



M A S S A C H U S E T T S  
**HIGH TECHNOLOGY COUNCIL**

*Dedicated to Growth... Committed to Action*

**April 1, 2021**

Good morning MHTC Members,

It's April 2021! As I reflect on the past year, we are deeply respectful and aware that the pandemic has cost many lives, livelihoods, and has shaken the economic security of countless Massachusetts residents. As I reflect on the High Tech Council's COVID-19, workplace culture, and state public policy response over the past year, we are first and foremost deeply thankful for:



1. Researchers and federal government enablers who delivered COVID-19 vaccines in record time;
2. The ongoing and tireless efforts of so many front-line health care heroes, and
3. The collective efforts of so many MHTC Members to support each other with timely, data-driven COVID-19 information and strategies to keep employees and the workplace safe and the private sector operating throughout the past year.

As we look ahead and build on our past accomplishments, the following is a summary of three key MHTC policy, program, and staffing updates for your attention:

**PUBLIC POLICY PRIORITIES:**

The Mass. Supreme Judicial Court ruled in support of the MHTC-led lawsuit in 2018 declaring the proposed Amendment to the State Constitution to impose an 80% income tax increase on certain tax filers unconstitutional. Nonetheless, the Legislature re-filed the tax trap initiative in 2019 with the goal of placing it on the 2022 statewide ballot. In 2019, the High Tech Council invited the Pioneer Institute and Massachusetts Competitive Partnership (MACP) to join our new strategy to address this proposal.

During 2020, amidst the pandemic, we began tracking new and useful data about wealth, job, and employment migration from high tax/cost states to low tax/cost states and began incorporating this information in a strategic communication program that kicked-off in January 2021. On behalf of this "coalition," we engaged ML Strategies and a team lead by former State Senator Stephen Baddour to support and execute our various advocacy and communications strategies. The goal: afford us an opportunity to identify a compromise or alternative to the tax trap proposal. Together with Pioneer and MACP, we began rolling out reports, op-eds, podcasts, letters to the legislature, traditional media appearances, a social

media campaign, PPT decks, and events and constantly speaking with business groups and potential allies. Our coalition is engaging with the legislature, meeting with elected officials to share data and perspective about where the economy is today -- and the challenges ahead. Recently, we have had productive conversations with the new House Speaker and the Senate President.

Despite considerable challenges and a political landscape that continues to trend “progressive”, we have an opening. We presented an overview of our communications effort at our Board of Directors’ meeting on March 23. Following our recent meetings with Legislative leadership, the news clips below were published (March 25 and March 26), giving evidence of our efforts beginning to bear fruit.

*As we continue advancing this effort, you will be invited to attend special briefings on our strategy and milestones ahead. Just as importantly, we will request your active engagement and financial support to continue refining and executing this strategy in April and May.*

#### UPCOMING PROGRAMS:

- **Tomorrow! Our “Future of Work After COVID-19”** featuring special support from **McKinsey & Company**, series continues in April and May with a lineup that includes changes in commercial real estate; a member-only, CEO discussion on the strategies under consideration for the future of work; guidance on vaccine mandates in the workplace; the impacts on higher education; and the impacts on diverse populations of employees. Our next event features emerging trends from **Suffolk Construction; Avison Young, and National Development**. [Register for our April 2 event \(9-10 AM\) here.](#)
- The inaugural **MHTC Racial Diversity, Equity, and Opportunity Initiative** will launch on April 8. Our first event will feature a presentation and moderated discussion led by **Bain & Company**. The content for this session has been developed and informed by the active engagement of dozens of Council members to whom we are deeply grateful. We'll also feature Council member senior executive panelists from **Putnam Investments, Thermo Fisher Scientific, and MilliporeSigma** speaking about their DEO experiences and share their stories and learnings [Register for our April 8 event \(1-2 PM\) here.](#)
- Our **2021 Women in Leadership Initiative**, presenting sponsor **PTC**, will host its first event of the year in May. More information on this event and special member-only programming will be announced soon.
- **2021 Virtual Annual Meeting**: Save the Date for June 29 from 9:00 to 10:30 AM. More details to follow.

#### STAFF ANNOUNCEMENTS:

**Public Policy: Please join me in wishing Mark Gallagher--who has served the High Tech Council as our VP of Public Policy and Government Affairs for 7 years—success in a new chapter in his career.** Mark will be departing the Council later this month to join United Health Group. Mark has been a valuable member of our team, contributing to our focused and action-oriented efforts to help create and protect conditions that support investment and job growth within the Massachusetts innovation economy.

A search process for resourcing this position has begun. In the interim, ML Strategies will expand an existing relationship with the Council and provide legislative engagement, bill tracking, and legislative and member communications support, providing a continuous advocacy presence on Beacon Hill.

**Digital Communications:** Interviews are also underway for a newly created position to lead the Council's digital communications and program management initiatives. This new Council member will help orchestrate and amplify the Council's visibility and value proposition on social media, oversee a series of website improvements to benefit member engagement, and provide project management support of our robust virtual and in-person policy and program events.

Thank you (see news articles below)

Chris Anderson  
President

### **Income Surtax in Constitution "Bypasses Compromise," Speaker Says** **Matt Murphy/SHNS 3/25/21**

House Speaker Ron Mariano has voted against a proposed tax on the wealthy earning over \$1 million a year and more recently for the proposed Constitutional amendment, but with supporters hoping for a second and final vote in the Legislature this spring, the speaker made clear Thursday he's been no fan of the process.

"It really bypasses the whole spirit of the Legislature. It bypasses compromise. It bypasses the ability to work for a better product on the issue, and it's very frustrating for us," Mariano said during a question-and-answer session with the Greater Boston Chamber of Commerce. Chamber CEO Jim Rooney asked Mariano to talk about the trend of advocates using ballot questions to "create legislation" and "without getting into sort of what it's for, the use of the Constitutional Convention to actually sort of put what we think of as legislative policy into our Constitution that is now hard to reverse once it's in there."

While Mariano and Rooney danced around the specific question of the millionaire's tax, which would add a 4 percent surtax on all income earned over \$1 million, Mariano made clear he knew what Rooney was hinting at.

"I'd love to be able to sit down, and I know what we're talking about here, and have a discussion of tax policy. But instead, we have this or nothing and it's a difficult choice for legislators," Mariano said.

Before he was speaker, Mariano initially voted against putting a constitutional amendment on the ballot to add a surtax on millionaires but supported the measure when it came up for a vote in 2020. The Legislature must vote one more time either this year or next year in order for the question to advance to the 2022 ballot, and supporters have been hoping it would surface this spring.

"As you said, if it passes and it's baked into the Constitution it's very very difficult to change it," Mariano said. "It's a process that's used by people who are frustrated because their positions may be too extreme to get enough support to get a bill through the House, so they resort to, I call it an end-run around the Legislature."

Last year, the joint session of the House and Senate voted 147-48 in favor of putting the wealth surtax on the ballot, including a 112-43 vote in the House.

A tax expert suggested Wednesday that lawmakers could scrap the idea of a constitutional amendment to impose a surtax on household income over \$1 million and instead repeal the constitution's requirement for a flat tax and impose the graduated income tax rate through

traditional legislation.

The current version of the millionaire's tax was filed by Rep. Jim O'Day in House after a push by a coalition of civic, labor, and religious groups known as the Raise Up Coalition to amend the Constitution was ruled ineligible for the ballot as a citizen-generated petition. -

### **Spilka Weighs In On Taxes, Early Ed, Public Health**

**Michael P. Norton** 3/26/21

MARCH 26, 2021.....Holding the line on new taxes. Reforming early education and child care. Getting people out of their cars.

With a major climate policy bill set to become law Friday and work on key unemployment system changes nearly complete, one of Beacon Hill's most powerful legislators, Senate President Karen Spilka, on Friday morning outlined other likely focus areas for the Senate in the coming weeks and months.

The Ashland Democrat's list, as described during an early morning Associated Industries of Massachusetts executive forum, also includes fully funding the state's new education equity law, increasing investments in public health infrastructure, and minimizing additional draws from the state's cash reserves.

Spilka also announced that a new panel led by Sen. Adam Hinds to help Massachusetts reimagine its post-pandemic future and "come back better" will hold an April 6 session to hear about business, housing, and the digital divide, and an April 14 listening session focused on education and child care.

The policy and spending agenda she outlined comes a day after House Speaker Ronald Mariano named job creation and training, improved access to broadband, and offshore wind energy as among his favored investment areas.

Spilka's Senate Democrats last session led a deep dive into state tax policy and that group led by Hinds is expected to release its conclusions this spring.

But with House and Senate budget debates on deck, Spilka echoed Mariano's recent statements about tax increases -- the Quincy Democrat said last month that "we have no intention of raising taxes."

Noting she remains concerned about wealth gaps and saying there is "room for improvement" in the state tax code over the long term, Spilka recalled how in 2020 Beacon Hill resisted tax increases when the pandemic struck, and job losses mounted.

"It was not the time to pass any broad-based tax increases," she said. "Our outlook, I believe, is still precarious and we need to be cautious. So I anticipate continuing to hold this view." Equating the importance of child care to transportation, Spilka said the pandemic exposed gender pay gaps and "wiped out" a decade of progress for women.

"I have to say that gives me the chills and goosebumps," she said. "We must take a close look at the factors that affect women's employment moving forward and the most obvious place to start is child care."

In addition to the educational importance to children, Spilka emphasized the role that quality child care and early education can play in ensuring that all residents are participating in and growing the state's economy, and pointed to the availability of \$500 million in supports in the

"So the Senate will continue to prioritize, and we will work to reform, to update, to meet the needs, the true needs of our residents, post-pandemic, we will reform early education and child care moving forward," she said.

With remote work likely to endure, Spilka said that even the locations of child care facilities is an issue. She also highlighted the potential for broadening hours to meet the needs of working parents and addressing how centers are paid.

"Right now we pay per child, per head, and that hasn't worked because child care centers need to be open and their funding model now figures it out with a full capacity. We realized during the pandemic not all of them had full capacities. So what can we do to support our centers? What can businesses do?" she said. "Because clearly, businesses benefit from child care. I would imagine all businesses want to get the best talent that they can ... and oftentimes it happens to be a woman and we should make sure that we foster that and support it and put the resources necessary to do that."

In January, Gov. Baker signed a \$16.5 billion multi-year capital funding bill for transportation, but vetoed measures raising fees on ride-hailing services, creating a commission to study congestion pricing systems, and requiring the MBTA to launch a low-income fare program. Spilka said the new law will still make transportation more reliable and accessible, and vowed to continue pursuing policies to change behaviors.

"I have often said that my goal is to get people out of their cars and into public transportation," she said. "And we all know that it's more easily said than done. But the Senate is really committed to continuing to work on policies that will help change people's behavior. So that will ultimately be done."

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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](#).

