



## **Massachusetts Taxpayers Foundation New Report says Swift Passage of Economic Development Bill is Essential to the Commonwealth's Financial Future**

*New Chartbook and Bulletin Highlight Challenges Facing Massachusetts Economy and Outline Paths to Sustainable Growth*

Boston, MA (September 23, 2024) — The economic development bond bill is essential to providing the funding, tax credits, and workforce development initiatives that will allow Massachusetts to preserve its competitive positioning and bolster its ability to build upon existing strengths and momentum. That, along with steps for a clear path forward are both highlighted in two vital reports released today from the Massachusetts Taxpayers Foundation (MTF). The chartbook, "[Keeping the State's Economic Edge: Key Sectors Under Pressure](#)," presents the stark reality of the Commonwealth's economic standing and why bold action is needed. While the accompanying bulletin, "[Economic Development Legislation: Reasons to Act](#)," provides a roadmap for how to strengthen Massachusetts' economy through the critical components of the economic development bill pending before the Legislature.

" Combined, the two reports present compelling economic and policy reasons as to why action on the economic development bill is critical," said Doug Howgate, President of MTF. "The economic development bond bill contains the solutions we need to revitalize key sectors and drive future growth. The Legislature must take swift action to pass the bill in order to maintain our competitive edge and support the industries that will drive future growth."

The chartbook paints a clear picture of some of the pressures on the Massachusetts economy, where job growth has occurred primarily in lower wage sectors, and jobs in finance and information technology are increasingly moving to other states. That reality, combined with continued demographic challenges, makes investment in new and emerging sectors even more critical.

### **Stagnant Growth in Employment and Wages**

The bulletin builds on the chartbook's findings by offering tangible solutions. It outlines the importance of the economic development bill, which will focus on key sectors that will drive Massachusetts' future economic growth:

- **Life Sciences**

Boston-Cambridge is a global leader in life sciences, but job growth and funding have

stalled. The economic development bill will provide the investment needed to reinvigorate this sector and keep Massachusetts at the forefront of global life sciences innovation.

- **Climate Tech**

Massachusetts ranks among the top five states for climate tech, but without targeted investment, workforce gaps and rising competition could stunt future growth. The bill includes provisions to expand funding and support for climate technology, ensuring the state continues to lead in green innovation.

- **Artificial Intelligence (AI)**

While Massachusetts ranks in the top five states for AI jobs, it is only 11th in job listings, indicating that talent and businesses may begin to migrate elsewhere. The bill will offer incentives and training programs to keep AI talent within the state and ensure Massachusetts remains competitive in this burgeoning field.

Passing the economic development bill will enable Massachusetts to capitalize on key growth opportunities in life sciences, climate tech, and AI. The bill directs strategic investments, such as state funds, tax credits, and workforce training programs into these sectors that have historically driven the state's economy. The bill will support these industries and lay the foundation for future success.

### **About the Massachusetts Taxpayers Foundation**

Founded in 1932, the [Massachusetts Taxpayers Foundation \(MTF\)](#) is widely recognized as the state's premier public policy organization dealing with state and local fiscal, tax, and economic policies. MTF's record of high-quality research and non-partisan analysis has earned the organization broad credibility on Beacon Hill and across the Commonwealth. Our mission is to provide accurate, unbiased research with balanced, thoughtful recommendations that strengthen the state's finances and economy to foster the long-term well-being of the Commonwealth. Over the course of nine decades, MTF has played an instrumental role in achieving major reforms and promoting sound public policy in state government. In the past ten years, MTF has won sixteen prestigious national awards from the Governmental Research Association for our work on a wide array of topics. Our unique credibility has allowed us to have a significant impact on a wide range of issues - from health care, business costs and transportation funding to tax competitiveness, capital investments and state and local finances.