



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

*Dedicated to Growth... Committed to Action*

## As I See It – Chris Anderson

For four decades, a parade of the leadership of the state’s technology, research, and professional services economy like Ray Stata, Alex and Dee d’Arbeloff, and Ed deCastro, have been joined by others like Dick Egan, Pete Nicholas, Bob Reynolds, Bill Achtmeyer and Aron Ain, to drive initiatives that create, defend, and advance the conditions that support one of the highest concentrations of high technology employment in the country.

Yes, that’s a long sentence. But it’s much shorter than it would be if it included the names of the more than 1,000 individual Council members who, since 1977, have united in support of our mission to make Massachusetts the best place in the world to create and grow a technology business. As a result of their collective engagement, no other state can match the diverse base of established and emerging technology subsector clusters Massachusetts now boasts. Today, our technology ecosystem is an increasingly important component of the Massachusetts economy and represents one of the most promising opportunities for continued economic growth and job creation in the Commonwealth.

According to the Council’s 50-state competitiveness resource, MATTERS, Massachusetts:

- Technology workers make up more than 15% of the total Massachusetts workforce.
- More than 500,000 people work for Massachusetts technology employers.
- Employers in Massachusetts technology industries pay their employees more than \$37 billion in wages and compensation annually.
- The technology sector accounts for 11% of the Commonwealth’s gross state product.
- Bloomberg and the Milken Institute both named Massachusetts as the most innovative state in the U.S.
- Massachusetts ranks:
  - No. 1 in R&D \$\$ as a % of GDP per capita
  - No. 1 in % of workforce in STEM occupations
  - No. 1 in K-12 education
  - No. 1 % of population with advanced degrees
  - No. 2 in Venture Capital under management
  - No. 2 in technology patents per capita

As I noted in my introduction of Bill Achtmeyer as Council chairman at our 2017 Annual Meeting, Bill has been the steward of the Council at a time when two significant initiatives were undertaken:

First, the development and launch of MATTERS, which helps focus our work on strengthening the competitive advantages that other states envy (like those enumerated above), and shines a data-driven light on the competitive challenges here that can hold back job growth and economic expansion.

## 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](http://mhtc.org).

## UPCOMING EVENTS

### 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 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](mailto:julie@champion.com) with immediate questions.

Second is the development and implementation of our strategy to address the very real negative consequences of a proposed amendment to the Massachusetts Constitution that puts at risk much of the progress the Commonwealth has made in distancing itself from the “Taxachusetts” days of old and our enviable position today as one of the most robust technology economies in the nation.

I look forward to our future under the leadership of Aron Ain, the Council’s new chairman. Together, our leadership and members share a commitment to a stronger and more resilient Massachusetts technology economy that provides important quality of life benefits for all Massachusetts residents.



**Governor Charlie Baker**

### Tech Leaders Convene for Council Annual Meeting; Celebrate Council’s 40<sup>th</sup> Anniversary

On June 6, hundreds of senior technology executives convened in Boston for the Council’s 40<sup>th</sup> anniversary Annual Meeting. **Governor Charlie Baker** delivered a keynote address and praised the Council’s track record of helping to create the conditions for the sector’s success. “Thank you to all those folks who brought the Council to life once upon a time,” said the Governor. “It’s a great organization, with a great history and a great future, just like the Commonwealth.”

**Scott Cohn**, CNBC Special Correspondent and founder of [CNBC’s Top State’s for Business](#) treated attendees to a presentation on how CNBC formulates the widely-cited rankings. Cohn explained that Massachusetts’ current 20<sup>th</sup> ranking stems from high marks in the “Workforce”, “Education” and “Innovation” categories, but lagging performance in “Cost of Doing Business”, “Infrastructure” and “Cost of Living.”

CNBC’s assessment echoes the Council’s [MATTERS State Profile for Massachusetts](#) where the Commonwealth ranks first in “Talent” but is 40<sup>th</sup> in “Tax” and 43<sup>rd</sup> in “Cost of Doing Business. Cohn suggested that states looking to improve their rankings should “close skills gaps, mind infrastructure quality, and balance business cost burdens with benefits provided to companies and citizens.



## UPCOMING EVENTS

### 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](mailto:julie@mhtc.org).

## BOARD OF DIRECTORS

- Analog Devices, Inc.
- Bain Capital Private Equity
- Bentley University
- Boston Scientific Corporation
- Brooks Automation, Inc.
- Care.com
- Carruth Capital LLC
- Choate Hall & Stewart LLP
- CIO Magazine (Editor Emeritus)
- Continuum Managed Services LLC
- Dassault Systèmes Americas Corp.
- Deloitte
- Dunn Rush & Co. LLC
- Ernst & Young LLP
- Goodwin Procter LLP
- Jenzabar, Inc.
- KPMG LLC
- Kronos Incorporated
- Mercury Systems, Inc.
- MilliporeSigma
- MKS Instruments, Inc.
- Monster Worldwide, Inc.
- Northeastern University
- Parthenon-EY
- People’s United Bank
- PTC
- Putnam Investments
- Radius Health, Inc.
- Raytheon Company
- Stratus Technologies Inc.
- Textron Systems
- The Charles Stark Draper Laboratory Inc.
- The Kraft Group
- The MITRE Corporation
- The University of Massachusetts System
- Trinity Partners LLC
- Worcester Polytechnic Institute



*Aron Ain, CEO, Kronos Incorporated*

The Council's Board of Directors presented the inaugural **Ray Stata Leadership and Innovation Award** to **Aron Ain, CEO of Kronos** and the Council's incoming Chairman. Ray Stata, founder of **Analog Devices** was also the co-founder and first president of the Massachusetts High Technology Council. Ray retired after 40 years of continuous service as a member of the Council's board of directors and is succeeded by Vincent Roche, CEO of Analog Devices.

Council members also elected Udit Batra of Millipore Sigma to the position of Vice Chairman of the Council, and elected three new directors: Vincent Roche (Analog), Jane Steinmetz (Ernst & Young), and Darren Donovan (KPMG). View VIDEO highlights of the meeting [here](#).

## Legal Challenge Up Next for Constitutional Amendment "Tax Trap"

On June 14, the Massachusetts Legislature again approved a proposed constitutional amendment that would impose an additional 4% tax on any personal income over \$1M. But before the special-interest backed measure, which would prove disastrous to our goals of economic growth and job creation, heads to the ballot, it must first pass constitutional muster.

The Council believes it will fail that test. The proposal would flip 100 years of Constitutional precedent on its head by allowing special interests to use the ballot initiative to permanently embed revenue earmarks in the Constitution, a manipulation of the process the Constitution itself forbids. The proposal is also an unprecedented move to shelter elected politicians from accountability for setting taxation and spending policies, a solemn duty the Constitution requires the legislature to fulfill.

The Council is moving forward with a Council-developed and coalition-supported litigation strategy to challenge the constitutionality of the proposal. The Council has engaged Kevin Martin, a Partner at Goodwin Procter, one of the state's preeminent constitutional and appellate litigators, to lead the legal effort. (See the Council's public statement on the legislative approval and legal challenge [here](#).)

With all necessary legislative approvals now in place, this proposal is poised to appear on the 2018 state election ballot for consideration by the voters, barring the success of our litigation strategy. Please contact Chris Anderson ([chris@mhtc.org](mailto:chris@mhtc.org)) to learn more about how you can support this critically important and urgent Council effort.

## Council-Backed Reforms to MassHealth Budget Buster Advancing

On June 20, the Baker Administration recommended a broad-reaching package of reforms designed to produce significant long-term savings in MassHealth, the state's Medicaid program, which currently accounts for 40% of all state spending.

The Council has committed to support the reform package, which also includes a temporary \$21 per employee assessment on all employers, because we believe that serious reforms to MassHealth will help address unsustainable costs that threaten its stability and the overall fiscal health of the Commonwealth. The Council's support for any assessment is absolutely conditioned on the adoption of reforms to MassHealth that are sufficient to put the program on sustainable financial footing and a commitment to sunset the assessment at the end of 2019. (Click [here](#) to review the Council's June 26 letter of support to legislative leaders.)

## Member Benefit Spotlight: MHTC Workers Compensation Self-Insurance Group

For more than 20 years, the Massachusetts High Tech Council Self-Insurance Group (SIG) has proven to be one of the most cost-effective workers' compensation solutions for the Commonwealth's technology companies. Council members who participate in the SIG celebrated another very strong year at their 2016 Annual Meeting on June 15. The SIG finished the year with a 25.3 percent loss ratio, compared with typical industry target loss ratios in excess of 65 percent. As a result of the SIG's success at controlling workers' compensation injuries and costs, SIG members received dividends equal to 19 percent of their annual premium.

The Council thanks the participating companies and the SIG's Trustees- Cindy Keegan of Analogic, Stathis Kouninis of Pegasystems and Marina Smith of MKS Instruments. To learn more about the benefits of joining the SIG contact Mark Gallagher ([mark@mhtc.org](mailto:mark@mhtc.org)).

## Council Leader to Be Nominated by President for Key DOD Slot

Former Council Vice Chair Ellen Lord, President and CEO of Textron Systems, will likely be nominated by President Trump as the undersecretary of Defense for Acquisition, Technology and Logistics. While rumored for weeks, the June 27 White House announcement could make Lord, who must be confirmed by the Senate, the Pentagon's chief weapons buyer. In May, Trump proposed a budget that would boost Pentagon spending by \$52 billion to \$574.5 billion for fiscal year 2017. Lord served as a director and Vice Chair of the Mass. High Tech Council until relocating to Rhode Island. **Brian Sinkiewicz, SVP & General Manager of Textron Systems** in Wilmington, succeeded Ellen and was recently reelected to the Council's Board of Directors.

## DATA THAT MATTERS

Massachusetts Medicaid spending per enrollee is the 12<sup>th</sup> highest in the country and 30% above the national average. See the data [here](#).



## Contact Us

### Massachusetts High Technology Council

Reservoir Woods | 850 Winter Street | Waltham | MA | 02451

781.890.6482 | [www.mhtc.org](http://www.mhtc.org)