



**MASSACHUSETTS
HIGH TECHNOLOGY
COUNCIL**

HIGH TECH NEWS

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In this issue:

Council Marks 25 Years Fighting for Tech Economy Industry has Changed, Mission Stays the Same

**Storied Roots of
the Council ...**

“This is an organization that has been formed by the leading officials of major growth companies in Massachusetts to influence the Legislature and the governor to create a more favorable business climate in our state.”

—D.V. d’Arbeloff, President, Millipore October 4, 1977

**Dedicated to
Growth ...
Committed to
Action**

In 1977, legends of high tech history came together to create a unique association to establish political clout for a fledgling industry. For a generation, High Technology Council members have been at the forefront of innovation and change, and the work of the Council has helped those companies to create thousands of new jobs and make historic technological breakthroughs - resulting in the most vibrant and diverse technology economy on the planet. Today, the Council remains strong as ever and will continue to be a huge part of the wonders that will emerge from the Massachusetts technology community over the next 25 years, and beyond.

**Anniversary Gala
on October 1 ...**

On October 1, we hope that you will join us for a **reflection on 25 years of the Council’s influence on state public policy and for a look ahead as we continue our tradition of success to enhance the Commonwealth’s competitive position as a global center of excellence for high technology.**

**Natsios, Stata to
Speak ...**

The gala dinner will be held at the Newton Marriott beginning at 6 p.m., and will include special guest speakers **Andrew Natsios, Administrator of U.S. Agency for International Development** and **Ray Stata, Chairman of Analog Devices and founding member of the Council.**

Natsios Leads War Relief Efforts ...	<p>Natsios, no stranger to the Massachusetts political landscape, currently spearheads all of the international relief operations for the Bush Administration, and plays a critical role in the War on Terror through famine relief and rebuilding initiatives in Afghanistan. U.S. AID's role will only grow more crucial in the future as the War on Terror expands and the need for economic and political stability in the world's geopolitical hotspots intensifies.</p>
Mass. Political Background ...	<p>Before assuming his new position, Natsios was chairman and chief executive officer of the Massachusetts Turnpike Authority and received accolades for accepting that position and instituting effective reforms at the Big Dig after massive overruns were revealed in 2000. A native of Holliston, Natsios served in the state House of Representatives in the 1980s.</p>
Stata a Tech Legend ...	<p>A Massachusetts high tech pioneer, Stata was one of the founding members of the Council in 1977. Stata is a tireless advocate for education, particularly in efforts to bring more children into the scientific and engineering fields. Stata is a lead force in the newly formed Science and Technology Initiative, which is comprised of the Council and other area technology leaders. The mission of the Science and Technology Initiative is to facilitate and support major science and technology education and research initiatives that improve Massachusetts' competitive position and enhance its economic strength.</p> <p>Council Founding President Howard Foley and current Chairman George Chamillard will also speak at the event. For information or tickets please call Jane Stoy at 781-890-6482, or jane@mhtc.org.</p>
Swift Signs Law to Examine Health Care Legislation ...	<p>On August 30, Governor Jane Swift signed a Council-supported bill into law requiring fiscal analysis of any new mandated health care benefit before the Legislature can add it to the long list of currently mandated benefits. In the past decade, the state has adopted dozens of mandated benefits, which force health plans to cover specific medical procedures or treatments, regardless of cost or medical need. There are currently 27 new mandated care bills pending before the Legislature. The signing of this law ensures that the public will have the necessary information on how a mandated coverage bill would affect the health care system.</p>
Huge Cost to Businesses, Employees ...	<p>Typically, these laws are adopted by the Legislature with no consideration of costs to health plans, employers, employees or taxpayers. The financial impact of these laws has been placed at millions of dollars a year and, in many cases, the medical necessity has been called into question. The Council would like to thank Speaker Thomas Finneran for his stewardship of this important fiscal control mechanism that will help stabilize health care costs for employers and their employees.</p>
Still No Movement on 2003 UI Rates ...	<p>As reported in the last issue of High Tech News, the state Legislature failed to act on next year's Unemployment Insurance rates before the close of formal session, missing a good opportunity to provide much needed stability for businesses working out of recession. Because the House did not take up a Senate bill to freeze 2003 rates at the current Schedule B, employer UI costs are in danger of skyrocketing next year.</p>

<p>Massive Rate Hike in '03? ...</p>	<p>Due to an antiquated rate setting system, the Legislature must manually override the system each year to avoid a drastic increase in employer contribution rates. If no action is taken, rates will move to Schedule F, which means an average 66% increase in costs for employers. The Council was the only business group to publicly support the Senate plan to freeze next year's rates at current levels.</p> <p>As of today, no deal for setting UI rates is imminent. While the possibility remains to address this issue during the informal legislative session, it is most likely that this matter will not be addressed until January. We will keep members posted.</p>
<p>Raid on Workforce Training \$...</p>	<p>In another troubling development, the Legislature slipped through a provision during an informal session to divert \$6.5 million from the Workforce Training Fund – funded through diversions of employer UI contributions – to pay for unrelated state programs. This amounts to a raid on a program that was created by tapping contributions intended to help displaced workers and their families.</p>
<p>Anderson: "Height of Fiscal Irresponsibility" ...</p>	<p>Council President Chris Anderson, who serves on the WTF Advisory Board, called on the Legislature to reverse its siphoning of money from the WTF. “A raid on the fund is the height of fiscal irresponsibility, and balances the state budget on the backs of struggling businesses and unemployed workers.” Anderson cited the hypocrisy of the Legislature failing to act on UI rates for next year while at the same time tapping UI funds for unrelated purposes.</p>
<p>NewEnergy has New Parent ...</p>	<p>On June 11, 2002, Constellation Energy Group (CEG) and AES Corporation (AES) announced a stock purchase agreement under which CEG will purchase all of AES's ownership interest in AES NewEnergy, which is the Council's exclusive supplier of electricity in our highly successful electricity load aggregation program. NewEnergy is and will continue to be a separately organized corporation, called Constellation NewEnergy, and this purchase will have no affect on member energy service contracts.</p>
<p>Same Great Savings for Members ,...</p>	<p>NewEnergy told HTN that “as part of the family of Constellation companies, we will uphold all our contractual obligations and will continue in our commitment to providing the highest quality customer service in the retail energy service sector.” The Council looks forward to continuing our longstanding relationship with NewEnergy in reducing energy costs for our members.</p>

