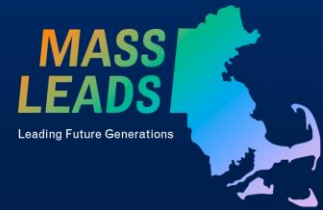


# AN ACT RELATIVE TO STRENGTHENING MASSACHUSETTS' ECONOMIC LEADERSHIP

MAURA T. HEALEY  
GOVERNOR

KIM DRISCOLL  
LIEUTENANT GOVERNOR

YVONNE HAO  
SECRETARY OF ECONOMIC DEVELOPMENT



## Equity

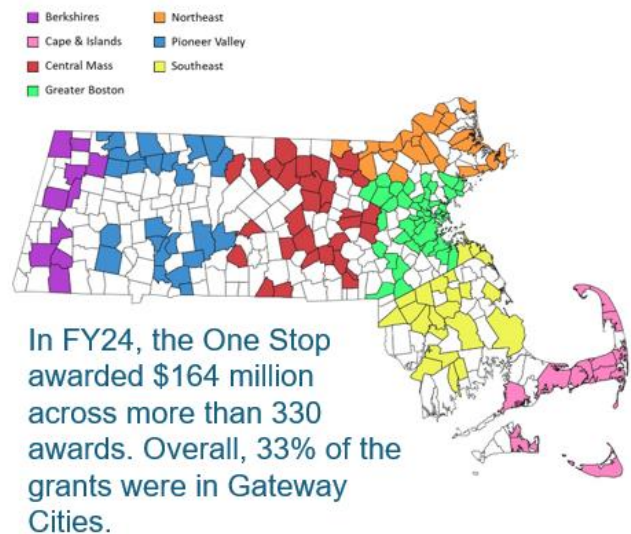
### Introduction

The Healey-Driscoll Administration has identified equity, affordability, and competitiveness as guiding principles for all its initiatives, including this bill. As outlined in the economic development plan, the Healey-Driscoll Administration is committed to an equitable, inclusive approach to economic development and opportunity creation.

While Massachusetts has the highest per capita personal income in the country, the data shows that income levels for Black and Latino residents tells a different story. Using the Gini coefficient, Massachusetts trails just New York and Connecticut in terms of income disparities, based on 2022 data. There is much room for improvement, and this bill seeks to make strides to close existing gaps among residents and regions.

### Fundamentals: Investing in the fundamentals to enable economic growth

- This bill proposes approximately \$1 billion in capital authorizations for programs aimed at unlocking local economic development with targeted investments. Notably, this includes more than \$620 million in reauthorization for programs within the **Community One Stop for Growth**, such as the MassWorks Infrastructure Program and the Brownfields Redevelopment Fund.
  - These programs can be transformative for a community seeking to leverage private investment and create jobs. Geographic and demographic equity are guiding principles during the application evaluation process.



- With nearly \$400 million in federal funding for **broadband**, Massachusetts is keen on deploying these funds efficiently and effectively, in accordance with federal guidelines, in order to achieve equitable access to high quality, affordable internet for all residents living in the state. This presents a once-in-a-generation opportunity to close the digital divide. This bill includes a provision that would empower local housing authorities to conduct a single procurement for design, installation and service, instead of multiple procurements which contribute to costs and delays. This proposed change will improve access to quality internet for some of our state's most vulnerable residents.

| Availability  | Adoption  | Quality of Service                          |
|---|---|---|
| Every location has high-speed internet <b>available</b> . | Every resident can <b>utilize</b> and <b>afford</b> the internet. | Every location has <b>reliable</b> service. |

***Healey-Driscoll Administration's Broadband and Digital Equity Vision***

**Talent: Retaining and attracting the world's best talent across all backgrounds**

- Talent is critically important to the state's economy. The administration proposes adjustments to the existing **Workforce Investment Trust Fund** to maximize its utility for workforce initiatives, in line with the original intent. The Workforce Investment Trust Fund was first created in the 2022 sports betting legislation, leveraging sports wagering revenues to strengthen workforce opportunities for low-income communities and vulnerable youth and young adults. These changes will allow Massachusetts to allocate these precious resources for career training initiatives, like MassTalent, as well as new programs to support at-risk youth, immigrants, and adult literacy. This will complement existing work underway by the Workforce Skills Cabinet.
- Additionally, the bill includes a section that seeks to respond to a healthcare workforce need while also improving access to care in underserved regions of the state. The **Physician Pathway Act** will establish a pathway to licensure for foreign-trained doctors with appropriate oversight and evaluation. Qualified doctors that obtain licensure must serve in underserved regions for a period of time. This can help meet a need within the state's community hospitals and benefit the communities that those organizations serve.
- **Nonprofits** are incredibly important to Massachusetts and its diverse communities. It is important that these organizations are represented by members of the communities that are served. The bill adopts a provision that would **allow nonprofit board members to receive a stipend** up to \$500 without losing personal civil liability protection provided by statute. This aims to help address disparities among nonprofit board representation.

**Sectors: Supporting businesses that power the state's economy**

- While the Healey-Driscoll Administration is focused on lengthening the lead for the **Life Sciences** sector, there is an equally important need to close gaps that exist within the ecosystem. As part of the next iteration, the state will focus on enhancing access to careers in the industry, with the scaling of Pathmakers. The administration will also elevate health equity as a priority. Massachusetts must improve on health disparities so that more residents can benefit from having the global epicenter for life sciences in their state.
- This administration is committed to carving out a leadership role in **climatetech** through its \$1 billion, 10-year plan. The state must be intentional in its commitment to ensuring that there are equitable opportunities for all residents to benefit from this new key sector.

It will be important to leverage existing partnerships within the workforce system, including collaboration with the trades.

- **Small Business**

- Complementing the Governor's FY25 budget recommendation which increases investment in the Small Business Technical Assistance Program, this bill includes capital resources to support the state's small business strategy. Notably, the proposed legislation includes **\$35 M for Community Development Financial Institution (CDFI)** grants that help disadvantaged and underserved businesses gain access to capital. The bill also reauthorizes Mass Growth Capital Corporation's **Biz-M-Power Program** for matching grants to support small businesses with capital-related needs, such as equipment, at \$10 M.
- Through this bill, the state will explore a new pilot program within EOED to provide technical and financial assistance to small businesses to **increase the diversity of businesses bidding on and securing public construction contracts**, particularly minority-owned construction firms. Alongside this effort, the Healey-Driscoll Administration is launching an **Executive Order establishing a council tasked with reviewing the existing procurement laws and related processes for public building construction projects**, such as state laws relative to surety bonds, to identify barriers to small, emerging, and diverse businesses, and to make recommendations that address them.
- The bill includes an updated definition of "**microbusiness**" so that the state places more emphasis on microbusiness as the administration implements the economic development plan. The challenges facing a company with 10 or fewer employees is different than a small business with dozens of employees, and we recognize the importance of factoring that into the state's business assistance plans.
- At the beginning of the term, this administration created a position within the Executive Office of Economic Development to support small and microbusinesses. The role continues to be important for the state's small business strategy.

## **Data & Metrics**

- As part of implementation, the administration will launch a **public-facing dashboard** that will track several indicators measuring the outcomes of key state economic development initiatives and programs, such as the levels and geographic distributions of investments across the Commonwealth.
- To enable accessible monitoring of the overall state's economic fundamentals, talent, and sectors, the dashboard will also track a **range of indicators**, including, but not limited to, regional economic growth, income inequality, and workforce and demographic trends.