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Accompanying the first recommendation of the Department of Commerce and Development (House, No. 20). Mercantile Affairs.

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**The Commonwealth of Massachusetts**

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In the Year One Thousand Nine Hundred and Sixty-Five.

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AN ACT INCREASING THE COMMONWEALTH'S GUARANTEE AND ANNUAL CONTRIBUTIONS FOR THE HOUSING OF ELDERLY PERSONS.

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

1 Chapter 121 of the General Laws is hereby amended by strik-  
2 ing out section 26VV, as most recently amended by chapter 551  
3 of the acts of 1963, and inserting in place thereof the following  
4 section: —

5 *Section 26VV.* The commonwealth, acting by and through  
6 the division of housing in the department of commerce and de-  
7 velopment, may enter into a contract or contracts with a hous-  
8 ing authority for state financial assistance in the form of a  
9 guarantee by the commonwealth of bonds and notes, or either  
10 bonds or notes, of the housing authority issued to finance the  
11 cost of a project or projects or a part or parts of a project or  
12 projects to provide housing for elderly persons of low income.  
13 The amount of bonds and notes, or bonds or notes, guaranteed  
14 by the commonwealth under this section shall not exceed one  
15 hundred and forty-five million dollars. Each contract for state  
16 financial assistance shall provide that the commonwealth will  
17 pay to the housing authority annual contributions; provided,  
18 however, that the total amount of annual contributions con-  
19 tracted for by the commonwealth for any one year shall not  
20 exceed three million six hundred and twenty-five thousand  
21 dollars. Each such annual contribution by the commonwealth  
22 shall be paid by the commonwealth upon approval and cer-

23 tification by the division of housing in the department of com-  
24 merce and development to the state comptroller. The pro-  
25 visions of sections twenty-six NN and twenty-six OO shall, so  
26 far as apt, be applicable to contracts for state financial assist-  
27 ance under this section.

28 In addition to said annual contribution, the commonwealth  
29 shall, upon approval and certification by the division of housing  
30 in the department of commerce and development to the state  
31 comptroller, pay an additional annual contribution of one and  
32 one half per cent of the completion cost during any fiscal year  
33 over and above the annual contribution of two and one half per  
34 cent of the completion cost permitted under the first paragraph  
35 of this section and under sections twenty-six NN and twenty-  
36 six OO for any project or projects or a part or parts of a project  
37 or projects to provide housing for elderly persons of low income;  
38 provided, said project or projects have been determined to be  
39 complete and eligible to receive such annual contributions by  
40 said division; and provided, further, that the deputy commissioner  
41 of said division finds that the combined revenue and subsidy of  
42 such projects is insufficient to meet the cost of operation and  
43 debt service. The additional annual contributions authorized  
44 under this paragraph shall not in any one year exceed two mil-  
45 lion one hundred and seventy-five thousand dollars, over and  
46 above the three million six hundred and twenty-five thousand  
47 dollars authorized under the first paragraph.