



Joint Committee on State Administration and Regulatory Oversight - March 27, 2023

H.43 - An Act to create the executive office of housing and livable communities and to rename the executive office of economic development

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Senator Collins, Representative Cabral, and members of the Committee, I am writing to provide comments in support of H.43, "An Act to create the executive office of housing and livable communities and to rename the executive office of economic development."

The Massachusetts Business Roundtable is a public policy organization comprised of Chief Executive Officers and Senior Executives from some of the state's largest employers representing over 250,000 employees. The mission of the Roundtable is to make Massachusetts the most desirable place to live, work and do business by engaging private sector executives and public leaders to ensure access to a robust, diverse, and talented workforce that enhances the Commonwealth's competitiveness in a global economy.

For the Roundtable, "competitiveness" is more than just a buzzword, it is a set of conditions and strategies to attract and retain both people and employers that will determine the future economic viability of the state and region. In Massachusetts, while we have a solid foundation of world class talent, innovation, and anchor industries, we are also facing headwinds that cannot be ignored. Our state's competitiveness is threatened by the combination of cost structure and mobility. It is a high-cost state, with a high cost of living and a high cost of doing business, that is also experiencing increased outmigration trends. For an economy built on access to talent, these factors and trends are a direct threat to Massachusetts' competitiveness.

To address this, the Roundtable developed a policy framework "[A Talent Agenda to Drive Massachusetts' Competitiveness](#)" focused on talent in three pillars: talent recruitment and retention; talent development; and talent diversity. Within the Talent

Recruitment and Retention pillar, housing is highlighted as a key priority to recruit and retain talent:

*"...the rise of remote work and the increased mobility of workers puts Massachusetts in jeopardy of losing its talent—a major asset for employers with a footprint in the state—unless policymakers and stakeholders including the business community support strategic planning and infrastructure investments in areas such as housing, transportation, and early childhood education that encourage talent to live, work, play, and innovate in Massachusetts."*

Massachusetts is facing a housing crisis and it is impacting our ability to attract and retain talent. Among the biggest concerns for workers weighing whether to stay in Massachusetts—or relocate here—is the high cost of housing. According to a 2022 report by The Boston Foundation, Boston is the 2<sup>nd</sup> most expensive city in the country for renters, and housing cost and availability is impacting every region of the state. In addition, the pathway to homeownership is especially limited for people of color. Nearly half of Black and Hispanic families in Massachusetts are considered cost-burdened—meaning that housing costs eat up at least 30 percent of their pre-tax incomes. Housing costs of that scale tend to drain household budgets and blunt the ability to build wealth. Collectively, this is negatively impacting Massachusetts' competitiveness and the future economic viability of the state and region.

H.43 seeks to address these issues head-on by creating a separate Executive Office of Housing and Livable Communities. This Secretariat, among other responsibilities, would "work to advance innovative solutions that provide safe, accessible, affordable, and environmentally sustainable housing for all residents and support the growth of vibrant, livable communities throughout the Commonwealth." The Roundtable supports this intentional focus on housing, its elevation within the Governor's cabinet, the ability it provides to work across Secretariats, and the promise it brings to address shared priorities such as increasing housing production, reducing regulatory barriers, and easing the path to homeownership.

The Legislature has also played a significant role in addressing the housing crisis head-on, passing major Housing Choice legislation and more recently the MBTA Communities Law. The Roundtable is grateful for those efforts and leadership and looks forward to our continued work together this session.

With the growth around the specific needs of housing, the housing crisis facing our state, and the new housing laws which will require creativity and oversight, the Roundtable urges the committee to support H.43. Having a secretary and an entire team of people with a sole focus on housing is an important first step in making our state a better place to live, work, and do business - all of which collectively enhance Massachusetts' competitiveness. Thank you for your leadership and thoughtful consideration of this important issue.