

THE HIGH TECH AGENDA

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

March 13, 2023

State Government News & Public Policy Updates

Concerning Trends Continue for Massachusetts' Competitiveness

There continue to be troubling signs about Massachusetts' competitive position relative to other states. Last month, *The Boston Globe* reported that a net of [110,000 people left Massachusetts](#) during COVID, making the Commonwealth one of the states with the highest rates of outmigration.

A recent analysis shows that, following the passage of the new income surtax, [Massachusetts taxpayers will pay the highest percentage of their income in taxes](#) among all states this year. In contrast, [another state just approved a major tax cut](#), joining the 21 other states—of all political stripes—that have cut income taxes since 2021. Massachusetts remains the only state that has increased taxes. Adding insult to injury, “Shark Tank” investor Kevin O’Leary [recently declared on CNN](#) that he considers Massachusetts “uninvestable” due to the state’s high taxes. It comes as no surprise that [New Hampshire is welcoming an influx of Massachusetts residents](#) who are moving across the border.



The High Tech Council's 2023 Policy Agenda

As these troubling trends persist, the High Tech Council continues to offer guidance informed by member input on options to address Massachusetts' declining business competitiveness. Our [2023 policy agenda](#), released in February, lays out our vision for what it will take to help Massachusetts regain its competitive advantage.

This agenda focuses on three areas that are fundamental to the health of the technology, innovation, and sciences sectors, and the broader state economy: business climate competitiveness, an engaged workforce, and our [MassVision2050](#) project.

Several other organizations have also been raising concerns about the economic future of Massachusetts and have offered their own solutions. The High Tech Council is directionally aligned with many of these proposals but is concerned that, in some cases, they don't go far enough and will not be sufficient to rescue Massachusetts' declining business climate.



Budget Season Begins on Beacon Hill

At the beginning of March, the months-long budget process kicked off on Beacon Hill, with Governor Maura Healey releasing her [FY24 inaugural budget proposal](#) along with a tax relief package.

Overall, the Governor's budget and tax proposals include several positive elements that begin to address the new competitive challenges Massachusetts employers are facing, but rehabilitating Massachusetts' declining business climate will require far more significant steps. The High Tech Council [released a detailed statement with our analysis](#) of the Governor's proposals.

The Governor's budget [does increase funding for programs that expand educational and career opportunities](#) for Massachusetts students and adults, which will help address the workforce skills gap. The High Tech Council was pleased to offer a statement in support of these critical investments.

While the Governor's tax package begins to address the high cost of living in Massachusetts and our status as a national outlier on taxes, it does not go far enough to improve our competitive position relative to other states. Even with these reforms, Massachusetts would still be one of only 12 states that impose an estate tax, and our taxation of short-term capital gains would be merely comparable to, not better than, the approach other states take.

Also of concern is the Governor's recommendation to weaken an important taxpayer protection by excluding the revenue from the new income surtax from the voter-approved statutory limit on the growth of state tax revenue (Chapter 62F), which we urge the Legislature to reject.



Capitalizing on CHIPS Funding Opportunities

The federal government is beginning to accept applications for funding from the 2022 CHIPS and Science Act. Last week, the Center for Advanced Manufacturing at MassTech Collaborative (CAM), along with more than 85 organizations from across the Northeast, submitted a [proposal to the Department of Defense to create the Northeast Microelectronics Coalition \(NEMC\)](#). The NEMC would serve as a regional hub for onshoring microelectronics hardware prototyping, lab-to-fab transition of semiconductor technologies, and semiconductor workforce training. Several High Tech Council members are part of this coalition and the High Tech Council submitted a letter of support for this application.

As the federal government prepares to award \$50 billion in CHIPS funding in the coming months, it will evaluate applications based on whether there is a state funding commitment for the project. Governor Healey submitted a request to the Legislature for \$200 million in state matching funds for federal grants in technology and innovation fields, including AI, cybersecurity, and semiconductors. The House approved \$50 million in funding for matching grants, and on March 9, the Senate approved \$200 million in their version of the legislation.



MHTC News & Updates

Save the Date! 2023 Annual Meeting

Mark your calendars! The High Tech Council is thrilled to announce that **our 2023 Annual Meeting will take place on Friday, June 9, at the Seaport Hotel**. Join us for the region's premier gathering of leaders from business, government, and academia to gain invaluable perspectives on current priorities and emerging issues driving the health and growth of Massachusetts' robust innovation economy. This year's event will focus on competitiveness, examining Massachusetts' declining business climate and discussing strategies to maintain our competitive position relative to other states. Don't miss this important conversation on the future of our innovation economy!

Stay tuned for more information and registration details in the coming weeks.



MassVision2050: Artificial Intelligence Innovation & Impact

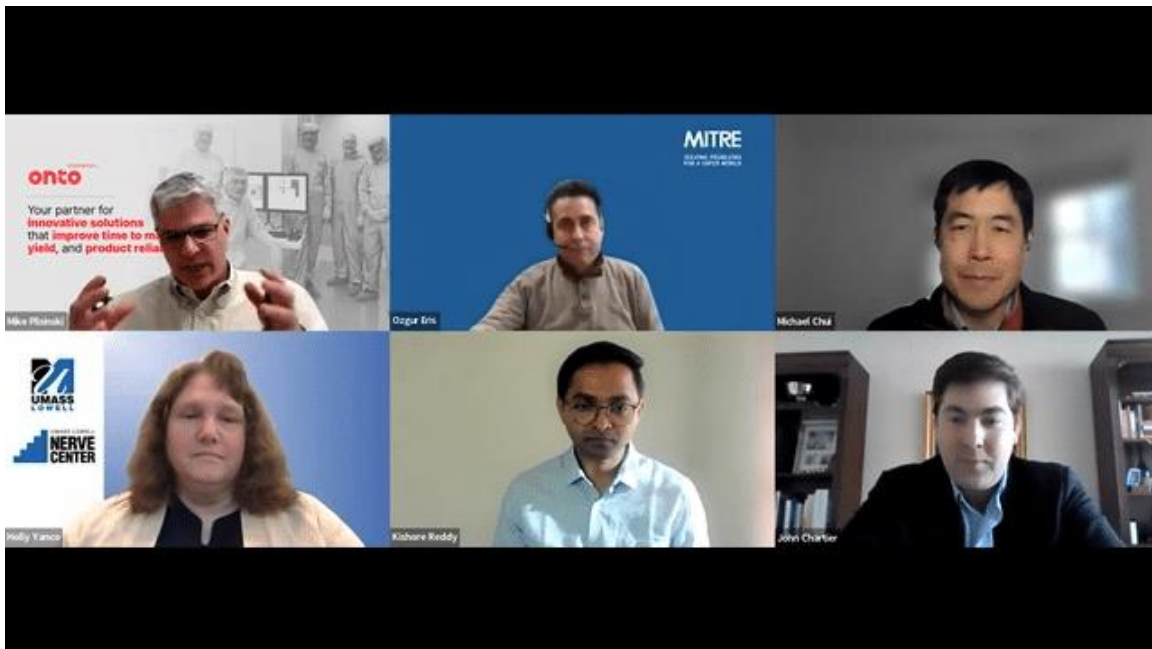
Artificial intelligence (AI) is revolutionizing various industries and aspects of our lives, and its impact will only increase in the coming years. To explore this rapidly evolving sector, the High Tech Council, Knowledge Partner McKinsey & Company, and key collaborator MITRE recently hosted a program titled "[MassVision2050: Artificial Intelligence Innovation & Impact](#)."

Through sessions on "The Big Picture: Artificial Intelligence Today & Tomorrow" and "The Local Picture: Artificial Intelligence & the Massachusetts Economy," and a panel discussion focused on business perspectives, this program covered a range of

topics related to AI, from the specific areas where Massachusetts can excel in AI research and development, to associated risks and the opportunities it presents for continued growth and innovation.

We also unveiled the findings from a first-of-its-kind analysis conducted by MassVision2050 on AI and its impact, which will serve as a roadmap for public, private, and academic leaders to keep Massachusetts at the forefront of AI innovation.

For those who missed the live event, you can watch the webinar recording [here](#). We're excited to continue the conversation and work towards a future where Massachusetts is a global leader in AI innovation!



Special thank you to our fantastic speakers, including McKinsey Partners **Michael Chui, Ph.D.**, and **John Chartier**, MITRE's Distinguished Chief Engineer for AI, **Ozgur Eris, Ph.D.**, Onto Innovation CEO and MHTC Director, **Michael Plisinski**, Raytheon Technologies' Associate Director of Research and AI Discipline Lead, **Kishore Reddy, Ph.D.**, Distinguished University Professor, **Holly Yanco, Ph.D.**, Chair of the Richard A. Miner School of Computer & Information Sciences and Director of New England Robotics Validation and Experimentation (NERVE) Center; Distinguished University Professor at the University of Massachusetts Lowell for the insightful discussion.

A big thank you to our MassVision2050 sponsors and partners for supporting this timely program: Knowledge Partner **McKinsey & Company**, key collaborator **MITRE**, **Onto Innovation**, Presenting Sponsor **Putnam Investments**, and Innovation Sponsors **Analog Devices** and **Suffolk Construction**.

MHTC in the Media

Stay up to date with the following selection of recent media coverage.

- [Healey's plans to cut business tax faces pushback](#), The Eagle-Tribune, March 8, 2023
 - [Beacon Hill Roll Call: House OKs supplemental budget](#), The Lowell Sun, March 6, 2023
 - [The Impact of A.I. and Back Door Donuts in Boston](#), Bloomberg Baystate Business Radio, March 7, 2023
 - [Banking a billion: How to handle the millionaire tax](#), MASsterlist, March 3, 2023
 - [Healey seeks to cut estate, gains taxes. Business groups want more](#), *Boston Business Journal*, March 2, 2023
 - [Healey tells Boston Chamber her tax relief plan will make Massachusetts more competitive](#), *The Boston Globe*, March 2, 2023
 - [Healey pitches her budget and tax reform plans to Boston's business community](#), WBUR News, March 2, 2023
 - [What is and isn't in Healey's budget](#), POLITICO, March 2, 2023
 - [Ahead of FY24 Budget Filing, Governor Healey and Lieutenant Governor Driscoll Announce MassReconnect, Workforce Development Investments](#), Mass.gov, March 1, 2023
 - [Governor Healey Unveils Tax Relief Package](#), Bloomberg Baystate Business Radio, February 27, 2023
 - [Elizabeth Mahoney joins Massachusetts High Technology Council as VP of Policy](#), *The Berkshire Eagle*, February 11, 2023
 - [A life-changing public school option dangling just out of reach](#), *The Boston Globe*, February 10, 2023
 - [New study finds disconnect between community colleges and local employers looking to fill jobs](#), *The Berkshire Eagle*, February 7, 2023
 - [Five things you need to know today, and our shoemaking past](#), *Boston Business Journal*, February 1, 2023
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Support MHTC's Vision for Massachusetts & a Robust Innovation Economy

The High Tech Council is pleased to offer an array of sponsorship opportunities for 2023 that directly support our existing and long-term strategies to rehabilitate and strengthen the business climate in Massachusetts. Divided into three sponsorship sections—Critical Mass: Competitive Business Climate, MassVision2050, and The Engaged Workforce—each designed to support key initiatives that will drive growth and innovation in the state, providing Members with the opportunity to directly invest in the future of the Commonwealth. As a sponsor, you will have the opportunity to align your brand with the High Tech Council's mission and values, while contributing to the growth of Massachusetts' innovation ecosystem. To learn more about the benefits and resources available to sponsors and to reserve your 2023 sponsorship request, please contact [Council President Chris Anderson](#).



2023 Sponsorship Opportunities

Member Corner

Member Awards & Honors

[Wentworth Women Among 2023 BWIC Inspire Award Winners](#)

[M&T Bank Recognized for Its Strong Relationships with Small-Business Customers by Coalition Greenwich](#)

[Three Northeastern Professors Receive 'Lifetime Honors' from the American Association for the Advancement of Science](#)

[Veracode Featured in CRN's 2023 Security 100 List](#)

[Goodwin Named the Number One Firm for Private Equity and Venture Capital Rounds in 2022](#)

[Customers Name UKG Overall Leader in Newest Enterprise HCM Quadrant](#)

[Putnam Investments Receives DALBAR's Total Client Experience Award](#)

[Bain Capital Specialty Finance, Inc. Receives Investment Grade Rating from KBRA](#)

[Chambers Global 2023 Recognizes Goodwin Lawyers and Practices as Worldwide Leaders](#)

[World Trademark Review Recognizes Goodwin and Nutter as Top Trademark Firms in the 2023 WTR 1000](#)

[Myomo CEO Paul Gudonis and Boston Scientific's Meghan Scanlon Recognized in the Healthcare Technology Report's Top 25 Healthcare Technology Leaders of Massachusetts for 2023](#)

[Energage Names Veracode a Winner of the 2023 Top Workplaces USA](#)



Member News

- [United Nations looks to protect open waters under new agreement](#), WBUR *Here & Now*, March 7, 2023
- [M&T relies on 'community rituals' to build brand in New England after People's acquisition](#), *Boston Business Journal*, March 7, 2023
- [Good News Tuesday: Helping visually impaired children enjoy the wonder of books](#), *Boston Business Journal*, March 7, 2023
- [Department of Commerce \\$2.97M Grant to Enhance Digital Connections in Minority Communities](#), UMass Boston, March 6, 2023
- [Mercury Systems Appoints Christine Fox Harbison as Executive Vice President and Chief Growth Officer](#), Stockhouse, March 2, 2023
- [EY US launches Center for Government Modernization](#), Markets Insider, March 2, 2023
- [Northeastern names new dean of D'Amore-McKim business school](#), *Boston Business Journal*, March 2, 2023
- [Kids in Tech Announces Catalyst Partnership with Collegium Pharmaceutical](#), Kids in Tech Newsroom, March 1, 2023
- [Brooks Automation accelerates growth by expanding life science automation portfolio via acquisition of Aim Lab](#), Yahoo.com, March 1, 2023
- [Rocket Software Acquires Key Resources, Inc., Expanding Mainframe Security Capabilities](#), MarketWatch, March 1, 2023
- [Governor Healey Announces MassReconnect Program at Bunker Hill Community College](#), BHCC Newsroom, March 1, 2023
- [New Grant Funds UMass Boston, Bunker Hill Community College Collaboration to Enhance Pathways for AANAPIS Students](#), BHCC Newsroom February 27, 2023
- [Azenta Launches Cryo Store Pico™, a Novel Automated Cryogenic Storage System Designed for Clinical and Laboratory Applications](#), Markets Insider, February 27, 2023
- [UMass Boston receives \\$6 million gift for Asian American Studies, launches endowed professorship](#), *The Boston Globe*, February 24, 2023
- [NERVE Center Celebrates 10 Years as World-Class Robotics Facility](#), UMass Lowell Newsroom, February 16, 2023
- [Bunker Hill Community College Receives Skills Capital Grant Award for Health Sciences](#), February 16, 2023



- [Excelitas Technologies Acquires Phoseon Technology, Strengthening Their Established UV Curing Capabilities and Expanding LED Innovation](#), Yahoo Finance, February 15, 2023
- [Putnam Launches Sustainable Target-Date Retirement Funds](#), Nasdaq.com, February 13, 2023
- [BIDMC Prepares to Open New Inpatient Building](#), BIDMC Newsroom, February 9, 2023
- [Local Leaders Look to Increase Manufacturing as Semiconductor Shortage Continues to Impact Electronics](#), NBC 10 Boston, February 9, 2023
- [An Ocean of Climate Solutions](#), TED Talks, February 2, 2023

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 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](#).

