



**Commonwealth of Massachusetts Executive Department
Office of Governor Deval L. Patrick
Press Release**

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**GOVERNOR PATRICK ANNOUNCES ECONOMIC
DEVELOPMENT PACKAGE TO PROMOTE GROWTH
AND OPPORTUNITY ACROSS THE COMMONWEALTH**

Plan will accelerate growth of our world-class innovation economy; invest in Gateway Cities and middle skill jobs training

BOSTON – Thursday, April 10, 2014 – Governor Deval Patrick today announced an economic development package that provides new tools and training so our workforce is prepared to meet the needs of employers, invests in our Gateway Cities to promote development across the entire state, and provides incentives to create jobs and stimulate the economy. The Governor’s bill, *An Act to Promote Growth and Opportunity*, builds on the Administration’s proven growth strategy of investing in education, innovation and infrastructure that has led to record job creation in Massachusetts and made the Commonwealth a global leader in key innovation economy sectors.

“We are a more prosperous, more promising and more just Commonwealth for more people today than we were eight years ago,” said Governor Patrick. “But now is no time to rest on our laurels. I am convinced that we can reach more of our residents and accelerate our job and wealth creation, indeed that we can position ourselves to sustain our growth for many more years. That’s why I am filing this Growth Sustainability Bill, to expand opportunity more broadly into communities we have not yet reached, and to accelerate the growth of our innovation sectors.”

Building on a strong record of growth in the state’s world-class innovation economy, Governor Patrick announced the creation of a Global Entrepreneur in Residence Program to retain and attract entrepreneurs who are growing companies and creating jobs in the state. The program will allow qualified, highly skilled, international students currently in Massachusetts to stay here after graduation if they are starting or growing a business. Administered by the Mass Tech Collaborative, the program will place selected students – who are eligible for H-1B visas but unable to get them due to a federal cap – as “entrepreneurs in residence” at public and private institutions and will ensure that they continue to contribute to the Massachusetts economy.

Governor Patrick also filed legislation to eliminate non-competition agreements and adopt the Uniform Trade Secrets Act to promote innovation, job creation and the growth of companies to scale. Other initiatives to bolster the Commonwealth’s innovation economy include:

- Extending eligibility for state business incentives to innovative companies that create new jobs regardless of the size of their capital investment;
- Extending the Massachusetts Technology Collaborative's successful internship and mentoring program which provides grants to qualifying high tech companies to hire interns, providing students with experience and networking opportunities;
- Codifying the Governor's STEM Advisory Council, a public-private collaborative effort to increase student interest and proficiency in science, technology, engineering and mathematics;
- Expanding the Commonwealth's international marketing efforts to increase foreign travel, business for tourism-related industries and tax revenue;
- Recapitalizing MassVentures, the state's public venture capital investment agency; and
- Revamping the R&D tax credit program to give companies whose R&D expenditures are rising a larger credit.

"This legislation is the next step to ensure long-term economic prosperity for the Commonwealth," said Housing and Economic Development Secretary Greg Bialecki. "With these initiatives we will extend economic opportunity to every resident of the Commonwealth and continue to accelerate our thriving innovation economy. These steps will ensure that we do not just keep pace, but aggressively build upon the competitive advantages we have created to be a global leader in the sectors that sustain and drive economic growth."

The Governor's plan also invests in our twenty-six Gateway Cities and in middle skill jobs training programs to ensure that economic opportunities are extended to residents in every corner of the Commonwealth. These investments include:

- Creating a Middle Skills Job Training Grant Fund that will create a competitive advantage for our students and companies by training students and workers for middle skill careers in advanced manufacturing and IT on the most modern and up-to date equipment in these industries;
- Recapitalizing the Massachusetts Growth Capital Corporation, the state's working capital lender, to small businesses;
- Creating a Transformative Development Fund at MassDevelopment to make equity investments, provide funding for collaborative workspaces and provide technical assistance to support transformative development in Gateway Cities;
- Expanding the Housing Development Incentive Program to promote market-rate housing in Gateway Cities; and
- Contributing to the Brownfields Redevelopment Fund, which facilitates the return of old manufacturing properties to productive use in economically-distressed areas.

The Governor's plan also removes statutory limitations on the number of liquor licenses a local liquor authority can issue in order to give a local community greater control of the number of liquor licenses in their community. The Administration is also proposing to expand the Infrastructure Investment Incentive program (I-Cubed), which provides

innovative financing for infrastructure projects expected to leverage significant economic investment. Currently a community can only have 3 projects funded under the I-Cubed program. This proposal authorizes a greater number of projects in a community and increases the total amount available for projects which meet the high standards for the program.

In total, the Governor's economic development package represents a multi-year \$100 million investment through a combination of capital budget and general fund expenditures.

"Investment in valuable programs such as the MassTech Intern Partnership and Innovation Mentoring Initiative enhances the Commonwealth's ability to retain talent, generate innovative businesses, and foster our globally respected culture of tech entrepreneurship," said Pamela Goldberg, Chief Executive Officer of the Massachusetts Technology Collaborative.

"These initiatives help us partner with the Commonwealth and provides us with the resources to support our economic growth," said Salem Mayor Kim Driscoll. "This legislation will serve as a turning point for Gateway Cities, including Salem, by helping us attract new businesses and residents and ensure that we are great communities to live, work, and play."

"We are in the midst of a historic, Third Industrial Revolution, where human capital and talent are the most important assets required to fuel our economy," said Jeff Bussgang of Flybridge Capital. "The Governor's bold initiatives – creating a state-sponsored program to attract immigrant entrepreneurs and allowing the free flow of talent through the elimination of the archaic non-compete restriction – will allow Massachusetts to leap to the forefront as the most attractive place on the planet to start and build innovation companies."

"Since being created by Governor Patrick through an Executive Order, the Governor's STEM Advisory Council has launched the state's STEM initiative to national prominence," said JD Chesloff, Executive Director of the Massachusetts Business Roundtable and Chair of the Council's Executive Committee. "Thousands of students are being exposed to STEM and the skills they will need to compete in a technology driven, global economy. The Roundtable supports proposals by the Governor and Legislature to put this Council into law to ensure that its impact is sustained, which is essential to our state's long term competitiveness."

"Eliminating restrictive non-competes – while protecting the interests of employers with tools like non-disclosure and non-solicitation agreements – levels the playing field for Massachusetts in the competition for entrepreneurial talent with California and other states. We appreciate the work of the Patrick administration in advancing this bill, and that of the many other forward-thinking legislators who will create jobs in the Commonwealth by backing it," stated C.A. Webb, Executive Director, New England Venture Capital Association.

“The Workforce Solutions Group has long advocated for sector based job training. This initiative is a great shot in the arm for the Massachusetts economy that will help expand opportunity all across the Commonwealth. Building talent pipelines in partnership with growing industries is smart public policy that will result in higher wages for families, revenues for businesses and stronger regional economies,” stated Katherine Mainzer, Director of the Workforce Solutions Group.

The Governor made today’s announcement at the second annual Economic Development Summit, which convened a group of nearly 300 business, government and academic leaders to discuss the implementation of the Administration’s comprehensive economic development plan, Choosing to Compete in the 21st Century. The plan outlines five strategies for making Massachusetts a competitive player in the global economy: building and retaining talent; supporting the innovation economy; empowering regions and communities to create economic development; making it easier to do business; and improving cost competitiveness. The plan includes 55 action steps that describe how government, business and academia can collaborate to bring about a more competitive and successful Commonwealth.

For more information on Choosing to Compete in the 21st Century, visit www.mass.gov/compete.

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