June 2, 2015

The Honorable Michael Rodrigues  
Chairman, Joint Committee on Revenue  
Massachusetts State House, Room 213B  
Boston, MA 02133

The Honorable Jay Kaufman  
Chairman, Joint Committee on Revenue  
Massachusetts State House, Room 34  
Boston, MA 02133

Dear Chairman Rodrigues and Chairman Kaufman,

On behalf of the Conference of Boston Teaching Hospitals (COBTH) and its fourteen member institutions, I am writing to voice our strong opposition to HB2492, “An Act Relative to Protection of Open Space.” HB2492 would allow municipalities the right of first refusal over the sale or conversion of tax-exempt property to taxable residential, industrial or commercial use. Such right could adversely impact the ability of non-profits and charitable organizations to dispose of or convert the tax-exempt status of its property in a fair and timely manner.

While non-profits and charitable organizations do not often sell or convert their tax-exempt property, when they do it is often to improve the organization’s financial status or in furtherance of its charitable mission. For some non-profits the sale or conversion of tax-exempt property may include expansion or enhancement of services, partnerships with commercial research organizations, or investments to improve the delivery of care to local residents.

The delay and uncertainty HB2492 would instill into the conversion process could potentially chill developments which would not only benefit the non-profit organization but also the local municipality. Furthermore, protections and procedures already exist under state and federal law to regulate and review conversions of a non-profit to a for-profit. COBTH respectfully urges the committee to reject HB2492 for the negative impact it would have.

We appreciate the committee’s time and consideration of our opinion.

Sincerely,

John Erwin  
Executive Director  
Conference of Boston Teaching Hospitals