



July 20, 2016

Chairman Brian Dempsey  
House Committee on Ways and Means

Senator Karen Spilka, Chair  
Senate Committee on Ways and Means

Chairman Joseph Wagner  
Committee on Economic Development  
and Emerging Technologies

Senator Eileen Donoghue, Chair  
Committee on Economic Development  
and Emerging Technologies

Representative James Kelcourse  
Committee on Economic Development  
and Emerging Technologies

Senator Viriato deMacedo  
Ranking Minority, Senate Committee on  
Ways and Means

Dear Conferees:

Massachusetts is home to some of the most innovative, dynamic businesses in the world. With an educational system that is leading the nation and producing a highly skilled workforce, diverse industry sectors are thriving and growing jobs in the Commonwealth. This is especially true in Boston and Cambridge, which are global hubs for the innovation economy.

Unfortunately, we are all acutely aware that this economic success story is not playing out the same way in all regions of the state. Each region has its own unique economic strengths and challenges. That is why the economic development legislation currently before you is so important to improve the climate for both creating new jobs and retaining key industries in Massachusetts. We appreciate and applaud the work being done by the House and Senate to adopt economic development legislation that builds on our regional strengths.

At the Massachusetts Business Roundtable, a statewide, non-partisan public policy organization comprised of CEOs and senior executives from major employers that employ more than 250,000 people across the state, we work with business leaders and public officials to make Massachusetts a more competitive place to do business in the global economy. We urge you to consider including provisions in the final version of economic development legislation that strengthen the state's ability to compete for talent, investment, innovation and overall job growth.

Below are specific items of importance to Roundtable members that, we believe, if included in an economic development bill, will help to improve the Commonwealth's long-term competitiveness. As you reconcile differences between H.4461 and S.2423, we strongly urge the Conference Committee to support the following items:

1. Vocational Technical Education. Companies are competing for talented workers at a variety of skill levels. Talent is the engine that drives our economy. The Roundtable is a proud member of the Alliance for Vocational Technical Education, which has advocated for new investments in technology and equipment to improve the talent pipeline graduating from vocational schools throughout Massachusetts. Both versions of the bill include significant investment in vocational education that will help prepare students to enter the workforce ready to meet the needs of a growing economy. Strengthening vocational technical education is a top priority for the Roundtable in 2016.

2. Incentives for Families to Save for College. The Roundtable joined the Association of Independent Colleges and Universities, as well as several other business groups to support a state tax deduction for contributions made to 529 college savings plans including the Massachusetts UFund and UPlan. Thirty-four other states have a similar deduction, which provides an incentive for families to save for college. Given the critically important role that our colleges and universities play in feeding the talent pipeline, this provision is particularly important to the long-term strength of our innovation-based industries.
3. Early College High School. Also referred to as the Dual Enrollment Partnership, this provision would further incentivize creative partnerships between school districts and institutions of public higher education and create a unique pathway for students working toward an associate degree or other professional certificates. This is a key priority of the state's STEM Council, and the Roundtable has long supported STEM education and other opportunities for students to develop advanced skills that will help the state to maintain its innovation edge in the global economy.
4. Job Creation & Retention Tax Incentives. As noted, Massachusetts is already home to some of the world's leading companies in industry sectors including high technology, advanced manufacturing, financial services, health care, life sciences and clean energy. The competition for companies to expand operations has never been stronger. Updating and expanding the state's Economic Development Incentive Program to provide the right mix of tax incentives for both job creation and retention in Massachusetts is critical to our continued economic growth.

Finally, the Senate economic development bill added a provision authorizing the Inspector General to create a new office that would review tax incentives. The Roundtable and several major business organizations strongly oppose this provision, which unnecessarily expands access to confidential tax information. The Department of Revenue is the only state entity allowed broad access to confidential tax information and is the only agency equipped with the tools necessary to keep the information private. The Department has spent millions of dollars on software that tracks every instance of employee access of taxpayer information to ensure that no such information is ever accessed except when there is a legitimate and documented business reason to do so. Further, DOR already produces a transparent, publicly available annual report detailing the state's tax expenditures. We urge Conferees to reject this provision.

On behalf of employers across the state, we appreciate the important steps you and your colleagues in the Legislature have taken through this economic development legislation to help Massachusetts compete effectively on the global stage. We look forward to working with you to create new economic opportunity and retain jobs in every region of the Commonwealth.

Thank you for your consideration.

Sincerely,



JD Chesloff  
Executive Director  
Massachusetts Business Roundtable



July 25, 2016

Chairman Brian Dempsey  
House Committee on Ways and Means

Senator Karen Spilka, Chair  
Senate Committee on Ways and Means

Chairman Joseph Wagner  
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and Emerging Technologies

Senator Eileen Donoghue, Chair  
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Ranking Minority, Senate Committee on  
Ways and Means

Dear Conferees:

I am writing to add an item to the Roundtable's previously submitted letter conveying our priorities and concerns relative to the economic development legislation, H.4483 and S.2435. Specifically, we are concerned about the mandate included in Section 131 of the House bill and Section 212 of the Senate bill that would require cable companies to carry public access television in high definition. We respectfully urge that you strike this language or hold it in conference as it is a clear violation of federal law and improperly alters the terms of existing license agreements with municipalities.

The Roundtable supports the overall intention of the legislation before you and there are many elements of it – some of which were highlighted in our previous letter – that would have a positive impact on long term economic growth, job creation and retention, and the workforce pipeline. This provision regarding public access television is not one of them.

Cable companies invest billions of capital dollars in infrastructure and technology that form the foundation of our innovation economy. Business relies on the ability to seamlessly share data and information in split seconds, and needs that infrastructure to be reliable to be competitive in a global marketplace. The provision regarding public access television could lead to costly lawsuits and other operational expenses that could potentially divert millions of dollars from these important capital investments. This negatively impacts not only the cable companies, but those who rely upon the network and ultimately could impact the competitiveness of our region.

We respectfully urge you to not include this provision in your final conference report. Thank you for your consideration.

Sincerely,

JD Chesloff  
Executive Director  
Massachusetts Business Roundtable