

By Ms. Bunte of Boston, petition of the Boston Housing Authority and Doris Bunte for legislation to require the Commonwealth to guarantee notes or bonds of housing authorities issued to finance low rent housing projects. Urban Affairs.

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## The Commonwealth of Massachusetts

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

AN ACT GUARANTEEING THE NOTES OR BONDS OF A HOUSING AUTHORITY ISSUED TO FINANCE A LOW RENT HOUSING PROJECT ASSISTED UNDER SECTION 8 OF THE UNITED STATES HOUSING ACT OF 1937.

*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 121B is amended by the addition of the following  
2 new section:—

3 *Section 35A.* The commonwealth, acting by and through the  
4 department, may enter into a contract or contracts with a  
5 housing authority for state financial assistance in the form of a  
6 guarantee by the commonwealth of bonds and notes, or either  
7 bonds or notes, of the housing authority issued to finance the  
8 cost of a project or projects assisted under Section 8 of the  
9 United States Housing Act of 1937 as amended by the Housing  
10 and Community Development Act of 1974. Any such notes or  
11 bonds, whether original or refunding, may at any time be  
12 refunded through the issue and sale of notes or bonds hereunder  
13 but in no event for a term more than forty years after  
14 completion of the projects, as determined by the department.  
15 Notwithstanding the provisions of section seventeen the  
16 payment of the principal of and interest on, all such notes or  
17 bonds or both shall be guaranteed by the commonwealth and  
18 the full faith and credit of the commonwealth is hereby pledged  
19 for any such guarantee.

20 No contract or other arrangement entered into by a Housing  
21 Authority with an owner of real estate for the purchase or  
22 acquisition of real estate, to be assisted under Section 8 of the  
23 United States Housing Act of 1937 as amended by the Housing  
24 and Community Development Act of 1974, which permits,  
25 requires, or is conditioned upon the construction, reconstruc-  
26 tion, remodeling, repair or demolition of building or dwelling  
27 units on such real estate by such owner shall be deemed to be a  
28 contract for the construction, reconstruction, alteration,  
29 remodeling, repair, or demolition of a building by a governmen-  
30 tal unit of the commonwealth within the meaning of section  
31 forty-four A to forty-four L, inclusive, of chapter one-hundred  
32 and forty-nine or a contract for the construction, reconstruction,  
33 alteration, remodeling or repair of any public building or public  
34 work or for the purchase of any material, within the meaning of  
35 sections thirty-nine F to thirty-nine P, inclusive, of chapter  
36 thirty.