

MASSACHUSETTS HIGHTECHNOLOGYCOUNCIL

Dedicated to Growth ... Committed to Action

February 1, 2021



Council Leading Advance of Recovery and Job Growth Agenda

The Massachusetts High Technology Council is continuing to engage and partner with Massachusetts' economic and political leaders to drive pro-growth public policies to support a sustained economic recovery for our Commonwealth, its employers and its citizens.

In collaboration with like-minded organizations and business leaders, the Council is meeting with Baker Administration officials and Legislative leaders to highlight the crucial policy choices before us in the wake of COVID-19.

COVID-19 is reshaping the future of work in Massachusetts and across the nation. An assessment of what those changes mean for our economy is necessary. The Council is urging state officials to send clear signals of support to employers and job creators by avoiding the imposition of new cost burdens, including an array of pending proposals to increase taxes on businesses and individuals that could stall job and economic growth.

Read the Council's January 25 <u>Memorandum to Legislators</u> outlining opportunities for legislators to support a sustained recovery and reinforcing the pitfalls of pursuing higher taxes, as shown by the devastating economic stagnation in states like Connecticut which <u>ranks 49th in job creation among the 50 states</u>.

Listen to Council President Chris Anderson's discuss Governor Baker's State of the State speech and the Council's 2021 economic recovery focus and policy priorities in this January 26 <u>interview</u> on Bloomberg Baystate Business.

Contact <u>Mark Gallagher</u> to learn more about the Council's emerging public policy agenda and advocacy priorities for 2021.

Governor's FY22 State Budget Proposal Sets Stage for 2021 Tax, Fiscal Debates

On January 27, Governor Baker filed House 1, his proposed spending plan for FY22 which will begin on July 1. The Governor's proposal sends a positive signal to employers and individuals by avoiding any tax increases while funding key priorities, including COVID-19 response efforts and significant increases to

public education funding via the Council-supported Student Opportunity Act.

The Governor's plan proposes \$45.6B in state spending based on state revenues anticipated to increase 3.5% over FY21 levels. The proposal would utilize up to \$1.6B from the state's "rainy day" fund, but otherwise begins to reduce the state's reliance on one-time revenue sources as compared to recent years.

The Governor's plan also does not rely on any additional direct federal relief to the Commonwealth. The Administration's "plan for the worst, hope for the best" approach wisely positions the Commonwealth for a potential revenue windfall should additional federal relief materialize as is widely anticipated. According to initial estimates, President Biden's proposed \$1.9 trillion American Rescue Plan could bring \$10 billion or more in aid to Massachusetts if enacted.

The filing of the Governor's fiscal blueprint marks the start of a 6-month process of legislative consideration of the budget which will serve as a primary vehicle for debates on the Commonwealth's revenue needs and tax policy choices.

The Council will continue to engage with budget writers from the administration and legislature and we invite Council members to join us this Wednesday, February 3 for a **Policy and Government Affairs Roundtable** with **Representative Aaron Michlewitz, Chair of the House Committee on Ways and Means**. Contact <u>Mark Gallagher</u> to register.

Council's COVID-19 Recovery and Return to the Workplace Series Continuing with Vaccination Roundtables

The Council's acclaimed **COVID-19 Recovery and Return to the Workplace** series continues in 2021 with a look at:

- COVID -19 vaccines from Pfizer-BioNTech, Moderna, and Johnson & Johnson;
- National and Massachusetts vaccine supply and distribution updates;
- Innovations in COVID 19 testing programs exclusively for High Tech Council members;
- Updated perspectives from senior executives plotting revised strategies for a redefined workplace in the wake of extended work-from-home experiences.

Join us on February 12, 2021 from 4 PM to 5 PM for a conversation with Council Executive Committee Member **Steve Pagliuca** and **Dan Barouch**, director of the Center for Virology and Vaccine Research at Beth Israel Deaconess Medical Center and professor of medicine at Harvard Medical School. Dr. Barouch and his research team led the development of the vaccine for Johnson & Johnson.

This event is free and open to all, but **pre-registration (here)** is required. Check our website for updates on scheduling and registration for each of these events.

Mass. DPH Issues Further Guidance on Vaccination Priority for Employers

The Mass. Department of Public Health is continuing to revise <u>vaccination roll-out and eligibility guidance</u> for employers and individuals. Of particular interest to many Council members, eligibility for Phase 2 (which begins for certain populations on February 1) will include "medical supply chain workers". The definition of "medical supply chain worker" was recently clarified by DPH to include:

"Workers at manufacturers (including biotechnology companies and those companies that have shifted production to medical supplies), materials and parts suppliers, technicians, logistics and warehouse operators, printers, packagers, distributors of medical products and equipment (including third-party logistics providers, and those who test and repair), personal protective equipment (PPE), isolation barriers, medical gases, pharmaceuticals (including materials used in radioactive drugs), dietary supplements, commercial health products, blood and blood products, vaccines, testing materials, laboratory supplies, cleaning, sanitizing, disinfecting or sterilization supplies (including dispensers), sanitary goods, personal care products,

pest control products, and tissue and paper towel products."

Employers and individuals can submit inquiries about the rollout and prioritization directly via<u>email</u> to DPH and are encouraged to join us for a high-level dialogue on vaccination rollout at our upcoming COVID-19 Recovery and Return to Work Roundtable with Secretary of Health and Human Services Marylou Sudders. (Check our website for schedules and registration links.)

COVID-19 Testing Services Program for Council Members

There is little question that despite the rollout of COVID-19 vaccines, employers will need to continue supporting a safe work environment with a comprehensive set of "testing" resources at their disposal. To assist High Tech Council members to establish an effective and custom return to workplace strategy, we will be launching a purchasing program featuring PCR and antigen rapid COVID-19 testing services. Members will receive an email this week containing program details and an invitation to a virtual presentation on how to take advantage of the offer. Contact <u>Chris Anderson</u> for further information.



Close of 2019-2020 Legislative Session Yields Progress on Priorities, Missed Opportunities

The Massachusetts legislature required every available minute to complete its business for the 2019-2020 biennial session. Legislators and leaders from the House and Senate negotiated details of major legislative proposals through the final hours of the session on January 6, including these Council priorities:

Omnibus Economic Development Legislation: The legislature enacted an omnibus economic development bill to support and fund an array of economic development programs and initiatives at the state and local level. The bill included critically important changes to the state's zoning laws which will empower cities and towns to accelerate the production of housing in their communities. These changes, originally proposed by Governor Baker in his Housing Choices legislation, have been long-supported by the Council and create a new and impactful tools for the Commonwealth to increase the supply of housing to address Massachusetts' high housing costs, a key inhibitor of economic growth and barrier to the Commonwealth's ability to attract and retain talented workers.

Unfortunately, the final, enacted version of the economic development bill dropped provisions that would make significant reforms to Massachusetts laws governing patent litigation. The legislature missed an opportunity to create new protections from "patent trolls" for our state's critically important research and development organizations and creators of intellectual capital.

Similarly, the legislature missed an opportunity to embrace an emerging and promising sector of our innovation economy by rejecting economic development bill provisions that would have expanded sports betting in Massachusetts. The potential economic impact of sports betting in Massachusetts goes far beyond the ability of individuals to wager on sporting events and includes hundreds of millions of dollars in tax revenue the industry would generate over the next decade and the opportunity to create and grow employment in sectors like data analytics and cyber security that play to Massachusetts's strengths.

<u>Transportation Infrastructure Investment and Finance</u>: The legislature enacted a long-delayed <u>transportation</u> <u>bond bill</u> to authorize \$16.5B to fund capital projects. The Council has consistently supported the Transportation Bond Bill as the best available mechanism to modernize our transportation infrastructure and improve its reliability while avoiding unnecessary and unwise increases to transportation taxes, fees and tolls. The legislature wisely chose not to include many new of the taxes and fees under active consideration while ill-advised fee increases in transportation network companies which were enacted were ultimately vetoed by the Governor.

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.

