



M A S S A C H U S E T T S
HIGHTECHNOLOGYCOUNCIL

Dedicated to Growth... Committed to Action

Massachusetts FY18 Budget Update: Some Progress, but Serious Concerns Remain

On July 7, legislators sent the first \$40 billion state budget in the Commonwealth's history to Governor Baker. After facing recurring revenue shortfalls throughout the closing months of FY17, House and Senate leaders were forced to reduce the underlying revenue expectations for FY18 by \$733M and significantly rework the spending bills they had approved in April and May respectively.

The FY18 budget includes a number of items of particular interest to the Council including:

MassHealth Reforms/Employer Surcharge

In June, the Council and a diverse group of impacted stakeholders supported a comprehensive package of reforms to MassHealth and the commercial insurance market proposed by Governor Baker, along with a \$200M temporary assessment on employers to help fund MassHealth. Unfortunately, the Legislature did not include the proposed reforms in the final budget sent to the Governor.

The Council supports the Governor's decision to reject the stand-alone employer surcharge and resubmit it along with the MassHealth reforms package to the Legislature, calling on them to enact the reforms within 60 days or face unilateral budget cuts. As noted in a [U.S. News and World Report/AP story](#), the Council's support for any employer assessment has always been absolutely conditioned on the adoption of reforms to MassHealth that are sufficient to put the program on sustainable financial footing AND an ironclad commitment to sunset the assessment no later than the end of 2019. Until such reforms are adopted, the Council cannot and will not support an employer assessment.

As quoted in a [July 18 Boston Globe story on the reforms](#), the Council believes "there is no policy or public expenditure issue currently pending in Massachusetts that will have greater impact on the Commonwealth's immediate and long-term economic health and fiscal stability than the Legislature's prompt and favorable adoption of the MassHealth reforms the Governor has resubmitted." The Council remains committed to working with Governor Baker and the Legislature to adopt and implement these critical modifications to MassHealth.

Veteran Hiring Credit and "Veteran-friendly"

Employer Certification

The budget bill does include a Council-developed concept for a "veteran-friendly" employer education and certification program. The program would help employers learn best practices for hiring and retaining veteran employees and certify employers who have completed a 6-topic online training curriculum. Qualified employers that receive the certification are eligible for a tax credit proposed by Governor Baker of up to \$4,000 for each veteran employee they hire and retain. The Council would like to recognize



MISSION STATEMENT

The *High Tech Agenda* keeps the High Tech Council's members and partners up to date on its pro-growth advocacy concerning state and federal public policies and programs in support of its mission.

The goal of the Massachusetts High Technology Council is to help make Massachusetts the world's most attractive place in which to live and work, and in which to create, operate, and grow high technology businesses. Read our Mission Statement at mhtc.org.

UPCOMING EVENTS

Free Media Training for Members

**September 12 –
10:00 AM – 12:00 PM**

Location: MHTC offices – Waltham, MA

The Council will host a complimentary media training session provided by fellow Council member [Howell Communications](#). All Council members are invited, but attendance will be limited to ensure a dynamic discussion. Please RSVP to Mark Gallagher (mark@mhtc.org) if you would like to attend.

MHTC Directors' Reception and BSO Performance

**October 5 –
6:00 PM – 10:30 PM**

Location: Boston Symphony Hall – Boston, MA

On October 5, the Council Board of Directors will host an evening reception for Council directors and invited senior executives at Symphony Hall in Boston.

The evening will feature cocktails and heavy

Senate Ways and Means Chairman Karen Spilka for spearheading the certification program's inclusion in the budget.

The employer certification program was identified as a high priority initiative at the [New England Tech Vets Fall Forum](#) in November 2016. Since then, a team of Council leaders from **Monster, Military Talent Group, Raytheon, The MITRE Corporation, Oasis Systems, The Kraft Group, Wayfair and the Home Base Program** have been developing a user-friendly and comprehensive employer training pilot program to be launched this fall. To learn more about the program or how to participate in the pilot, please contact Mark Gallagher (mark@mhtc.org).

Senate President Rosenberg Hosts Council Leaders for Meeting with Mass. Senate Joint Caucus



On July 19, the Council's Chairman Aron Ain, President Chris Anderson and Executive Vice President Mark Gallagher presented to a meeting of the Mass. State Senate's joint caucus. The Council is one of a handful of Massachusetts business associations to be invited by Senate President Rosenberg to meet privately with the joint caucus, which includes all 40 members of the Senate. The presentation included an overview of the Council's mission, leadership team, public policy philosophy and priorities. Senators were also provided with a demonstration of the Council's [MATTERS data dashboard](#) and the new, proprietary MATTERS

TechNav tool which provides detailed assets maps of the Commonwealth's key tech sectors.

The Senate caucus meeting is just one of the many ways the Council engages in public policy development and advocacy on behalf of our members and the broader technology community. To learn more about how you can get involved in shaping the Council's policy agenda, contact Mark Gallagher (mark@mhtc.org).

In the News: Recent Press Reinforces Need for Mass. to Celebrate Successes, Strengthen Advantages and Avoid Self Harm

On July 11, CNBC announced its [2017 "Top States for Business" rankings](#) and Massachusetts jumped from 20th in 2016 to 10th. Massachusetts tied with two other states for the largest one-year improvement by any state and this is the first time Massachusetts has been in the Top 10 since 2011.



CNBC attributed the jump to significant improvements in the Access to Capital category where Massachusetts rose from 19th to 7th. The state's poor scores in the Cost of Doing Business" (45th) and "Infrastructure" (41st) categories echo the findings of the Councils [MATTERS CEO Executive Insight Survey](#) where business costs and transportation issues continue to be among the business risks most cited by survey respondents.

In June CNBC Special Correspondent Scott Cohn who founded the Top States rankings, was a special guest at the Council's 2017 Annual Meeting. Click [here](#) to view Scott's presentation and other annual meeting highlights.

UPCOMING EVENTS

hors d'oeuvres; remarks from Council officers; a guest speaker presentation; and a performance by the Boston Symphony Orchestra, led by Maestro Andris Nelsons.

Formal invitations will be sent to invited guests during the summer months. Please contact [Julie Champion](#) with immediate questions.

MHTC Board of Directors Meeting

**December 7–
10:00 AM – 12:00 PM**
By invitation

Please RSVP via calendar invitation or email to julie@mhtc.org.

BOARD OF DIRECTORS

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The Kraft Group
The MITRE Corporation
The University of Massachusetts System
Trinity Partners LLC
Worcester Polytechnic Institute

Constitutional Amendment Tax Trap

Meanwhile, the proposed income tax constitutional amendment opposed by the Council was in the news and on the radar in New Hampshire, Maine, Utah and even the NBA, as national awareness of the negative impacts of the Massachusetts proposal continues to grow. Jillette Jarvis, a candidate for Governor of New Hampshire, specifically referenced the new tax in a [July 5 editorial](#) in which she invited Massachusetts success stories to move to NH. On June 29 Tanner Ainge, a candidate for Congress in Utah (and son of Boston Celtics GM Danny Ainge), [made sure the sports world was aware of the tax](#) when he urged premier free agent Greg Hayward to consider the proposed tax increase as he pondered the Celtics offer.

In Maine, [legislators repealed the 3% income tax surcharge](#) voters had approved just 9 months ago. As Maine joined a long line of states that have recognized the very real negative consequences of this failed economic policy, its lawmakers were able to repeal the statute through the normal, representative legislative process. Unfortunately, because the Massachusetts proposal would imbed the new tax and specific rate in the state constitution (marking a dubious first in the nation), the opportunity for such corrective action will not be available to Massachusetts lawmakers if the Massachusetts proposal is approved.

To learn more about how the Council is working to prevent this damaging proposal from being approved and how you can help, contact Chris Anderson (chris@mhtc.org).

Free Media Training for Council Members

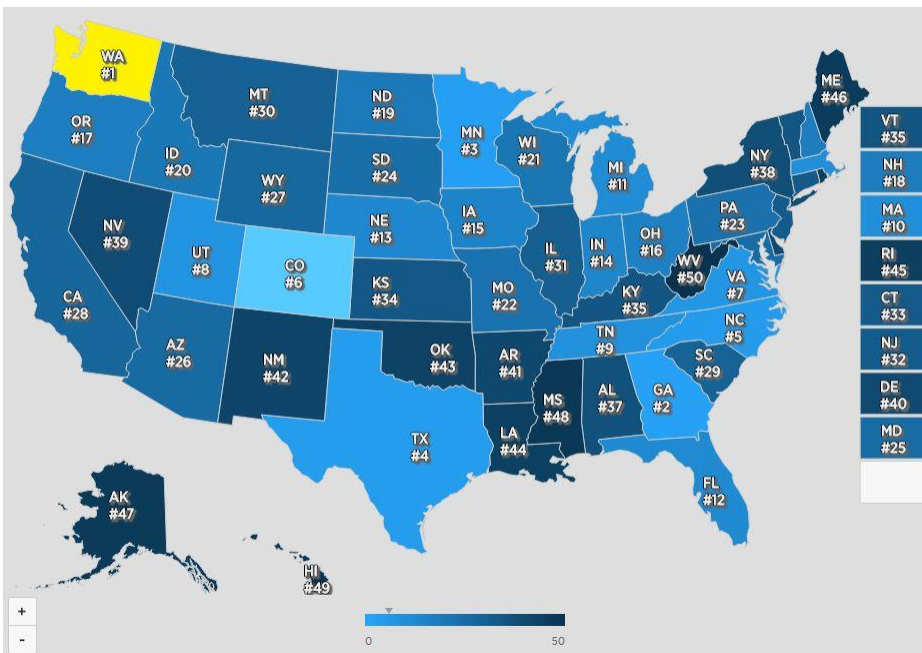
The Council will host a complimentary media training session for Council members at our Waltham offices on Tuesday, September 12 from 10 AM to Noon. The training will be provided by fellow Council member [Howell Communications](#).

[Ray Howell](#), is one of New England's most respected public relations professionals, and combines years of experience with expertise in the latest communications strategies and techniques to generate tangible, high-impact results. Ray and his team will share expert advice and proven techniques on optimizing social media and handling tough media interviews.

All Council members are invited, but attendance will be limited to ensure a dynamic discussion. Please RSVP to Mark Gallagher (mark@mhtc.org) if you would like to attend.

DATA THAT MATTERS

Massachusetts ranks 10th in CNBC's "Top States for Business."



MATTERS
MASSACHUSETTS TECHNOLOGY, TALENT,
AND ECONOMIC REPORTING SYSTEM

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