



MASSACHUSETTS  
**HIGH TECHNOLOGY COUNCIL**  
*Dedicated to Growth... Committed to Action*

**November 12, 2020**



**2020 Election Results: Impact and Leadership Response**

As the nation and Commonwealth continue to absorb and analyze the results of elections at every level of government, the Council is working with our leadership team and policymakers to assess and respond to the impacts that this election season's political results and ideological shifts will have on Massachusetts employers and our economy for years to come.

Federal Election Results

The election of Joe Biden as President creates an opportunity for the nation and Washington to “reset” and holds promise for the advancement of productive, recovery-oriented policies including impactful federal investments in infrastructure and innovation; the expansion of advantageous global trade policies; and the adoption of immigration policies that can help unleash innovation and expand opportunity when our nation needs it most.

Private sector leaders and innovation economy employers, however, are rightly wary of tax, economic and labor policies embraced by Vice President Biden during the campaign, many of which would risk stifling recovery and job growth by imposing new costs and burdens on employers who are already absorbing enormous unanticipated costs and seismic shifts to their operations.

However, the ultimate outcome of policy debates in Washington will greatly depend on party control of the US Senate by Republicans or Democrats which will remain unclear until the results of the Senate runoff races in Georgia are known in January.

Of particular interest to Council leaders will be the outcome of federal debates on additional stimulus and fiscal relief for states. As noted by the Council throughout this [summer](#) and [fall](#), the availability of additional federal stimulus and fiscal relief for states will be a key driver of Massachusetts' fiscal needs and tax policies over the next several years.

With a continued Republican majority in the Senate, prospects for additional federal relief to the states will remain unclear, despite the fact that returning Democratic House Speaker Pelosi will have a more committed

ally in the White House in pursuit of large-scale federal relief to states. Should the Senate flip to Democratic control, large scale federal aid to states in 2021 would become an increasingly likely outcome, including potential federal support for Massachusetts at levels that could significantly or completely alleviate state revenue impacts from COVID-19 over the next few fiscal years. Governor Baker and state legislative leaders will be wise to continue to manage state budgeting decisions in alignment with developments and progress on the federal relief front.

#### Massachusetts Legislative Elections: Partisan Imbalance Expands

In Massachusetts, all 200 state legislative seats were up for election, though just 50 races were contested and one-party dominance of the legislature by Democrats will expand as the legislature's small Republican majority shed 5 of the 35 seats they held at the start of 2020.

When the 192nd biennial Massachusetts legislature convenes on January 6, 2021, the State Senate will include just 3 Republican members (down from 6 ) along with 37 Democrats. The House of Representatives will include 127 Democrats, 32 Republicans and 1 Independent.

To date, state legislative leaders and Baker Administration officials, many of whom have been tempered by the experience of managing budget crises in prior downward economic cycles, have wisely resisted calls for tax-first approaches to the state's fiscal challenges and should continue to do so to support recovery and job growth.

Maintaining Massachusetts' high quality of life and supporting the Commonwealth's continued investment in shared priorities will require state leaders to embrace innovative approaches to delivering state services (including reforms that have been resisted in the past) without creating long-lasting damage to the prospects of a sustained economic recovery.

With Massachusetts employers continuing to absorb the costs and disruption of the COVID-19 economic shutdown, state policymakers should resist policies that would increase costs on employers and impede investment and economic growth.

The end of the 2020 election cycle provides an opportunity for Massachusetts political, civic and economic leaders to come together as a to move forward with policy choices that will help employers and individuals recover and restore the Massachusetts economy to the shining success it was less than a year ago.

#### Other State Ballot Question Highlights

The Council and a growing coalition of economic leaders concerned about the damaging impacts of the proposed new tax Amendment to the State Constitution that legislators have advanced toward the 2022 Massachusetts state ballot, are paying close attention to [ballot question results](#) from [several other states](#) last week:

- Illinois voters rejected by a 55% to 45% margin a proposed amendment to the Illinois Constitution that would eliminate the state's uniform tax rate.
- In Colorado, where one proposed initiative to impose a graduated income tax failed to qualify for this year's ballot, voters approved a separate ballot initiative reducing the state tax rate on personal and corporate income. In addition to approving this year's tax reduction question, citizens in "purple" state Colorado voted in 2019 to maintain a "Taxpayer Bill of Rights" cap on state revenue growth originally enacted in 1992.
- Arizona voters approved a ballot question to increase taxes on incomes over \$250,000. As with the pending 2022 Massachusetts ballot question, the Arizona initiative was advanced with millions of dollars in funding from unions representing public employees, including those who led a state-wide teachers' strike in 2018.

In addition to these tax-specific questions, the Council was closely watching a California ballot initiative to counter 2019 legislative changes to state law which radically altered how workers are classified as employees

or independent contractors. The overwhelming approval by a 58% to 41% margin was seen as a victory for gig economy workers and innovation economy companies and will help inform policy choices in Massachusetts, where similar proposals to reclassify independent contractors as employees are active.

## Council Policy Advocacy Supporting Conditions for Recovery and Job Creation in Massachusetts

As reported in our [October 8 Public Policy Update](#), the Council is continuing to advocate for public policy choices that support a robust and sustained economic recovery and job creation across the Commonwealth.



In an August 17 [President's Bulletin](#) and October 7 [Legislative Memo](#), the Council urged elected officials to approach state budgeting decisions deliberately; avoid the "tax-first" approach to meeting the Commonwealth's fiscal needs advanced by some; and wait for the results of our national elections which will determine the scope of additional federal fiscal relief to states--a key factor that will significantly shape Massachusetts' fiscal needs and outlook for FY21 and beyond.

The Council and a growing chorus of job creators and economic leaders is voicing support for policy approaches that will support a sustained recovery by creating a climate for job creation and economic opportunity for all, including via this [November 2 letter to state legislative leaders](#) from more than 25 Massachusetts business and employer organizations.

Later this month, the Council will be convening members for a discussion of immediate and long-term policy opportunities and risks and to develop our policy agenda for 2021 and the years to come. Watch your inbox for your invitation to these member-only sessions and contact [Mark Gallagher](#) to learn more about how you can shape and support the Council's public policy agenda and advocacy efforts.

## Committed to Action: Council's Diversity, Equity and Opportunity Initiative Builds Momentum

Council C-suite and senior executive members were recently invited to "commit to action" and join an anchor team who will drive the Council's **Diversity, Equity & Opportunity Initiative**. The effort has been under development since we announced it in July at our 2020 Annual Meeting.

A series of weekly virtual roundtables in September amplifying Council members' commitments and perspectives on the topic helped inform the next phase of this multi-year commitment. A virtual highlight "recap" of the September roundtable series can be viewed [HERE](#).

In partnership with a team led by **Rob Ruffin, Expert Vice President, Bain & Co.**, and with the support of **Judy Hou, Bain Capital Fellow at Harvard Business School**, an anchor team of 24 Council leaders will meet virtually in **November** to provide input and refine our effort, which will be rolled out at our **December 8, 2020** Board of Director's meeting. The project includes: 1) creating a fact base and call to action; 2) refining the rollout plan; and 3) creating a 2021 program to build a "best demonstrated practices" playbook and implementation plan.



- 1 Expect to embrace DEO themes, issues and actions as an integral part of your personal leadership agenda
- 2 Commit your personal engagement or another C-suite level executive to engage in the MHTC DEO process including interviews, BDP sharing and a few C-suite level DEO workshops and BDP sharing
- 3 Provide access to data required to establish a factbase & on-going progress related to recruitment, retention, and advancement; with strict safeguards to protect sensitive data (e.g., clean rooms)
- 4 Share best practices within the MHTC community to collectively advance DEO within the membership
- 5 Make public commitments on DEO goals as either individual companies or collectively as MHTC members
- 6 Agree to a long-term commitment to execute a playbook of BDPs to reach DEO goals

**"Anchor members 'opting in' will be key to building internal momentum and deeper commitment within the membership"**

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With a growing commitment to action from the Council's Board of Directors and leadership team, the Council's Diversity, Equity and Opportunity Initiative is building momentum as a unique vehicle for C-suite engagement and collaboration on impactful responses to the racial equity and justice issues facing the Commonwealth and our nation.

Visit the Council's website to view [roundtable video recordings and resources](#) and watch your inbox for news about upcoming DEO events and engagement opportunities.

To learn more about how you and your organization can help lead the Council's DEO Initiative contact [Chris Anderson](#).

## Women in the Workplace 2020: A Critical Crossroads

The Council's [Women in Leadership Initiative](#), sponsored in 2020 by PTC, invites you to join fellow Council members and innovation economy leaders online on **Thursday December 3 from 4:30 PM to 6:30 PM** for Women in the Workplace 2020: A Critical Crossroads, our annual year-end event focused on key data and findings from the [Women in the Workplace](#) report from McKinsey & Company and LeanIn.Org.

While the impact of COVID-19 has been widely felt, the 2020 edition of the Women in the Workplace report reveals that the pandemic could set the female workforce back by decades. With as many as one in four US women contemplating scaling back or leaving their career, a new crisis has emerged for employers in America.

Attendees of our December forum will hear from organizational and thought leaders about the choices companies have now and the resounding effect they'll have on women leaders well into the future.

Co-hosted by Women in Leadership Initiative knowledge partner McKinsey & Company and Council member reachHIRE this year's event will feature:

- Findings and Themes from the *Women in the Workplace 2020* Report: Presented by Megan Greenfield, Partner, McKinsey & Company,
- Building Blocks To Success: Remarks from Ann Klee, Executive Vice President of Business Development, Suffolk Construction.
- Deterring the Downshift: An executive-level discussion led by Addie Swartz, CEO of reachHIRE with panelists:
  - Scott Couto, EVP & Head of North America, Columbia Threadneedle Investments
  - Pamela Everhart, SVP, Regional Public Affairs & Community Relations, Fidelity Investments
  - Jennifer Reilly, Chief Human Resources Officer, MKS Instruments
  - Jane Steinmetz, Boston Office Managing Principal, EY

Council Director and **PTC Chief Strategy Officer Kathleen Mitford** will close the event with a discussion of the Women in Leadership Initiative's objectives and action steps for 2021.

Attendance is complimentary, but pre-registration is required via the [Critical Crossroads event webpage](#).

On September 23, the WIL Initiative hosted it's final 2020 roundtable with a focus on [Unconscious Bias: Advancing an Inclusive Workplace](#). Hosted by PTC, our 2020 WIL Initiative Sponsor, the event featured programming led by Trish Foster, Executive Director of the Bentley University Center for Women & Business and remarks from Jim Heppelmann, President and CEO of PTC.

Roundtable attendees also participated in an interactive panel discussion with:

- Nellie Borrero, Managing Director-Senior Global Inclusion & Diversity Lead, Accenture
- Stephen Denny, Head of Human Resources, Diversity & Inclusion, Putnam Investments
- Kathleen Mitford, EVP, Chief Strategy Officer, PTC

In October, Addie Swartz and the WIL Initiative leaders from reachHIRE worked with the Council to host a webinar on Aurora: A New Solution to Engage & Retain Professional Women and to share exclusive Aurora opportunities and offers available to Council members. Designed to help address the “first broken rung” for early-career women, Aurora provides companies an innovative and effective way to empower and retain the talent they work so hard to find. Learn more about this offer by emailing [Ellen Oliver](#) at reachHIRE and view a recording of the webinar [HERE](#).

Contact [Mark Gallagher](#) to learn more about how you and your organization can help lead the Council's WIL Initiative.

### **Council Member Opportunity: McKinsey Early Stage Investor Conference 2020**

Council member McKinsey & Co. is hosting its annual *Early Stage Investor Conference* from December 7 to 11 and has generously extended an invitation to Council members and friends to attend.

The event has already attracted over 350 startup applications and nearly 1,000 leaders are expected to attend to learn about cutting edge work done by these startups and to network with similarly interested leaders from across the globe. The conference agenda is organized around 5 timely topic “tracks” - biotech, medtech, healthtech, fintech, femtech, and sustainability.

For more details and to register visit the [ESIC 2020 information site](#).

### **Council Partner Focus: QUBIC Labs**

The Council is proud to introduce QUBIC Labs as a new Council partner. Based in Quincy, nonprofit QUBIC Labs is a startup incubator and innovation hub focused on helping entrepreneurs and innovators to develop world-class companies to serve businesses, governments, and people.

QUBIC's mission is to create 1000 technology jobs over the next 10 years and stimulate the innovation economy South of Boston with a focus on helping early stage companies access space, services, strategic support and growth capital. For larger, established companies managing evolving work models, QUBIC Labs offers co-working and office resources and has been helping companies understand the best combination of space and technology to help support a productive workforce.

To learn more about QUBIC Labs, please contact co-founder and CEO [John O'Keefe](#).

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## OUR MISSION

The Massachusetts High Technology Council, Inc. is an organization of CEOs and senior executives representing technology companies, professional services firms, and research institutions who are dedicated to creating and

sustaining conditions that support investment, job growth and improved quality of life in Massachusetts. Our members are growth-oriented, knowledge-intensive employers and institutions that develop, deliver and depend on technology products, services and innovations to advance their organizational objectives—a definition which covers just about all business enterprises in Massachusetts today.

Our mission 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.

For more information [visit our website](#).

