

MASSACHUSETTS  
**HIGHTECHNOLOGYCOUNCIL**

*Dedicated to Growth... Committed to Action*

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## **Mass. High Tech Council Supports UI Relief and Innovation Priorities in Governor Baker's Economic Development Legislation**

The Massachusetts High Technology Council supports Governor Baker's legislation, *An Act Investing in Future Opportunities for Resiliency, Workforce, and Revitalized Downtowns ("FORWARD")*, and proposed spending plan for the remaining \$2.3 billion in American Rescue Plan Act (ARPA) funds. Advancing this legislation will unlock significant opportunities for expanding economic development and growth across Massachusetts. For job creators in the Commonwealth's innovation sectors, the proposal includes critical support from Massachusetts for private sector-led research initiatives.

Employers across the Commonwealth will find relief in the Administration's proposal to dedicate \$300 million in ARPA funds to the Unemployment Insurance (UI) Trust Fund. The proposal partially relieves employers from bearing the burden of UI overpayments that were completely out of employers' control. As the Department of Unemployment Assistance (DUA) announced earlier this week, the \$300 million appropriation is a modest investment of ARPA funds to enable a solution that leverages significantly more in federal waivers to address \$1.6 billion in outstanding UI overpayments. Without this appropriation, which is the turnkey for additional federal support, the burden will otherwise be unfairly borne by employers. Employers are already on the hook for \$2.6 billion in bonding that the Administration has authorized to pay off outstanding federal loans, which were used to cover historic pandemic-related UI claims and keep the Trust Fund solvent. The Legislature should move quickly to approve the \$300 million UI Trust Fund appropriation to reduce the pandemic-induced, multibillion-dollar burden employers are already assuming.

The Governor's legislation includes targeted investments to boost the Commonwealth's initiatives focused on nascent technology industries and position Massachusetts to compete successfully for additional federal funding. Historically, the state's matching grant programs have catalyzed partnerships between industry and academia, as well as the public and private sectors, to boost economic activity in sectors that drive our competitiveness as a state.

Key among these investments is \$200 million for a matching grant program that would enable universities, nonprofits, industry consortiums, federally funded R&D centers, and other organizations to compete for federal grants in technology and innovation fields like Artificial Intelligence (AI), blockchain, supply chain, and other areas central to our future innovation economy. The legislation also dedicates \$50 million to establish a competitive and secure future innovation program, which would promote partnerships between universities, knowledge industry firms and other groups to lead development of new discoveries in area such as defense, healthcare, and more, which would contribute greatly to both state and national systems resilience and security. Both investments would leverage state funds to make high-impact grant awards in promising areas of technology innovation to spur additional research and development activity in the state. We encourage the Legislature to see the value of these investments.

Importantly, the bill also includes language that would formally establish in law both the Cybersecurity Center and the Center for Advanced Manufacturing (CAM), which have been successful initiatives of the Massachusetts Technology Collaborative under the Baker Administration. The Council supports the

decision to encode these two entities as part of the Commonwealth's workforce infrastructure in serving two vital sectors where talent is increasingly in demand for our members and the broader innovation economy.

### **About the Massachusetts High Technology Council**

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.

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