

# Mass. High Tech Council Update

## February 22, 2012

### **2012 Half-Billion Unemployment Insurance Tax Hike Avoided**

On February 17, Gov. Deval Patrick signed a \$127.1 million spending bill for fiscal 2012 that froze the state's unemployment insurance rates - already the highest in the nation - avoiding an increase of more than \$500 million on payroll taxes paid by employers. Last month in a memo from the High Tech Council to the Legislature and Administration, we urged action on a series of reforms to the state's broken UI system to boost job creation and end the decades-old cycle of excessive rate increases.

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### **Patrick to Seek Centralized Management of Community Colleges**

Control over the state's 15 community colleges would be consolidated under the state Board of Higher Education into a unified system similar to the University of Massachusetts, under a proposal Gov. Patrick included in his FY13 state budget proposal.

Following the 2010 Education Reform Act effort that the Council and The Boston Foundation led in the Legislature (and the companion strategy that would have placed a charter school question on the ballot had the Legislature failed to act), we are now in a position to help begin a sustained effort to realign the state community college system to better address workforce development. The initiative was launched based on an opportunity that springs from a fall 2011 report by The Boston Foundation.

The High Tech Council and a coalition of more than 40 organizations are working to support this initiative, and members interested in taking on an important and active role will be invited to a briefing in the coming weeks.

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### **Four Charter Schools Recommended**

On February 16, charter schools targeted for Boston, Holyoke, Lowell, and Springfield received positive recommendations from the state education commissioner, but a slowdown in approvals for new charters raises concerns that the state's low charter school limit is inhibiting the ability to meet the demand for these innovative schools in Massachusetts.

Education Commissioner Mitchell Chester intends to recommend that the state Board of Elementary and Secondary Education approve charters to facilitate the opening of the 560-student Baystate Academy Charter School in Springfield; the K-12, 1,200-student Collegiate Charter School of Lowell; the 500-student Paulo Freire Social Justice Charter School in Holyoke; and the 308-student Dudley Street Neighborhood School in Boston.

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### **Council Perfects Talent Network for Employers, Students - 2012 Launch Planned**

The Council is re-launching an enhanced TalentConnect program to supplement current recruiting methods. TalentConnect allows employers to cultivate sources of talent from across the nation through access to ConnectEDU's network of students and candidates from K-12 to alumni. Members have been invited to a March 7 briefing to learn more about how they can

benefit by participating in this exclusive opportunity.

Two years ago, the Council and a team of members began meeting to find ways to solve a growing HR challenge. We heard regularly from employers in key sectors of our economy that the concern over the talent pipeline is growing. U.S. students are falling behind kids in classrooms around the world and STEM education initiatives are beset by too many pilot programs and not enough scale.

Last fall, our program partner ConnectEDU merged with Experience, the largest university-endorsed career network bridging the gap between college and the working world, expanding to a combined network of 20 million students, more than 3,000 educational institutions, and 130,000 employers. Participants of the new and revised TalentConnect can post and fill today's open positions while also building a bigger, more qualified talent pipeline by guiding students' education decisions as early as middle school. In addition, colleges can better prepare students for gainful employment upon graduation by connecting career placement opportunities with course planning, internships and other employment preparation activities that will improve post-college outcomes.

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## Possible BRAC Stirs Concerns

The Defense Technology Initiative (DTI) led by the High Tech Council is coordinating several important strategies to position New England's innovation assets to better serve national interests. These strategies will be instrumental in light of the Obama Administration's call for a new Base Realignment and Closure (BRAC) process.

DTI has been briefing interested members of the NE Congressional Delegation (Boston Globe), and was included in a piece that ran on WBUR relative to the Administration's BRAC proposals. While the local coverage focuses on Hanscom AFB, we acknowledge the variety of DoD assets in New England and the importance of producing data to support a regional strategy related to mission effectiveness and our regional economies.

The briefing for participating defense staff in Washington in January was timely and illustrates the growing interest for a collaborative strategy. Senate and House budget hearings this month are an early opportunity for Members to engage Administration officials on priorities.

We anticipate that our 6-state economic impact project with the UMass Donahue Institute will be ready for release in June. Before then, we'll be working to model the economic impacts of potential DoD/DHS reductions in spending.

On February 1, U.S. Sen. John Kerry requested a briefing from the Pentagon on a potential round of military base closures, calling Massachusetts a "hot bed for innovation" and a key strategic cog in the country's defense. Kerry wrote a letter to Defense Secretary Leon Panetta expressing his concern less than a week after Panetta announced that the Obama administration would request Congressional authority to start a new BRAC, possibly as soon as 2013.

During the February 14 Senate Armed Services Committee hearing on the Defense budget, U.S. Senator Scott Brown (R-MA) spoke directly to Defense Secretary Leon Panetta about reconsidering premature base closure proposals, the importance of Massachusetts military installations' hi-tech capabilities, and the impact of budget cuts on local contractors and small businesses. The exchange can be viewed on YouTube.

Check the DTI website ([www.defensetech.net](http://www.defensetech.net)) regularly for additional information including recent media on this topic.

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## DTI Expanding Its Network

We welcome an expanding network of affiliated organizations from around New England who are choosing to work more closely with DTI to enhance our mutual interests, including our newest affiliates: **Small Business Association of New England (SBANE)**, and **Associated Industries of Massachusetts (AIM)**.

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## **IAN Expanding Its Network**

In its recent newsletter, the Council's Innovation Access Network (IAN) announced the expansion of its reach into the United Kingdom, providing access to global communities of innovators and technology seekers. Since then, an additional global partner, Systematic in France, has become an IAN affiliated sponsor. We'll be updating the IAN community with additional information on this and other recent developments.