October 13, 2022

State Government News & Public Policy Updates

2022 Election Day Approaches

2022 election day is weeks away. On November 8, Massachusetts voters will cast their ballots to determine the next governor of the Commonwealth, their legislative representation, and leadership for other public offices. The Council is grateful to Maura Healey (D) and Geoff Diehl (R), their party’s respective nominees for Massachusetts Governor, for joining our leadership team over the last month to discuss the candidates’ policy goals and how to sustain Massachusetts’ economic and business competitiveness.

If you are interested in viewing the discussions, please contact MHTC’s Director of Digital Communications, Jenny Enfield, for member-only access.

MHTC Urges Members to Support “No on Question 1” Campaign: The Politicians Tax Hike Amendment

Four questions will appear on the 2022 statewide ballot. Question 1—which, if passed, would embed a four percent surtax on annual earnings over $1 million into the state Constitution—has largely been the center of gravity for public commentary and fundraising. And that makes sense given the stakes for our state’s economy.

The High Tech Council has been concerned about this permanent new tax policy proposal since it was drafted in 2013. Voters have rejected efforts to amend the state Constitution in Massachusetts to allow the Legislature to set different tax rates on different classes of income levels five times in the Commonwealth’s history. In 2018, a Council-led lawsuit resulted in a declaration by the Massachusetts Supreme Judicial Court that the citizens’ proposal was unconstitutional and was barred from appearing on the ballot. As a legislative proposal, the Legislature is free to “log-roll” by promising new spending in two areas we all care about (education and transportation).

But that’s a false promise. In our 2022 litigation effort, Supreme Judicial Court filings by the Attorney General conceded that there is no constitutional guarantee that education and transportation will see additional
funding. It’s a blank check for the Legislature, coming at a time when there are billions in unspent tax revenue—and most other states are going in the opposite direction with tax relief and reforms.

Proponents of the Amendment claim Massachusetts doesn’t have the financial resources to invest in transportation or education. Yet, there is no fundamental rationale for imposing a new tax that will accelerate the outmigration of those who drive our robust private sector economy. Our state tax revenue collections have yielded multi-billion-dollar surpluses for four consecutive years—and that is true in FY22 even after accounting for the return of $3 billion in over-collected taxes thanks to the Tax Revenue Growth Limit advanced by the Council and approved by voters in 1986.

The public union-led supporters of the Tax Hike Amendment have been pouring significant resources into ads and other channels to mislead voters into thinking that the Tax Hike Amendment guarantees increased spending in education and transportation. As our litigation efforts demonstrated, the claim of new resources for education and transportation above current spending levels is a false promise. The No on 1 campaign’s most recent ad emphasizes this important point: the Tax Hike Amendment is a blank check for legislators to spend without accountability.

This point was also a central observation in a recent Boston Globe article, which correctly notes that education and transportation investments are “options, not commitments” and that prior legislative efforts to modify the Amendment to specify that funds raised must be in addition to, and not in lieu of, funds appropriated for education and transportation, were resoundingly rejected. More recently, the Wall Street Journal’s Editorial Board came out against the Tax Hike Amendment, noting that the Amendment would accelerate the outmigration of wealthy residents and that passing such a measure would go in the opposite direction of many states opting for flat income tax rates.

The good news is that recent polling shows meaningful shifts in voters’ sentiment regarding the Tax Hike Amendment—and that with enough resources, this campaign is winnable. The next several weeks will be critical to spreading awareness of the true nature of the Tax Hike Amendment and the damage it would cause to our economy by impacting thousands of Massachusetts households and businesses and accelerating trends in the outmigration of talent and capital. We strongly encourage our members to vote “No” on Question 1 to preserve our economic competitiveness and keep state tax revenue collections strong.

Learn more about the Coalition to Stop the Tax Hike Amendment and make your contribution here.

To learn more about other questions on the 2022 ballot, visit the Secretary of State’s webpage.

Other Policy News & Developments
ICYMI: Timely Perspectives on State Competitiveness— On September 28, CNBC Special Correspondent and creator of CNBC’s Top States for Business Ranking, Scott Cohn, joined the Council to present on Massachusetts’ performance in CNBC’s 2022 rankings. Council Vice Chair John T.C. Lee, Ph.D., President and CEO of MKS Instruments, and Director Jane Steinmetz, Managing Principal of EY’s Boston Office, shared important perspectives on areas of competitiveness for Massachusetts, such as talent and workforce, as well as threats to our competitive standing, such as high costs of doing business.

Click here to watch the webinar recording and see key takeaways from Scott’s presentation and the panel discussion here.

Still No Movement on Economic Development Legislation – Now more than two months past the end of 2022 formal legislative sessions, the timeline—and content—of the multi-billion-dollar economic development legislation remains uncertain. We continue to advocate for investments in our innovation community, an infusion of resources into the Unemployment Insurance (UI) Trust Fund, and the commonsense tax reform proposals in the legislation. Now that at least 33 states have advanced tax relief in some shape or form in 2022, not moving forward with reforms to our estate tax, among other overdue proposals, will further hurt Massachusetts’ competitiveness.

As the Council has argued since Governor Baker filed the FORWARD bill in April, time is of the essence. This is especially true given that the legislation contains key investments in federal matching grants available to position Massachusetts to pursue funds through the CHIPS and Science Act in the coming months.

Over the last month, there has been notable movement on the implementation of the federal CHIPS and Science Act. The U.S. Department of Commerce has been releasing updates on the timeline for their Requests for Proposals (RFPs) and pertinent information that stakeholders should consider, including project descriptions submitted as part of proposals. The Council invites all our members to reach out to Matt Blackbourn to learn more about our support of efforts to maximize federal funding through various programs and incentive opportunities through the CHIPS and Science Act.

MHTC News & Updates

Cybersecurity Awareness Month

Massachusetts Cybersecurity Month has kicked off! The 2022 theme is “Advance. Include. Secure,” which recognizes the public-and private-sector efforts to advance an inclusive and cyber-secure Commonwealth. For more details or to discover other events happening throughout the month of October, click here. The statewide observation coincides with National Cybersecurity Awareness Month, a collaborative effort between government and industry, led by the Cybersecurity and Infrastructure Security Agency (CISA) and the National Cybersecurity Alliance (NCA), to raise cybersecurity awareness nationally and internationally. This year’s campaign theme — “See Yourself in Cyber” — demonstrates that while cybersecurity may seem like a complex subject, ultimately, it’s really all about people. Throughout October, CISA and NCA will highlight key action steps that everyone should take to be more secure, including:

- Enable multi-factor authentication (MFA)
- Update your software
- Recognize and report phishing
- Use strong passwords and a password manager

During Cybersecurity & Cyber Resilience, a MassVision2050 program, the High Tech Council examined the ever-evolving cybersecurity landscape and the importance of having cyber resilient strategies in place to ensure operational and business continuity with minimal impact. The webinar, held in June, featured important perspectives from Aron Ain, Executive Chair of the Board of Directors at UKG, Corey Thomas, Chairman & CEO of Rapid7, Justin Greis, Partner at McKinsey & Company, and Mark Bristow, Director of MITRE’s Cyber Infrastructure Protection Innovation Center. Check out the webinar to learn more and see what our panelists shared.

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Massachusetts STEM Week is back! The statewide effort will take place from October 17–21, inclusive of the weekend before and after. It is organized by the Executive Office of Education and the STEM Advisory Council in partnership with the state’s 9 Regional STEM Networks. Now in its fifth year, STEM Week aims to increase the interest, awareness, and ability of all learners to envision themselves in STEM education and employment opportunities, and amplify the work being done in this area in the Commonwealth beyond STEM week. The 2022 theme is “See Yourself in STEM,” with a particular focus on the power of mentoring. STEM education creates great opportunities, but careers in STEM are not equally accessible to all. Despite making up an increasing portion of the overall workforce, women, people of color, first-generation students, low-income individuals, English language learners, and people with disabilities are underrepresented in STEM industries. Click here to see the full STEM Week schedule.

The High Tech Council is committed to addressing educational opportunity gaps and is a proud partner of this important effort. To address both the persistent representation and opportunity gaps for underrepresented communities and the chronic shortage of tech talent, it is critical to foster early interest in STEM fields. We encourage you to support one of the many initiatives across the state dedicated to increasing access and awareness about STEM careers and bolstering the Commonwealth’s talent pipeline during 2022 STEM Week and beyond.

Here are a few efforts making an impact in this space to explore:

**Kids in Tech**

MHTC Member Kids in Tech strives to excite, educate, and empower children to acquire skills and confidence in technology through interactive after-school programs. Its programs focus on helping kids develop the necessary tech skills and aptitudes to participate in and be future leaders of the 21st-century innovation economy.

The organization received a grant to develop STEM Design Challenges for students during this year’s STEM Week. This Design Challenge, “Everyday Engineering: Using the Ordinary to Create the Extraordinary,” will deepen 5–8 grade students’ understanding of the different branches of engineering. The challenge will cover the five pillars of engineering and include a series of webinars to simulate the activities. Kids in Tech plans to reach 8,500 students with this design challenge.

**The STEM Education Center**

The STEM Education Center at MHTC Member Worcester Polytechnic Institute (WPI) is committed to empowering educators with the guidance to lead relevant, integrated, and inclusive STEM learning experiences with their students and communities. The Center aims to strengthen STEM learning ecosystems through partnerships with teachers, administrators, community members, and funders, all with the common goal of advancing and transforming STEM education.

Another recipient of the 2022 STEM Design Challenge grants, the STEM Center will expand the “I Am STEM” library to include four lessons for each grade level, pre-K–5, as well as create four additional lessons for Grade 6. This will increase the total number of lessons in the library from 14 to 28 over the course of two years. The STEM Center anticipates reaching 5,000 students.

**STEMatch**

STEMatch was founded to make STEM education and the opportunities it creates accessible to all. Through company-school collaborations at critical inflection points in the educational journey, STEMatch programs inspire and support students to pursue STEM education and careers. For middle school students, STEMatch and its tech company partners provide hands-on experiences to inspire students’ continued interest in STEM fields before we lose them to “tracking” in high schools.

STEMatch also brings community colleges and companies together to create a new pathway to in-demand, high paying tech jobs for people who can’t afford the time or money required for a four-year college degree—the education typically required for STEM jobs that suffer from a chronic shortage of candidates.

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**MHTC in the Media**

Stay up to date with the following selection of recent media coverage.
Is Massachusetts losing its competitive edge? Business groups say they’re worried., The Boston Globe, October 13, 2022
Report calls big chunk of tax cap funds ‘illusory’, CommonWealth Magazine, October 5, 2022
Why Massachusetts saw a big drop on America’s Top States for Business list, The Business Journals, September 29, 2022
Energy policy freeze part of governor candidate Geoff Diehl’s cost focus, Fall River Reporter, September 28, 2022
Auditor certification paves way for $2.9b in tax cap credits, CommonWealth Magazine, September 15, 2022
Mass. taxpayers to get $3 billion back under obscure law, state officials say, The Boston Globe, September 15, 2022

Member Corner

Member Awards & Honors

UKG Earns High Praise from Customers for Product
reachHIRE’s Addie Swartz Receives Achievement in Women Empowerment Globee Award
CarGurus Recognized as one of the 2022 Highest-Rated Large Companies with the Happiest Employees by Comparably
CarGurus, Rapid7, and UKG Make Comparably’s 2022 Top 100 Large Companies with the Best Work-Life Balance
Deloitte, KPMG LLP, Vertex Pharmaceuticals, Inc, and RSM named Fortune Best Workplaces for Women™ 2022
Dave Thomas Foundation’s named Nutter, KPMG LLP, Boston Scientific Corporation, Analog Devices, Inc as some of the Best Adoption-Friendly Workplaces of 2022
2022 Captive International US recognized Spring Consulting Group and EY for their 2022 Awards
UKG Earns Highest Score as Top Company for Women Technologists Winner from AnitaB.org, Wins Separate Social Impact Award for its Close the Gap Pay Equity Initiative
9 MHTC Members recognized on Seramount’s 100 Best Companies for Dads List 2022
EY and KPMG win With Intelligence HFM US Services Awards for 2022

Member News

CGI and Aktia announce strategic business and IT partnership, CGI Newsroom, October 11, 2022
Creation Technologies Names Karoline Lariviere as Chief Human Resources Officer, Newswires, October 10, 2022
MITRE Names Marin Halper Vice President, Cross-Cutting Priorities, MITRE Newsroom, October 10, 20022
EY Announces Appointment of Kevin Flynn as Americas Vice Chair of Tax, Ey Newsroom, October 1, 2022
Creation Technologies Chair and CEO Stephen DeFalco Says the Manufacturing Services Firm Chooses its Clients Carefully and Even Declines Opportunities Rather Than Being All Things to All People, The CEO Magazine, September 27, 2022
Olympus Agrees on Transfer of Evident to Bain Capital, Quality Magazine, September 20, 2022
Boston Scientific names Kathryn Unger as VP of environmental, social and governance, Mass Device, September 19, 2022
Mercury Systems announces appointment of Allen Couture as senior vice president of execution excellence, Mercury Newsroom, September 15, 2022
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 that 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.