

# THE HIGH TECH AGENDA

## MASSACHUSETTS HIGHTECHNOLOGYCOUNCIL

*Dedicated to Growth... Committed to Action*

### Council Annual Meeting to Feature Governor, Milken Institute Economist

The Council's 2016 Annual Meeting is set for April 6 from 11:30 AM to 1:30 PM on the campus of Bentley University. With confirmed attendance at nearly 75 percent of capacity, we expect a sell-out audience of members and friends will welcome Governor Charlie Baker for a keynote address.

Our focus on the state's competitive advantages and challenges, including access to talent and innovation assets, will take center stage. The meeting will also feature a special presentation from Kevin Klowden, Managing Economist at the [Milken Institute](#) and a noted expert on technology-based economic development. Kevin will present a perspective on Massachusetts' standing in Milken's State Science and Technology Index a key metric in our [MATTERS](#) 50-state competitiveness dashboard.

For additional details and to register, please click [here](#) or visit the Council's events page. We are deeply appreciative of the support of our Annual Meeting Presenting Sponsors Monster and Alkermes, and Program Sponsors Brooks Automation, Kronos, The MITRE Corporation, and Putnam Investments.



Governor Charlie Baker



Kevin Klowden

### Council Testifies in Support of Corporate Income Tax Reforms Proposed by Governor

Legislation filed by Governor Baker in January includes a high-impact proposal to improve the state's competitiveness by expanding the application of single sales factor tax apportionment treatment to all Massachusetts industries and corporate taxpayers. The adoption of this key Council-supported improvement to state tax law would be an important and powerful step toward more pro-growth and competitive tax policies.

On March 8, the [Council presented testimony](#) before the legislature's Joint Committee on Revenue urging legislators to continue the Commonwealth's 20-year move toward a fairer and more competitive corporate tax regime.

Market-based apportionment of income for multistate companies is increasingly a hallmark of fair, competitive and effective taxation systems. Of the 45 states that currently tax corporate income, 23 use single sales factor apportionment and only 6 cling to the traditional equal-weighted three factor formula. In just the past few years, California, New

### 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

#### **New England Tech Vets Online Training Session for Employers**

**March 29 –**

**2:00 PM to 3:00 PM**

*Location: Online session*

The Council and its program partner, Monster Worldwide, Inc. will be hosting periodic WebEx training sessions like this for interested members and their recruiting staff to provide an overview of the features and functionality of [NewEnglandTechvets.org](#). To register and receive WebEx instructions for the March 29 online session, please click [here](#).

Please contact Ron Trznadel to learn more about the New England Tech Vets Program and how to become a New England Tech Vets 'Charter Employer'.

York, Pennsylvania, North Carolina, Connecticut and Rhode Island have adopted far-reaching single sales factor tax reforms.

The Council's testimony called on legislators to recognize that a growing number of Massachusetts-headquartered technology firms that are taxed under single sales factor apportionment in other states and believe strongly they should have the benefit of similar policy in Massachusetts.

## MATTERS Workforce Data Spurs Boston Globe Feature on Demand for Tech Talent

On February 19, the Boston Globe's Business Section ran an [extensive front page feature article](#) on the difficulties Massachusetts employers face in hiring and retaining technology talent, reinforcing the Council's consistent message that while our workforce is strong, intense demand for talent is a growing challenge for tech employers. The article was the result of a series of interviews with Council staff and senior leaders from Monster Worldwide, a key partner and supporter of [MATTERS: The Massachusetts Technology, Talent and Economic Reporting System](#). The Globe article keyed off of the "Hiring Difficulty for Technology Industries" metric in MATTERS which is produced by Monster in partnership with Wanted Analytics.

## Council Testifies in Support of Charter School Expansion Ballot Question

In February, the Council Board of Directors reaffirmed our support for the expansion of public charter schools as a key Council priority and directed Council staff to continue efforts to coordinate joint advocacy by a broad group of Massachusetts business organizations.

On March 7, the Council testified before the legislature's Joint Committee on Education in support of the further expansion of charter schools. The [Council's testimony](#) reinforced our continued support for the [pending charter school ballot question](#) but also urged legislators to find a legislative solution.

In an exchange with the Committee's Chairmen, the Council's Mark Gallagher highlighted the economic imperative of eliminating the public school achievement gap]. "Our members tell us the same thing all the time: I have a hard time getting the people I need with the right education and skills, but if they have those skills, people can write their own ticket," he said. "We need to put more people in a position to do that. We believe the continued improvement of public education, including public charter schools, is key."

The Council applauded legislative leaders for their focus on the issue and but cautioned that any viable legislative solution must include a meaningful and sustainable response to student and parent demand and avoid negative impacts on the financing and governance model that has empowered the success of public charter schools to date.

## UPCOMING EVENTS

### Bio-IT World Conference & Expo

**April 5-7 –**

Location: Seaport World Trade Center, Boston, MA

We are pleased to invite Council members to take part in the 2016 Bio-IT World Conference & Expo. This event will unite 3,000+ life sciences, pharmaceutical, clinical, healthcare, and IT professionals from more than 30 countries. The [2016 plenary keynote sessions](#) will cover the breadth of the Bio-IT landscape and will include presentations by Boston Children's Hospital's Catherine Brownstein, IBM Watson Health's

### MHTC 2016 Annual Meeting

**April 6 –**

**11:30 AM - 2:00 PM**

Location: Bentley University – Waltham, MA

A summary of this event may be found in this edition of The High Tech Agenda. For additional details and to register, please visit the [Council's events page](#).

### MHTC 2016 Roundtable Series:

**U.S. Representatives Katherine Clark and Joseph Kennedy III**

**May 3 –**

**11:30 AM to 1:30 PM**

Location: MHTC offices – Waltham, MA

On May 3, the Council will welcome Congresswoman Katherine Clark and Congressman Joseph P. Kennedy III for a CEO Roundtable on "The Innovation Economy: Opportunities for Public-Private Partnership."

Seating is limited, so RSVP now by visiting the Council's [event registration page](#).

### MHTC Talent Development Policy Team Meeting

**May 4 –**

**8:30 AM to 10:30 AM**

Location: MHTC offices – Waltham, MA

The Council's Talent Development Policy Team (TDPT) meets regularly to develop and shape the Council's education and workforce priorities and initiatives and develop highly-usable data and analysis of key talent and education metrics that are relevant to high tech companies.

Participating members, kindly RSVP via calendar response or email to [Ron Trznadel](#).

## Council Votes to Oppose Graduated Income Tax Initiative

At its February 25 meeting, the Council's Board of Directors formally voted to oppose the proposed amendment to the Massachusetts Constitution that would authorize and impose a graduated income tax. The proposal, backed by group of public and private-sector unions would impose a 4% additional tax on any individual income over \$1M annually. Based on the state's current income tax flat rate of 5.15%, individuals would pay at a 9.15% rate, among the highest marginal tax rates anywhere in the nation and the third highest marginal income tax rate among the Council's [Peer Technology States](#).

If adopted, Massachusetts would be the only state in the country to impose a constitutionally mandated graduated income tax — a distinction that undoubtedly would damage Massachusetts' competitive climate for business and investment. The proposal would also undermine the state's fiscal discipline and add instability to Massachusetts' financial footing by further narrowing the tax base on which a significant increase in state spending is founded.

Other states that have imposed significantly higher tax rates upon higher income earners have experienced an outflow of high net worth individuals including many job creators, start-up investors, and philanthropists. In recent years, Maryland saw significant revenue outflows when more than 30,000 high income residents fled to other states in response to a similar graduated income tax

To be adopted, the constitutional amendment will ultimately need to be approved by a majority of voters on the November 2018 statewide ballot. Before it can appear before voters in 2018, it must first be approved by two successive biennial legislatures meeting in Constitutional Convention.

In a [February 3 letter to lawmakers](#), the Council had renewed its call on lawmakers to consider the significant anti-competitive impacts of the proposal and reject it. The Constitutional Convention will meet twice before the summer recess when the measure may be taken up.

## Upcoming Council Roundtables

### Patricia Flynn, Bentley University – Women in Corporate Leadership



Patricia Flynn

The Council will welcome Patricia Flynn, Trustee Professor of Economics & Management, and Former Dean of the McCallum Graduate School of Business, Bentley University on May 19 for a roundtable discussion on "Women in Corporate Leadership" from 10:00 AM to 11:30 AM at Council offices in Waltham, MA.

While there is evidence of growing equality within firms, substantial gender gaps remain in C-suites and boardrooms throughout the corporate world. Among S&P 500 firms, for example, women constitute less than 5% of the CEOs and fewer than 20% of the directors. Issues involve the pool of qualified women available, as well

as corporate culture and practices, including the ways individuals are selected for these positions. At the board level, mandatory quotas and voluntary targets are on the rise, especially in Europe. These have often resulted in significant increases in women in the boardroom. There is no national U.S. policy regarding gender and board composition, although some states, including California and Massachusetts, have passed non-binding resolutions to expand the number of women on corporate boards.

Pat will highlight these patterns and trends, and then lead a discussion on best practices for promoting women in corporate leadership. Click [here](#) to register for this insightful event.

## UPCOMING EVENTS

### MHTC Government Relations Committee Meeting

May 12 –

10:00 AM to 12:00 PM

Location: *TripAdvisor – Needham, MA*

The Government Relations Committee (GRC) is a forum for public policy and government relations professionals from member companies to network with peers and colleagues and share intelligence and ideas about pending state and federal issues of common interest. It also serves as an important mechanism to inform and support MHTC's policy and advocacy agenda and strategy.

Participating members, kindly RSVP via calendar response or email to [Ron Trznadel](#).

### MHTC 2016 Roundtable Series: Patricia Flynn, Bentley University Presents Women in Corporate Leadership

May 19 –

10:00 AM to 11:30 AM

Location: *MHTC offices – Waltham, MA*

The Council welcomes Patricia Flynn, Trustee Professor of Economics & Management, and Former Dean of the McCallum Graduate School of Business, Bentley University for a roundtable discussion on women in corporate leadership.

Pat will highlight these patterns and trends, and then lead a discussion on best practices for promoting women in corporate leadership. Click [here](#) to register.

### MHTC Board of Directors Meeting

May 24 –

10:00 AM to 12:00 PM

Location: *MKS Instruments – Andover, MA*

This meeting is graciously being hosted by Council member MKS Instruments. Please RSVP via calendar response or email to [Julie Champion](#).

Please visit our [Events Calendar](#) for additional 2016 Council events.

**US Representatives Clark and Kennedy**



Congresswoman Katherine Clark

On May 3, the Council will welcome Congresswoman Katherine Clark and Congressman Joseph P. Kennedy III for a CEO Roundtable on “The Innovation Economy: Opportunities for Public-Private Partnership.”

Council members are invited to join fellow technology leaders and two of Massachusetts rising political stars for a dynamic discussion on the innovation economy and how Congress and technology organizations can partner to facilitate job creation and investment, foster research and development, and support the continued growth and success of the Massachusetts innovation economy.



Congressman Joe Kennedy III

The Roundtable will take place from 11:30 AM to 1:30 PM at the Council’s offices at 850 Winter Street in Waltham. Seating is limited, so RSVP now by visiting the Council’s [event registration page](#).

**Council DHS Science and Technology Innovation Discussion Series**

The fact that we’re seeing more evolving threats, critical infrastructure vulnerabilities, and intensified natural disasters means the US must think and act differently about the role science and technology plays in keeping our nation safe. Additionally, to maintain public services, keep commerce running, and ensure education, healthcare, and banking systems go uninterrupted, we must also find more efficient ways of carrying out Dept. of Homeland Security missions.

The Department of Homeland Security Science and Technology (S&T) directorate is thinking about how to get ahead of these complex challenges, and is partnering with the Mass. High Tech Council. S&T is collaborating with nationwide innovation districts to help identify and employ technology solutions to ensure our nation is safer and more resilient. The High Tech Council is coordinating the DHS discussion in Boston on May 24, 2016 and will focus on: “Preparing for a hyper-connected future and understanding how the Internet of Things (IoT) will impact our collective security.”



Dr. Reggie Brothers

Information about this invitation-only discussion with Dr. Reggie Brothers, Under Secretary for Science and Technology at the U.S. Department of Homeland Security will be distributed to Council members in the coming weeks. For more information, please contact Council president Chris Anderson ([chris@mhtc.org](mailto:chris@mhtc.org)).

**BOARD OF DIRECTORS**

- Analog Devices, Inc.
- Analogic Corporation
- Bain Capital LLC
- Bentley University
- Boston Scientific Corporation
- Canaccord Genuity Inc.
- Carruth Capital LLC
- Choate Hall & Stewart LLP
- Continuum Managed Services LLC
- Dassault Systèmes Americas Corp.
- Deloitte & Touche LLP
- Dunn Rush & Co. LLC
- EnerNOC Inc.
- Goodwin Procter LLP
- KPMG LLP
- Kronos Incorporated
- Mercury Systems Inc.
- Millipore Sigma
- MKS Instruments Inc.
- ML Strategies LLC
- Monster Worldwide Inc.
- Northeastern University
- Parthenon-EY
- PTC
- Radius Health Inc.
- Stratus Technologies Inc.
- Textron Systems
- The Charles Stark Draper Laboratory Inc.
- The Kraft Group
- The L.S. Starrett Company
- The MITRE Corporation
- Trinity Partners LLC

## Member Spotlight: Gemini Industries

Council member [Gemini Industries](#) was recently selected by the US Chamber of Commerce as a winner of its annual DREAM BIG Blue Ribbon Small Business Award. Gemini was selected from a record number of applicants from



communities across the nation who were judged on four key categories: strategic planning, employee development, customer service, and community involvement. Gemini has a decade-long record of support for military and veteran-focused causes, including their ongoing involvement as a Charter Partner in [New England TechVets](#).

## Council to Sponsor Bio-IT World Conference and Expo

We are pleased to invite Council members to take part in the 2016 Bio-IT World Conference & Expo from April 5 to 7 at the Seaport World Trade Center in Boston.



This event will convene more than 3,000 life sciences, pharmaceutical, clinical, healthcare, and IT professionals from more than 30 countries. The [2016 plenary keynote sessions](#) will cover the breadth of the Bio-IT landscape and will include presentations by Boston Children's Hospital's Catherine Brownstein, IBM Watson Health's Bill Evans, and Partners' Heidi L. Rehm. Full details of the

program can be found at [www.bio-itworldexpo.com](http://www.bio-itworldexpo.com).

## Data that MATTERS

# MATTERS™

MASSACHUSETTS TECHNOLOGY, TALENT, AND ECONOMIC REPORTING SYSTEM

Under a proposed amendment to the state constitution, the top income tax rate in Massachusetts would rise to 9.15%, among the highest state tax rates in the nation. As importantly, Massachusetts would have the third highest tax rate among Massachusetts' [Peer Technology States](#), as shown in the table below excerpted from the [Mass. Technology, Talent and Economic Reporting System \(MATTERS\)](#).

State	Personal Income Tax: Top Rate
California	12.30%
Minnesota	9.85%
<b>Massachusetts</b>	<b>9.15%</b>
New Jersey	8.97%
New York	8.82%
Connecticut	6.70%
Maryland	5.75%
Virginia	5.75%
Ohio	5.33%
Utah	5.00%
Colorado	4.63%
Illinois	3.75%
Pennsylvania	3.07%
Texas	0.00%
Washington	0.00%

## Contact Us

**Massachusetts High Technology Council**  
 Reservoir Woods | 850 Winter Street |  
 Waltham | MA | 02451  
 781.890.6482 | [www.mhtc.org](http://www.mhtc.org)