

North Central MASSACHUSETTS

CHAMBER OF COMMERCE

Public Policy Agenda

FY2020

Advancing North Central Massachusetts

Approved by the Government Affairs Committee

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As an organization, we are committed to advancing North Central Massachusetts by promoting and leveraging **economic competitiveness** with our state, region, and nation; advocating on behalf of **small business**; asserting our role as the Commonwealth's hub of **manufacturing**; and appreciating that we cannot do any of this without innovative and leading **education** strategies and a strong **transportation** infrastructure.

This document is intended to serve as the guideline for the Chamber's government affairs efforts, and has been reviewed and approved by the Government Affairs Committee and the Board of Directors. Adjustments and additions to these policies will be made as necessary.

Please contact Christopher McDermott at 978.353.7600 ext. 224 with any questions you may have regarding this Public Policy Agenda.

Economic Competitiveness

At the heart of the Massachusetts economy is innovation. To remain competitive, this region must aggressively advocate for the tools and resources necessary to lead locally, regionally, nationally, and globally. As we work to strengthen our emerging sectors and clusters, we must recognize our strengths while addressing our weaknesses.

Regional Equity

Our position relative to I-495 should not make a difference in how we are viewed by state government. We will call on Beacon Hill to increase investments outside of Greater Boston in general and towards North Central Massachusetts in particular. As we position ourselves to be the next growth region, we need partners throughout the Commonwealth to change the way they view communities in our region.

Public Infrastructure

Essential to any regional economy are the public resources which all businesses rely upon. As one of the Commonwealth's oldest manufacturing hubs, many of North Central Massachusetts' roads, utility mains, drainage systems, and electrical lines are in need of repair or improvement. To this end, the Chamber will support efforts at both the municipal and state levels to address these needs in a timely fashion.

Broadband and High Speed Internet

Emerging sectors rely on technology now more than ever. Ensuring that all areas of North Central Massachusetts have access to high speed internet is a priority. We will continue to aggressively advocate for increased access for underserved areas in the region, and call for parity with the rest of Massachusetts.

Property Tax Rates

Since the inception of Proposition 2 ½, local governments have struggled to balance municipal budgets. Growing the commercial tax base should be a priority of every local government. Presenting business friendly environments through single property tax rates will continue to be a priority. Neither residents nor businesses should be overburdened by taxes. A single rate creates a fair and balanced environment for local receipts.

Investments in the Public Promotion of Tourism

North Central Massachusetts is home to a burgeoning tourism and travel sector. An evolving market has ushered in hundreds of millions of dollars in private investments over the last several years, positioning North Central Massachusetts as one of the highest growth regions in the Commonwealth. To propel that momentum, we need to continue to encourage investments and partnerships at the state and local level.

Regulatory Reform and Streamlined Permitting

The Chamber is committed to encouraging new ventures, attracting outside businesses to the region, and helping those presently here grow and expand. To that end, we must encourage our state and local governments to reduce regulatory burdens and ensure that officials tasked with enforcing public codes operate in a coordinated and transparent manner. Permitting and red

tape should be eliminated where possible and standardized “speed-to-market” strategies should be embraced by all local governments across the region.

Small Business

Affordable properties and an upwardly mobile middle class have coalesced to preserve North Central Massachusetts’ small business community. We must continue to embrace these entrepreneurs and recognize them as the heartbeat of our economy, removing any roadblocks that impede their success.

Grand Bargain

Last year’s legislative compromise between labor and business advocates has already had a considerable impact upon the Commonwealth’s business community. This is especially true of sole proprietors and local employers who are most susceptible to external pressures and changes. The Chamber recognizes the Grand Bargain as a hard but acceptable compromise, and will therefore act to defend what was won while mitigating the affect its concessions will have on Main Street.

Minimum Wage

Significant increases in the minimum wage place business in Massachusetts at a severe competitive disadvantage. Ultimately, higher payroll costs will drive shoppers to e-commerce outlets, eliminating jobs and compelling small retailers to shutter. While the Grand Bargain will increase the minimum wage to \$15.00 an hour- or \$6.75 an hour for tipped workers- over five years, we will act to guard against further increases or efforts to index it to inflation. Moreover, we will move aggressively to ensure the phased elimination of Sunday and holiday premium pay moves ahead as dictated in the compromise.

Unemployment Insurance Taxes

Massachusetts provides laid-off workers with the most generous benefits in the United States, alongside some of the weakest earnings and time worked tests in the nation, significantly increasing costs for small businesses. The Chamber will oppose further increases to these benefits and efforts to lower the already inadequate qualifications for accessing them.

Paid Family and Medical Leave

Among the Grand Bargain’s most onerous and complex provision was the imposition of a new paid family and medical leave payroll tax. Like the state’s unemployment insurance program, these new benefits represent some of the most generous in the United States. What has proven particularly frustrating however has been the confusion associated with the law’s enactment. Many employers remain uncertain as to whether or not these new regulations apply to them, and many employees are likely unaware of the fact that they shoulder a significant portion of this tax. Every effort will therefore be made to halt expansion of these benefits and ensure both employers and employees are aware of the law’s provisions- and their obligations under it.

Micro-lending and technical assistance investments

Since the Great Recession, increased banking and financial regulations have left many small businesses without access to traditional bank and credit union capital. Supporting emerging businesses and entrepreneurs with important financing is therefore a priority for our region. In conjunction with its affiliate, the North Central Massachusetts Development Corporation, the Chamber will build partnerships with state and federal agencies that ensure credit and business counseling are available to those who need it. These activities are absolutely essential, as microlending helps open businesses that would be unable to do so under other circumstances.

Health insurance & health care costs

The cost of health care is a major detriment to economic growth in Massachusetts. Small businesses already struggle to afford coverage for their employees, and this expense continues to climb. We will fight hard for small businesses against increased rates, newly imposed benefits, and other costly mandates that make it difficult for an employer to best address the needs of its employees.

Energy costs

Massachusetts has the second highest energy costs in the contiguous United States. This continues to encourage businesses to re-locate to other states and demands an aggressive response. We will therefore advocate for a diverse portfolio of power sources which includes wind, solar, and natural gas.

Manufacturing

North Central Massachusetts is home to the highest concentration of manufacturers in Massachusetts. With over 440 manufacturing firms across the region, the field accounts for one fourth of its employment and a third of all private wages. Supporting careers in advanced manufacturing and fiercely advocating for our large employers will therefore remain a major priority for the Chamber.

Enacting the Recommendations from *Build North Central*

This past year, the Chamber convened a taskforce of executives representing the region's manufacturing sector and sought their insight regarding how to best support the region's manufacturing sector. Drawing from their recommendations, a report entitled *Build North Central* was published, containing both programmatic and policy prescriptions. The Chamber will pursue these recommendations, advocating in favor of policy changes at the Statehouse and supporting the development of career readiness programming in the region's schools.

Removing the Stigma Associated with Manufacturing

As both students and parents consider what will follow graduation, manufacturing is often associated with dirty, unrewarding labor. Positioning ourselves at the intersection of manufacturing employers, K-12 school systems, and institutions of higher education is essential to addressing this outdated stigma. To that end, the Chamber will coordinate with these stakeholders and make every effort to raise awareness of the opportunities a career in manufacturing entails.

Removal of the Inventory Tax

Reducing burdens that manufacturers face is what will keep these companies from off-shoring or moving out of Massachusetts. We will aggressively support the removal of the Inventory Tax, a tax that is prohibitive to growth and competition for our region's manufacturers.

International Trade and Tariffs

North Central Massachusetts' manufacturers produce goods and components that are shipped the world over. At the same time, import of raw materials from foreign markets is essential to the work these employers do. Maintaining reasonable trade agreements which protect American interests without erecting unnecessary barriers to commerce is therefore critical to our regional economy. To that end, this Chamber will support efforts to update current trade agreements, implementing gradual changes which bring them more in line with the realities of a 21st Century market, and strengthen their consistent enforcement.

Education

At the backbone of any successful economy is a state of the art educational framework. As we seek to remain competitive as a region, we will support high quality education systems that align the strengths of North Central Massachusetts with workforce needs.

Support High Quality Education

With a commitment to our students' futures, we will support increased investments in education and extra-curricular activities that provide high-quality training and resources, ensuring they are prepared to take advantage of the opportunities afforded by a dynamic economy.

Aligning K-12 Curriculum with Workforce Development Initiatives

Ensuring our students are equipped with the tools and knowledge necessary to compete in an adaptable workforce will be a priority. Our education system will be the fabric of our efforts as we look to advance the economy of North Central Massachusetts.

Ensuring Students Graduate Career and College Ready

In the past, vocational schools and programs were viewed as limiting a student's career opportunities to his or her specialty following graduation. In promoting career readiness programs or credentialing courses, the Chamber will oppose any efforts to narrow the options available to the region's students upon graduation. Quality programming should ensure that students leave high school both career and college ready. Likewise, the Chamber will work with regional education institutions to ensure that those who do enter the workforce upon graduation are aware of opportunities to further their careers through the pursuit of college courses, credentials, and degrees.

Transportation

The Route 2 corridor is poised to be the next area of growth in Massachusetts. Without transportation infrastructure improvements, we will be unable to expand our residential, commercial, or industrial tax bases. Advocating for transportation improvements, extended commuter rail access, and increased reverse commute options will be essential to ensuring growth.

Modernize Route 2

With sections that were designed as far back as the 1920s, it is unsurprising that the western half of Route 2 is completely inadequate to modern traffic demands. A two lane highway will not support the travel and capacity needed for economic expansion. Working with our transportation partners and state officials, and the federal government, we will explore options for modernizing Route 2. These will include widening the route, improving on and off ramps, better aligning the road's traffic signals, and ultimately removing any stops or rotaries. .

Increased Transportation Options for Employees

In North Central Massachusetts, a job surplus is usually related to transportation access. We will advocate for expanded transportation routes and schedules that are conducive to shift changes and employee needs. Ensuring that employees are connected to public and alternative transportation will therefore be among our transportation improvement goals. Development of multiuse paths, such as the Twin Cities Rail Trail, provides another transit option many young professionals find highly desirable.

Roadway Investments

Roads, bridges and other public ways have long been neglected. Maintenance and re-construction of these roads is imperative to remaining competitive as a region of growth.

Airport Improvements

The Fitchburg Regional Airport is a vital component of the local economy, employing hundreds, attracting clients throughout Massachusetts and Southern New Hampshire, and supporting dozens of businesses that service it. The Chamber will support any efforts made to improve its services or increase its capacity. This includes updating its technology, expanding its runways, and decreasing barriers to business attraction.

While these statements are policy as of the effective date of this document, the Chamber reserves the right to adopt changes and make modifications and additions to its Public Policy Agenda, and will continue to monitor legislation and issues as they develop.