

**Testimony of the Massachusetts Nonprofit Network  
Revenue Committee Hearing, February 9, 2016  
House 3908, Section 27**

Thank you for the opportunity to testify. The Massachusetts Nonprofit Network is a statewide membership association representing all of the Commonwealth's non-profits—organizations of all sizes, in all subsectors, and in every region of Massachusetts. Our members work with government, civic leaders and citizens every day to help people and build stronger communities.

MNN appreciates the work that the Legislature and the Administration are doing to help municipalities. The partnerships between municipalities, state government, non-profits and for-profits are important, and today's hearing on House 3908 is a positive step.

Non-profits across the Commonwealth are very concerned about Section 27 of House 3908. It would place severe restrictions on non-profits' ability to make the best use of their property, limiting their options, their financial position, and their ability to serve the greatest number of people. We urge that section 27 not be included when you report this bill out of the Revenue Committee.

Section 27 would create a "right of first refusal" for municipalities when a non-profit attempts to sell or change the land use of its property. Although this may sound innocuous, it represents a radical departure from current law and longstanding principles of property ownership. For that reason, non-profits of all sizes, and from all subsectors, are opposed to Section 27.

Some might think that a first-refusal "option" is a simple step. But its implementation would inevitably be a complex, costly and delay-prone process. That is the case with Section 27. It imposes severe restrictions on a property's sale or change of use that apply not only to a municipality's purchase of the property, but also to its purchase by any other party if the municipality passes on it. Section 27 would make it considerably more difficult for non-profits to sell property, as well as to develop innovative new uses (housing units, university research centers, etc.) for property they currently own, impairing the value of property and non-profits' ability to use their assets in support of their mission.

At the most basic level, Section 27's restrictions contradict long-settled principles of property ownership and government oversight. For non-profits, that oversight is extensive. Agencies at all levels of government oversee non-profits' finances, operations, assets, and land uses. In addition, state and local laws provide municipalities with the power to approve, deny, or modify any changes in land use proposed by property owners—whether the owner is non-profit, for-profit, or an individual.

MNN would be glad to work with the Committee on the issues raised by Section 27, and on any other non-profit issues that are before the Committee. Thank you for your consideration.