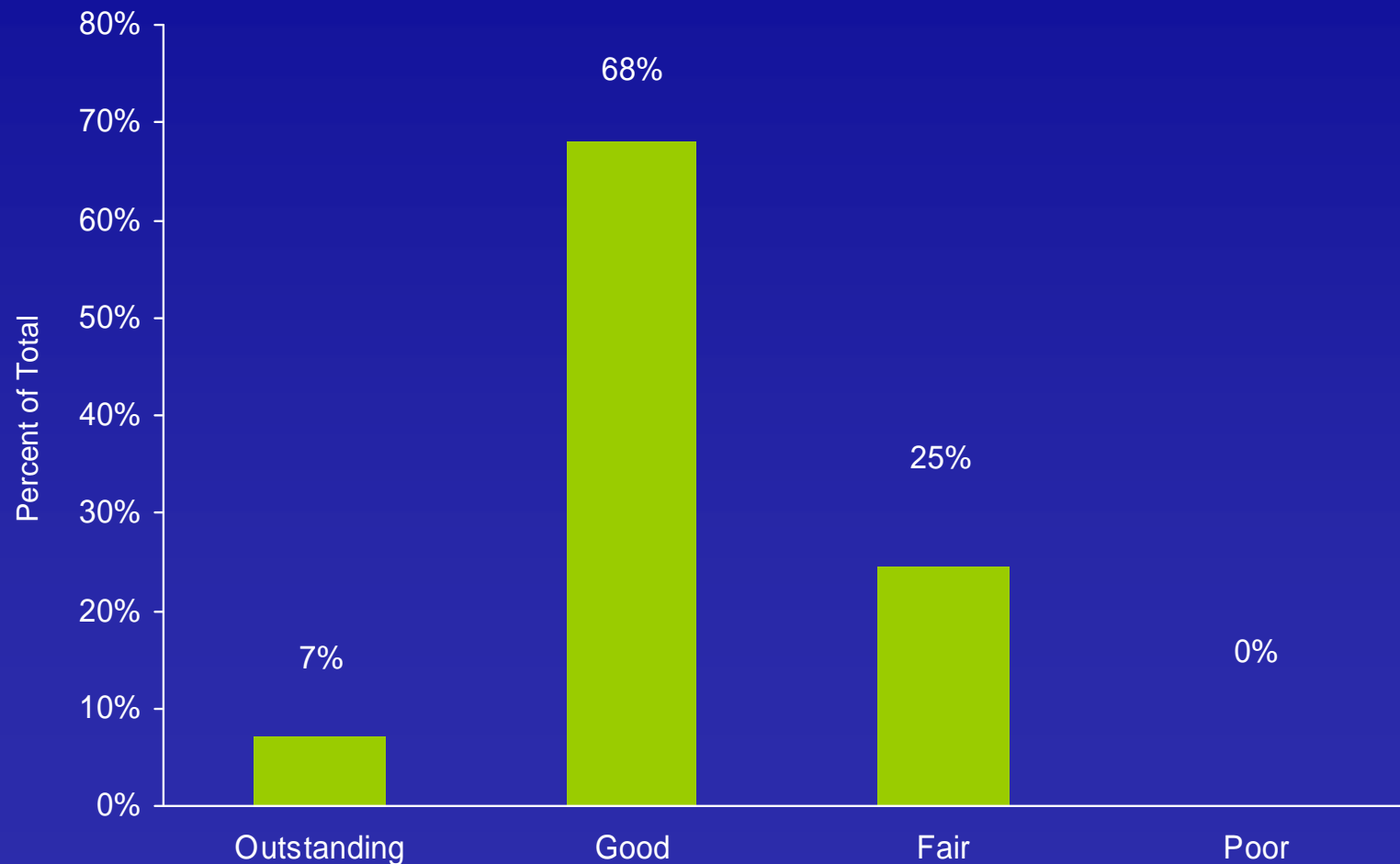


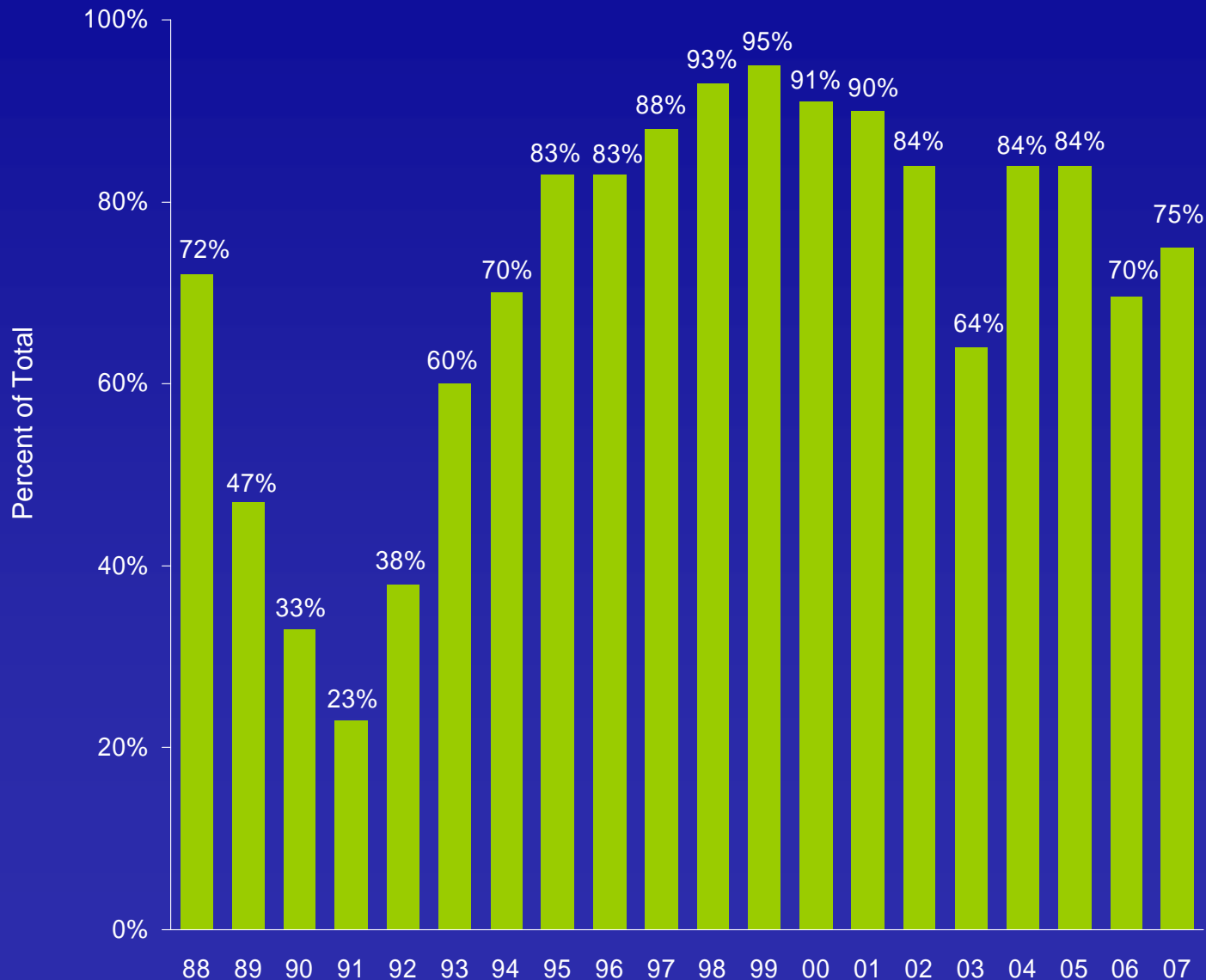
Massachusetts High Technology Council
2007 CEO Business Climate &
Public Policy Priority Survey

March 7, 2007

Massachusetts' Rating As a Place to Create, Operate and Expand Technology Businesses in 2007

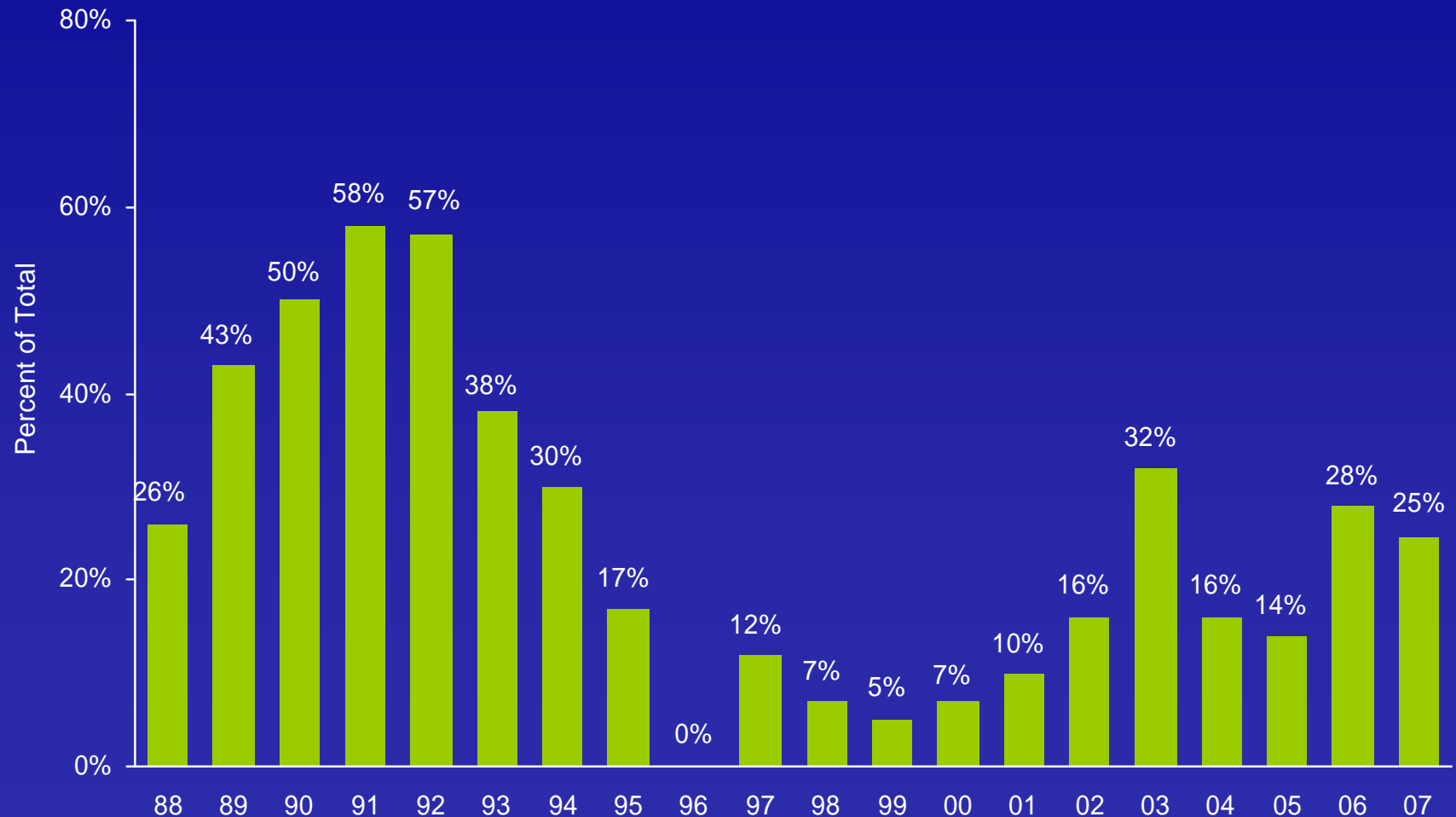


Historical Outstanding/Good Rating of the Mass. Technology Climate (1988–2007)

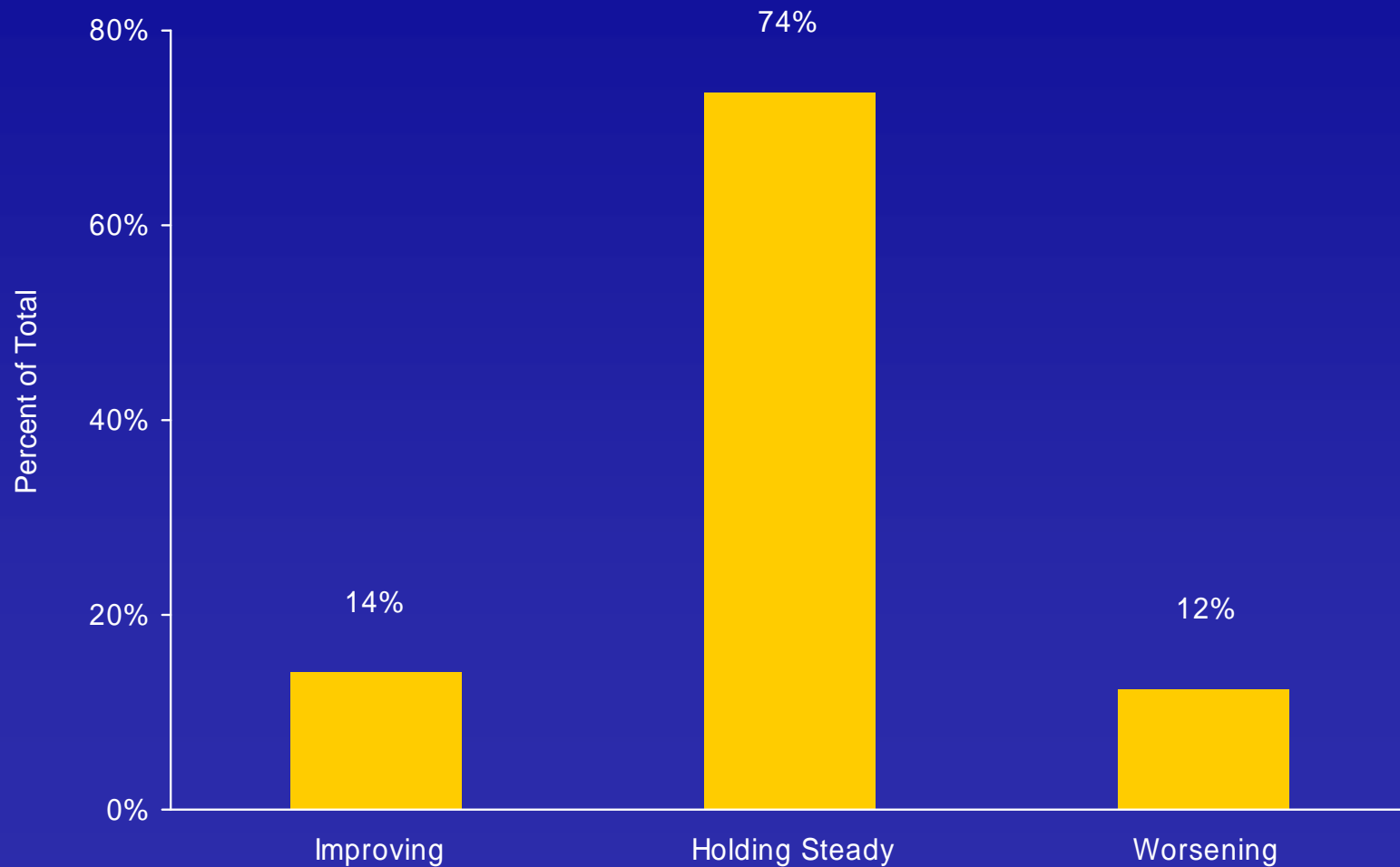


Source: Massachusetts High Technology Council's 2007 CEO Survey

Historical Fair Rating of the Mass. Technology Climate (1988–2007)

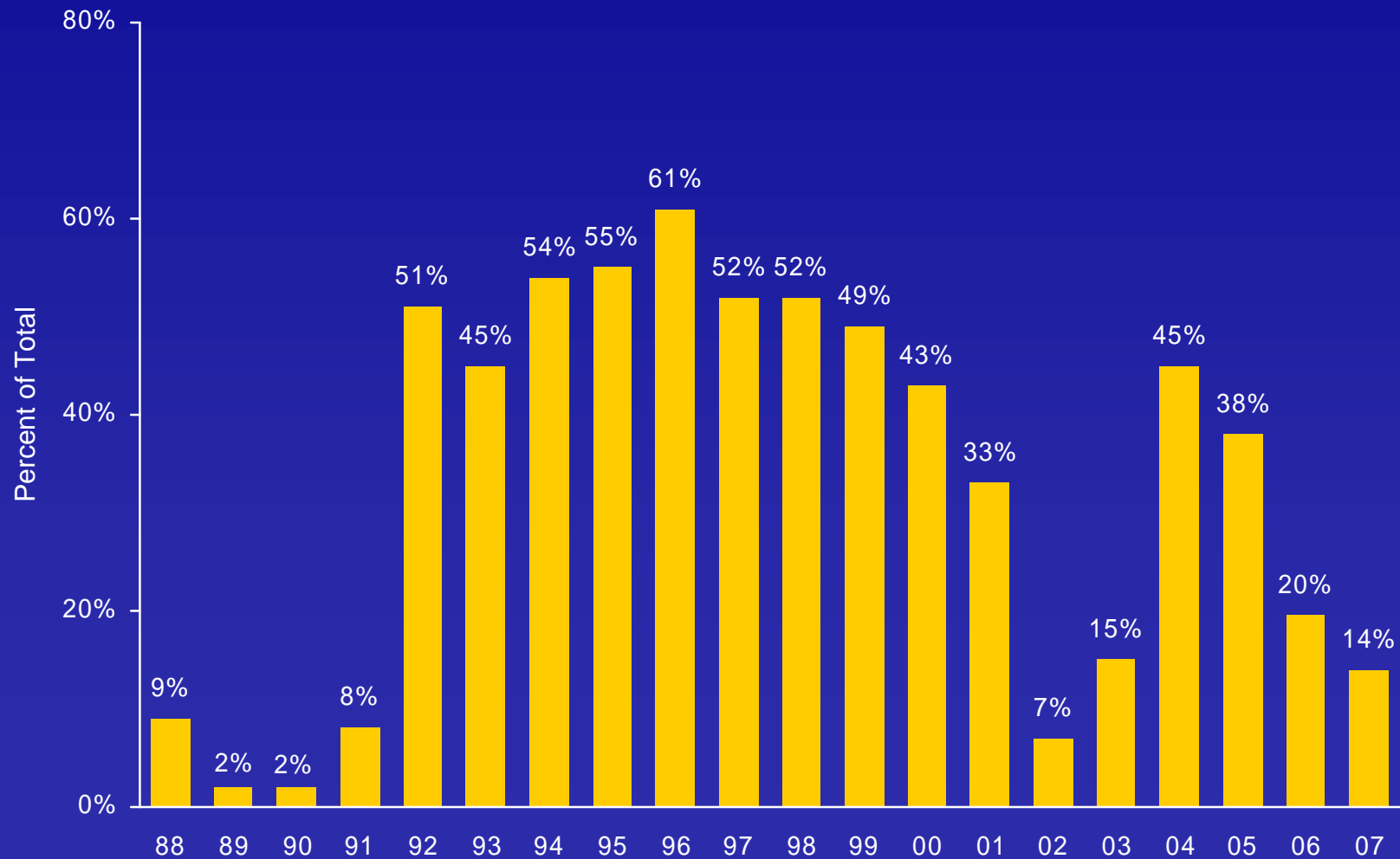


In Which Direction is the Mass. Technology Climate Heading in 2007?



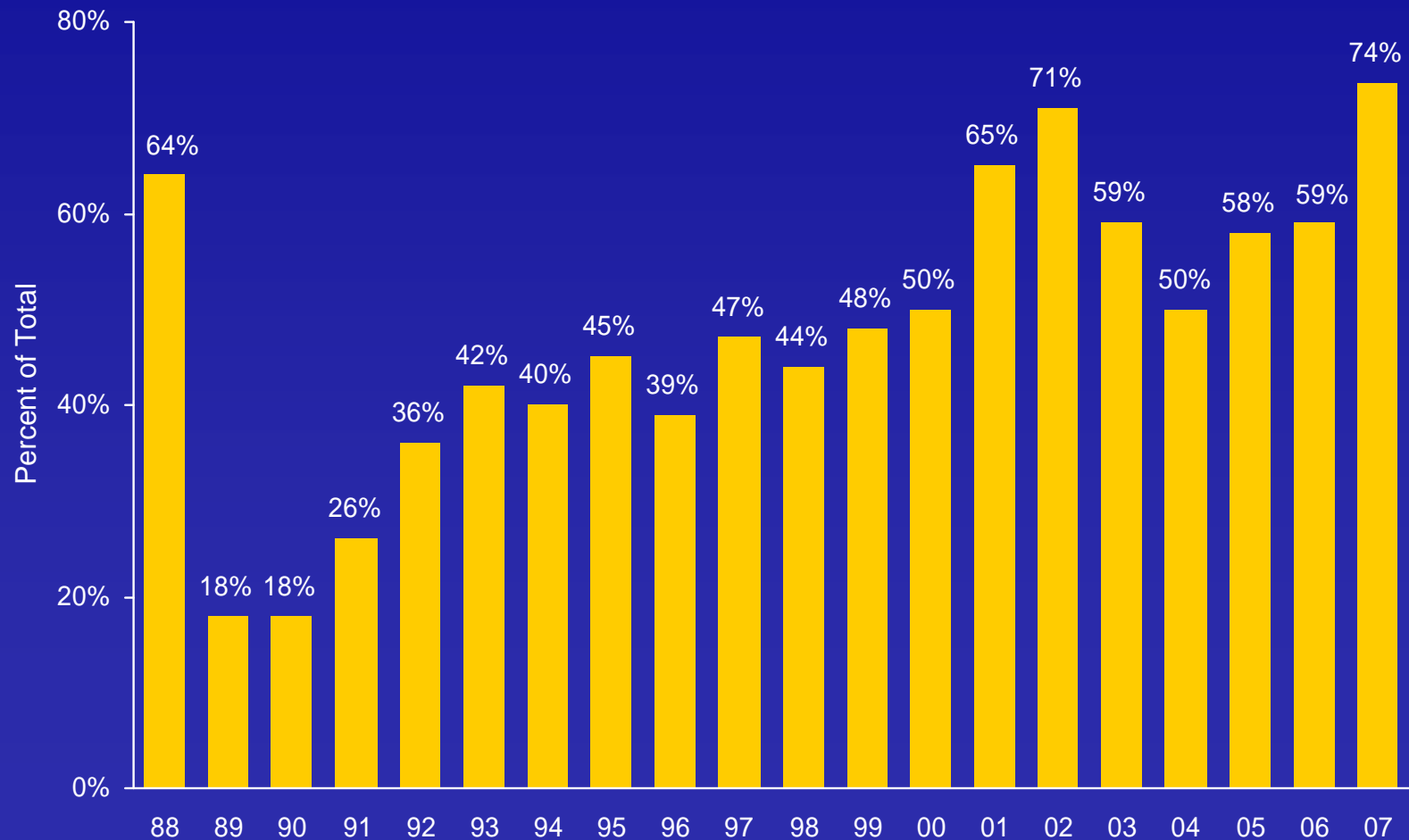
In Which Direction is the Mass. Technology Climate Heading in 2007?

Percent Answering "Improving"

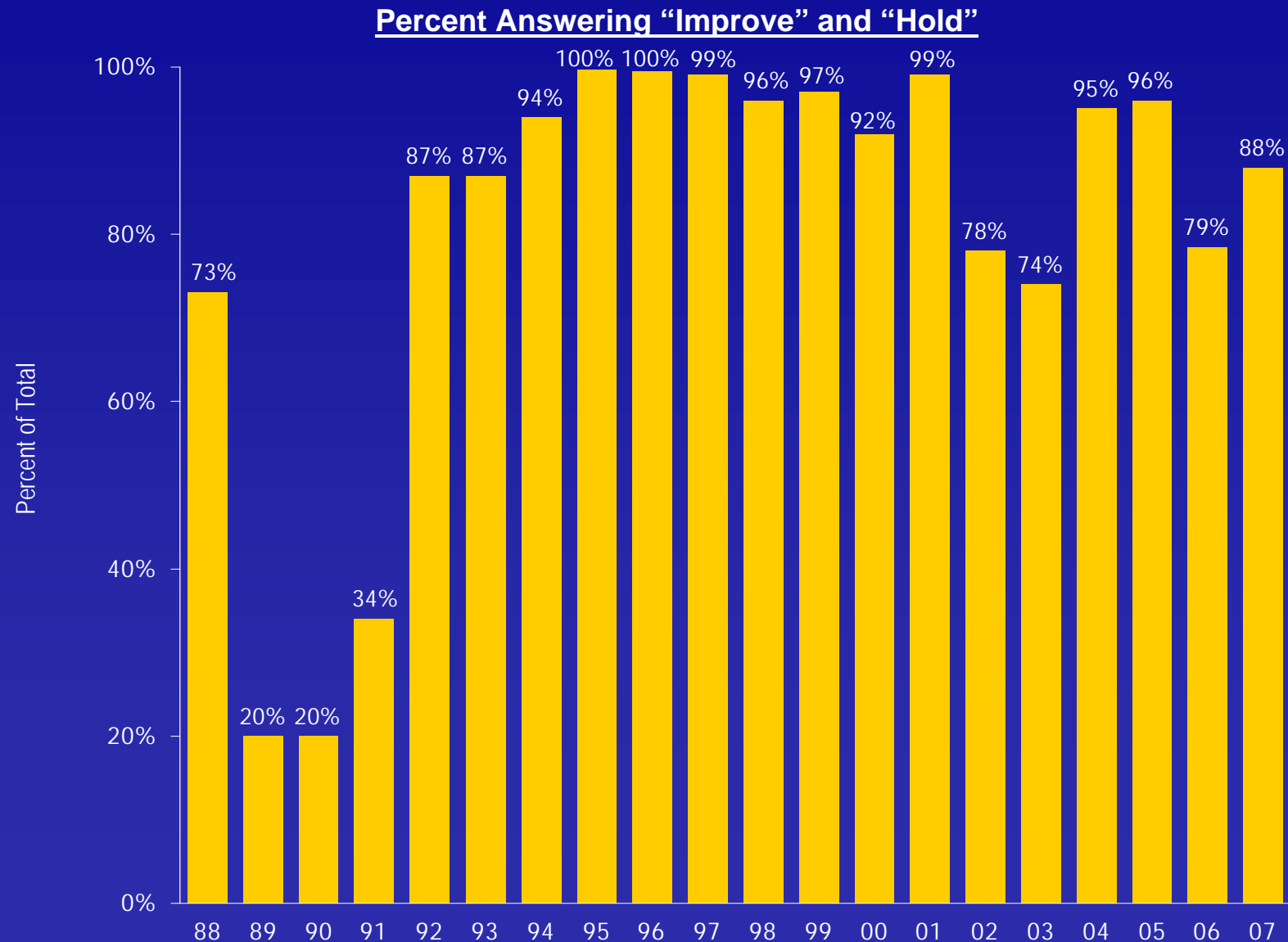


In Which Direction is the Mass. Technology Climate Heading in 2007?

Percent Answering "Holding Steady"

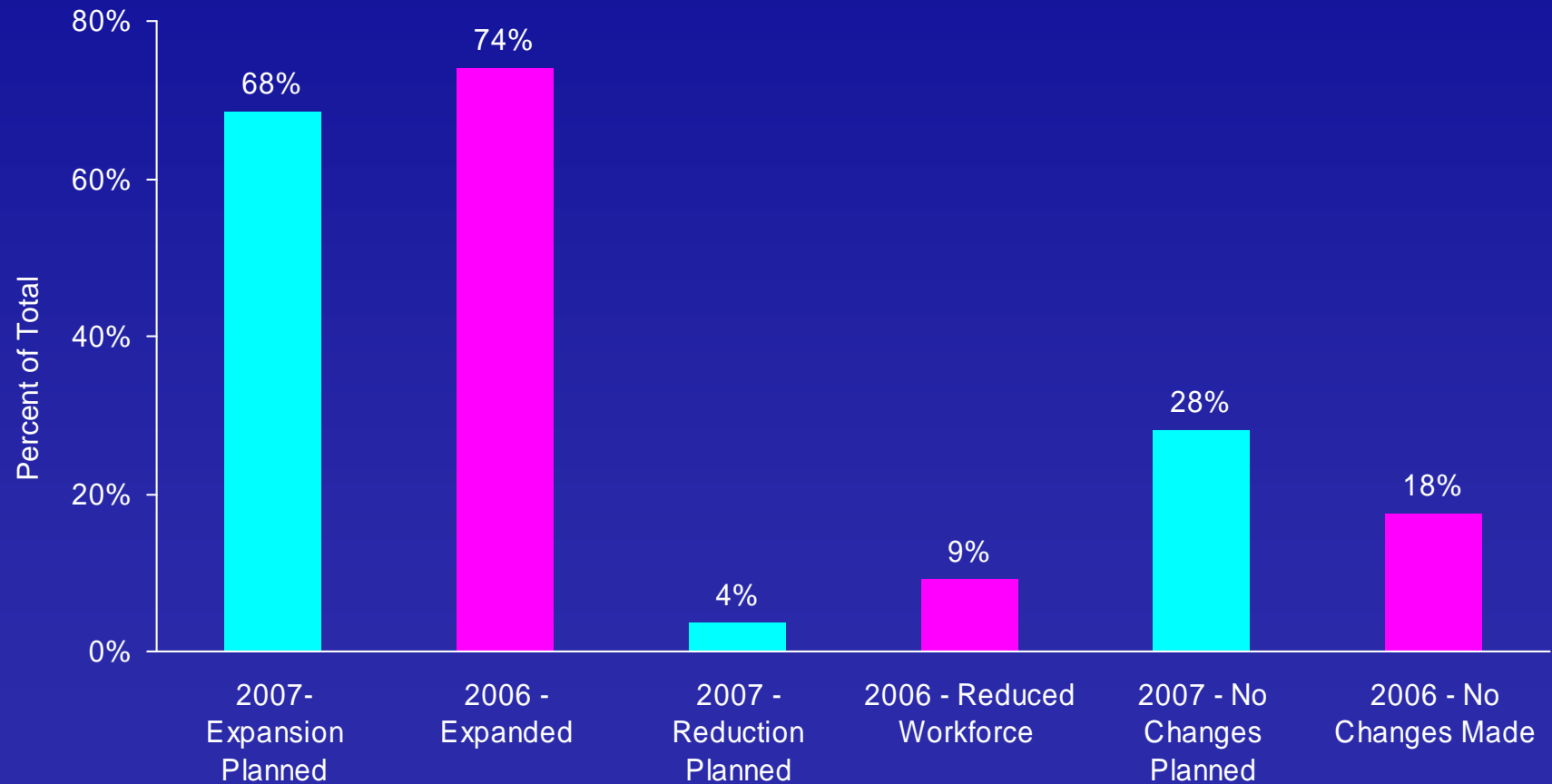


In Which Direction is the Mass. Technology Climate Heading in 2007?

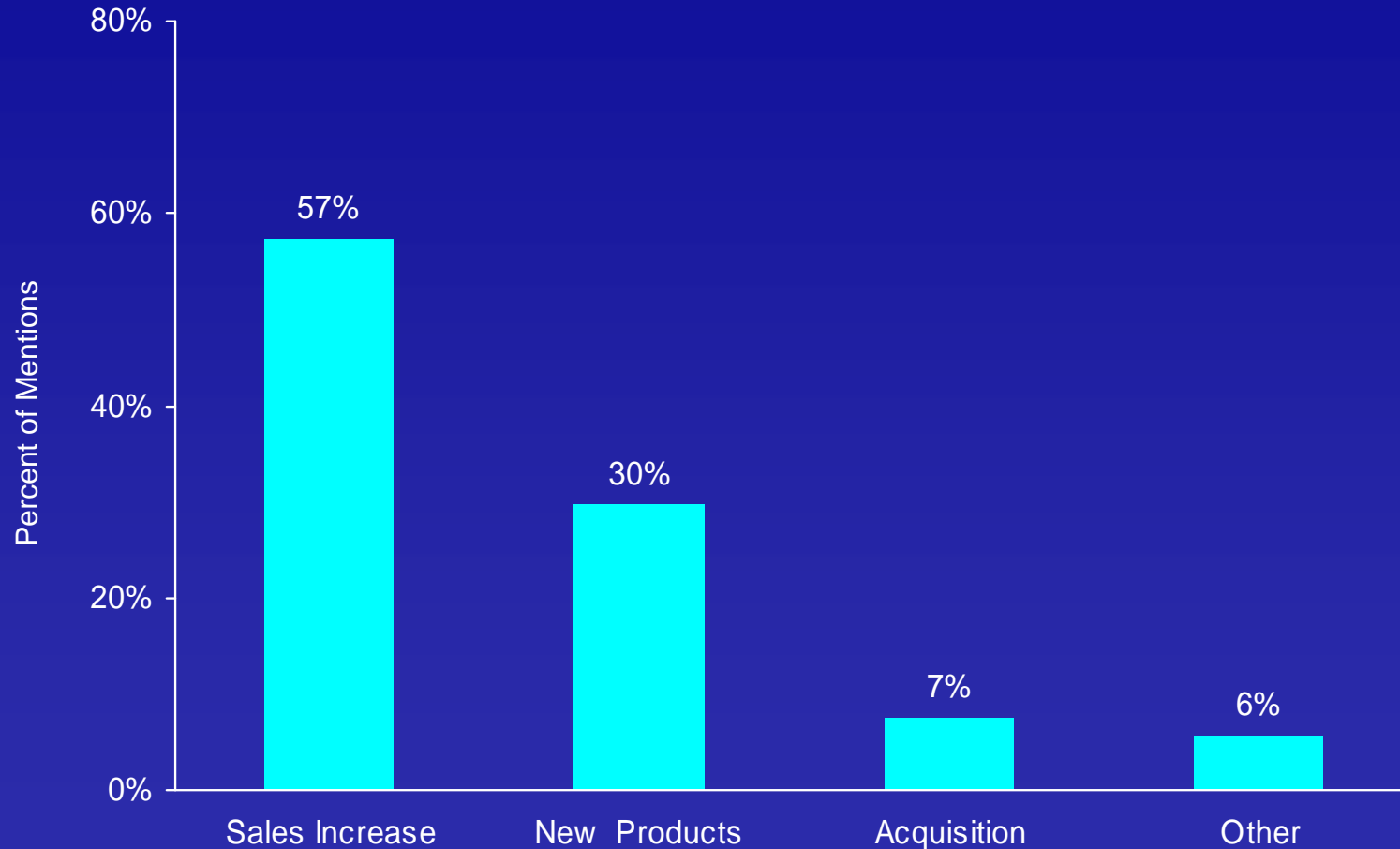


Source: Massachusetts High Technology Council's 2007 CEO Survey

Workforce Plans in 2007/2006 Evolution



Reasons for Job Expansion in the Next 12 Months



2007 Public Policy Priority Rankings

1. Support the continued development and implementation of a long-term, tech-based, economic development strategy for Mass.; MEAN = 6.18
2. Work with key stakeholders to reform key elements of the K-12 system for the 21st Century; MEAN = 6.09
 1. Train World-Class Science, Technology, Engineering and Mathematics (STEM) teachers
 2. Professionalize teaching
 3. Encourage competition/choice
 4. Maintain higher standards
 5. Enhance school leadership
 6. Benchmark MA students on global basis
3. Work with federal initiatives that improve K-12 science/math education; MEAN = 5.82

2007 Public Policy Priority Rankings Continued

4. Work to oppose new taxes, protect existing favorable tax policies and make other tax policies more competitive; MEAN = 5.79
 1. Personal Income Tax
 2. Long-term Capital Gains Tax Rate
 3. Research and Development Tax Credit
 4. Investment Tax Credit
 5. State fees that impact businesses
 6. Broaden the Manufacturing Jobs Tax Incentive to apply to all new manufacturing jobs created in Mass.
 7. Proposition 21/2
 8. Single Sales Factor
5. Support federal tax policies that have a direct impact on the Mass. technology economy; MEAN = 5.74
6. Reform the state's Unemployment Insurance system to make it competitive with the structure of the other 49 states; MEAN = 5.72

2007 Public Policy Priority Rankings Continued

7. Work to expand/improve state's transportation infrastructure to better reflect current and future needs, including weighing in on issues of state bond investment, tolls, local aid, and the public transportation/commuter rail; MEAN = 5.56
8. Work with the Legislature, the Administration and the business community to strengthen UMass as a world-class public higher education institution; MEAN = 5.49
9. Work to create a positive agenda to grow the state's biopharma industry, while opposing policies that undermine it (drug importation, price controls); MEAN = 5.34
10. Support reforms to the state and federal medical malpractice systems; MEAN = 5.22

Proposed 2007 Highest Priority Public Policy Objectives

EDUCATION/WORKFORCE DEVELOPMENT

- Work with key stakeholders to reform key elements of the K-12 system for the 21st century
 - *Train World-Class Science, Technology, Engineering and Mathematics (STEM) teachers* - Work to institutionalize a science & technology- program with private sector component; improve math/science at teaching colleges
 - *Professionalize teaching* - Differentiate pay for math, science, engineering, best-performing teachers; create better professional pathways
 - *Encourage competition/choice* – Expand/protect statewide creation of non-traditional public schools that are drivers of choice and innovation: Commonwealth Charter Schools, Pilot Schools, Horace Mann Charters, etc.
 - *Maintain higher standards* - Support new higher graduation requirement for MCAS exam (240) and continued teacher testing
 - *Enhance school leadership* - Improve training and qualifications for principals, and award them new authority to hire and fire
 - *Benchmark MA students on global basis* – Make state enrollment in global benchmarking assessment ongoing and use data to create better STEM strategy
- Work with federal initiatives that improve K-12 science/math education
- Work with the Legislature, the Administration and the business community to strengthen UMass as a world-class public higher education institution
- Support implementation and funding of Universal pre-K/early childhood education system

Proposed 2007 Highest Priority Public Policy Objectives

FISCAL/ECONOMIC POLICY

- Support continued development and implementation of a long-term, tech-based economic development strategy for Mass.
- Support federal tax policies that have a direct impact on the Mass. technology economy
- Work to oppose new taxes, protect existing favorable tax policies and make other tax policies more competitive
 - Personal income tax, long-term capital gains tax rate, R&D tax credit, Investment tax credit, State fees that impact businesses, Broaden manufacturing jobs incentive, Proposition 2 ½, Single Sales Factor
- Reform Unemployment Insurance system
- Support growth of technology economy by helping market Mass. to firms outside of the state that are considering significant expansion

OTHER

- Other priorities include initiatives with respect to health care and infrastructure