

HOUSE No. 4381

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, May 1, 1968.

The committee on Commerce and Labor, to whom was referred the petition (accompanied by bill, House, No. 1976) of John W. Sears for legislation to encourage business corporations to locate in low income areas and in areas where there is an abundant supply of skilled labor, reports the accompanying bill (House, No. 4381).

For the committee,

MARY B. NEWMAN.

The Commonwealth of Massachusetts

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

AN ACT ESTABLISHING THE MASSACHUSETTS SMALL BUSINESS AGENCY.

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

1 SECTION 1. *Definitions.* — As used in this act the following
2 words and terms shall have the following meanings unless a
3 contrary intent is clearly indicated: —

4 (a) "Local service center" shall mean a center established
5 in or near low income areas by the MSBA.

6 (b) "Low income area" shall mean an area established as
7 such by the MSBA or any area which has qualified for a
8 grant under the Federal Model Cities Program.

9 (c) "Small business" shall mean a company or other busi-
10 ness enterprise, including sole proprietorships, qualifying as
11 a small business under the regulations of the MSBA or under
12 the regulations established by the MSBA.

1 SECTION 2. *Declarations of Public Necessity.* — It is hereby
2 declared that as a result of public actions involving high-
3 ways, public facilities and urban renewal programs, and as
4 a result of other economic and social conditions, including
5 but not limited to discrimination, lack of education, the ten-
6 dency for certain groups of lower income to concentrate in
7 certain areas, there now exists in many cities and towns in
8 the Commonwealth an acute problem of the spreading of
9 slum conditions and blight to formerly sound neighborhoods.
10 These slum conditions are inimical to the safety, health, mo-
11 rals and welfare of the residents of the commonwealth and
12 the sound growth of the communities therein. The continued
13 spreading of these slums results in the continued existence
14 and proliferation of slum conditions with all its attendant
15 consequences of disease, crime, injuries, retardation of edu-
16 cation, and high costs for municipal services; such as welfare,

17 police and fire protection. This public exigency, emergency
18 and distress has not been met in any way by private agencies.
19 Private enterprise, without the assistance contemplated in
20 this act, cannot achieve the obliteration of some of the causes
21 of the destruction of formerly sound neighborhoods. (Through
22 stimulation of credit, ownership and participation in small
23 business by low income residents of low-income areas.)

24 It is therefore imperative that the stimulation of credit
25 and ownership and participation in small business by low in-
26 come residents of low income areas be achieved and that
27 private enterprise be assisted in the establishment, preserva-
28 tion and strengthening of small business concerns, in the im-
29 provement of the managerial and other skills employed in
30 such enterprises, with special concern to small business con-
31 cerns located or anticipating to be established or located in
32 urban areas of high concentration of unemployed or low income
33 individuals or owned by low income individuals and in the
34 obligation for these objectives, private as well as public man-
35 agerial skills and resources.

1 SECTION 3. *Massachusetts Small Business Agency.* — There
2 is hereby created and placed in the department of commerce
3 and development a body politic and corporate to be known
4 as the Massachusetts Small Business Agency, which shall not
5 be subject to the supervision or control of the department of
6 commerce and development or of any department, commission,
7 board, bureau or agency of the commonwealth except to the
8 extent and in the manner provided in this act. The MSBA
9 is hereby constituted a public instrumentality and the exer-
10 cise by the MSBA of the powers conferred by this act shall
11 be deemed and held to be the performance of an essential
12 governmental function.

13 The MSBA shall consist of the commissioner of commerce
14 and development, the commission of civil service and three
15 persons appointed by the governor. The commissioner of com-
16 merce and development shall be the chairman. Each appointive
17 member shall be appointed for a term of seven years, except
18 that in making his initial appointments, the governor shall

19 appoint each member to serve for terms of three, five and
20 six years respectively, as he may designate. Any person ap-
21 pointed to fill a vacancy shall serve only for the unexpired
22 term. Any member shall be eligible for reappointment.

23 The MSBA shall annually elect one of its members as
24 vice-chairman and a secretary-treasurer, who need not be a
25 member of the MSBA. The secretary-treasurer shall keep a
26 record of the proceedings of the MSBA and shall be custodian
27 of all books, documents and papers filed with the MSBA and
28 of its minute book and seal. He shall have authority to
29 cause to be made copies of all minutes and other records
30 and documents of the MSBA and to give certificates under
31 the seal of the MSBA to the effect that such copies are
32 true copies and all persons dealing with the MSBA may rely
33 upon such certificates.

34 Three members of the MSBA shall constitute a quorum
35 and the affirmative vote of three members shall be necessary
36 for any action taken by the MSBA. No vacancy in the mem-
37 bership of the MSBA shall impair the right of a quorum
38 to exercise all the rights and perform all the duties of the
39 MSBA.

40 The members of the MSBA shall serve without compensa-
41 tion, but each member shall be reimbursed for his necessary
42 expenses incurred in the discharge of his official duties.

1 SECTION 4. *General Grant of Powers.* — The MSBA is hereby
2 authorized to:

3 (a) Establish local service centers local to each low income
4 area to carry out its corporate purposes.

5 (b) Assist individuals in obtaining financial and manager-
6 ial assistance for small business purposes from private or
7 public sources, including but not limited to programs estab-
8 lished by the Federal Government.

9 (c) Design and carry out management and other training
10 programs to develop and maintain the management and other
11 skills of its participants and applicants.

12 (d) Provide counselling services for individuals in small

13 business and those about to enter in small business, whether
14 loan recipients or not.

15 (e) Provide assistance to small business which are relocated
16 as a result of public highways or any public facilities and
17 urban renewal programs.

18 (f) Coordinate the efforts of local, state and federal pro-
19 grams, both public and private.

20 (g) Adopt by-laws for the regulation of its affairs and the
21 conduct of its business.

22 (h) Adopt an official seal.

23 (i) Sue and be sued in its own name.

24 (j) Make and execute contracts and all other instruments
25 necessary or convenient for the exercise of its power and
26 functions.

27 (k) Acquire, hold and dispose of personal property for its
28 corporate purposes.

29 ((l) Enter into agreements or other transactions with any
30 federal or state agency.

31 (m) Employ an executive director and such other agents,
32 employees, professional and business advisers as may from
33 time to time be necessary in its judgment and to fix their
34 compensation. The executive director, professional advisers
35 and business advisers shall not be subject to the provision of
36 chapter thirty-one or section nine A of chapter thirty.

37 (n) Appear in its own behalf before boards, commissions,
38 departments or other agencies or government, municipal, state
39 or federal.

40 (o) Do any and all things necessary or convenient to carry
41 out its purposes and exercise the powers expressly given and
42 granted in this act.

43 (p) Accept gifts or grants or loans of funds or property
44 or financial or other aid from any federal or state agency
45 or private fund.

46 (q) Assist in the establishment of skill training centers for
47 residents of low income areas.

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