chief procurement officer shall make copies of the request for proposals available to all persons on an equal basis.

SECTION 12. This Act shall take effect on January 1, 2021.

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SECTION 13. Sections 3 and 11 shall only apply to requests for proposals proffered on or after the effective date of this Act.