

April 23, 2018

The Honorable Robert A. DeLeo, Speaker &
Members of the House of Representatives
State House
Boston, Massachusetts

RE: The HWM FY19 budget and pending amendments to H. 4400

Dear Mr. Speaker and Members of the House:

Associated Industries of Massachusetts (AIM) and its thousands of employer members commend the spending blueprint proposed by Chairman Sanchez and the House Committee on Ways and Means. AIM believes that avoiding broad-based tax increases and containing the growth of spending are both critical to achieving a balanced budget; we urge the entire House to continue to support this approach.

Our members have identified workforce training and an inability to find qualified workers as a significant concern. As such, AIM strongly supports several provisions put forth by the Ways and Means Committee, particularly those associated with workforce training in addition to expansion of the earned income tax credit (EITC), and we urge the full House to support them as well. We specifically support:

- Fully funding the Workforce Training Fund (\$24M);
- Funding for the Massachusetts Manufacturing Extension Partnership (\$2M)
- Funding for One-stop career centers

Regarding other matters contained in the FY 19 budget, AIM supports the following:

- Accelerated Sales Tax Collection Study: AIM appreciates that the House has chosen to study the so-called accelerated or real-time sales tax proposal, given the preponderance of evidence that it is neither feasible nor cost effective.
- Wage Theft: AIM urges the House to utilize the FY19 budget process to address wage theft by providing additional resources to the Office of the Attorney General and rejecting wage theft proposals pending before the legislature.¹ Wage theft is illegal in Massachusetts. AIM believes that resources to increase current enforcement efforts, which are based on our existing laws that already make wage theft illegal is warranted.²

¹ Excerpt from AIM's Letter to Senate Ways & Means: "It harms employees and their families, and it negatively impacts law-abiding businesses. However, proposed legislation regarding wage theft goes too far by instituting vicarious liability for wage laws, forcing employers to assume enforcement responsibilities currently under the purview of the Office of the Attorney General. This type of legislation gives Massachusetts a reputation for being anti-business with a preference towards "gotcha" policies burdening honest employers. These proposals also provide a gold-mine opportunity for plaintiff's attorneys without solving the issue."

² [Office of the AG – Fair Labor Division](#)

A full list of our positions on pending amendments is attached in a separate sheet.

Thank you for taking AIM's views into account and please feel free to contact me if you have any questions or need any further information.

Sincerely,



John R. Regan
Executive Vice President for Government Affairs

	Amendments AIM Supports	
#	Title	AIM Position
314	Workforce Competitiveness Trust Fund – Would amend the current grant program for pipeline training for unemployed persons. Grants will be competitive and outcomes based on job placement and retention.	Support
509	Treble Damages- Would amend the current wage laws to allow a business 90 days to address a wage complaint.	Support
522/1158	LLC Initial Filing Fee Reduction – Would reduce the current annual fee for an LLC to file an initial certificate of organization with the Secretary of State from \$500 to \$250.	Support
528	Uniform Trade Secret Act	Support
539	Online Posting of CMR's - Would require that each agency within the Executive branch to post all relevant Code of Massachusetts Regulations (CMR) on the Executive agency's website. Currently the Secretary of State charges business a substantial fee for a business to obtain the official regulations that business must comply.	Support

804	Estate Tax Reform – Would increase the state exemption to 50% of the Federal tax code and provide other updates the estate tax code to address the laws current negative impacts on family owned businesses.	Support
1295	Greentown Labs – Would support manufacturers through a clean energy economic development grant program	Support
1388	Massachusetts Office of Employee Involvement and Ownership – Would support efforts to promote Employee Stock Ownership Plan as an option to align the interest of a company’s employees with those of the company’s shareholders.	Support
Amendments AIM Opposes		
#	Title	AIM Position
329	Chapter 257: A way to Raise Direct Care Workers’ Wages – Would raise minimum wages of certain workers to \$15	Oppose
703	Special Legislative Commissions - An unnecessary amendment to require a redundant study, which already determined that the tax regime was infeasible nor cost effective.	Oppose
705	Third Party Payments – An unnecessary amendment to require the Department of Revenue to consider regulations to impose an infeasible tax regime.	Oppose
873	Amending the Unemployment Insurance Law for Workers with Fluctuating Work Schedules	Oppose
914	Relative to internet privacy protections – Would impose a vague state law, with new terms that do not exist in state law resulting in negative consequences for the consumer and businesses already covered by federal laws that protect customer information.	Oppose

925	Regional Transportation Ballot Initiatives – Would enable communities to raise taxes beyond current state and local tax initiatives for transportation spending.	Oppose
953	An Act Regulating the Location of Pipelines – Would diminish current federal and state authority regarding critical energy siting decisions.	Oppose
971	An Act Redefining Natural Gas Compressor Station - Would alter current state laws regarding critical energy siting decisions.	Oppose
1005	Pilgrim Nuclear Power Station (PNPS) Decommissioning – Would violate federal law as federal agencies have exclusive authority relating to decommissioning of nuclear power plants.	Oppose
1164	Offshore Tax Havens – Would impose an unnecessary and overly broad tax rule that is already addressed by state and federal tax laws and would enable Massachusetts to blacklist countries like Ireland and other key international trading partners	Oppose
1187	Tax Swap – Would add taxes to heating oil and natural gas used for heating purposes and imposes a new motor vehicle fuel tax.	Oppose
1233	Radiological Emergency Response Funds – Would violate federal law as federal agencies have exclusive authority relating to decommissioning of nuclear power plants.	Oppose
1325	Access to Child and Adolescent Mental Health Services - Would mandate coverage of service for educational support, not appropriate for inclusion in health insurance coverage.	Oppose
1326	Providing for Certain Health Insurance Coverage - Would extend mandated coverage to services not traditionally covered, increasing healthcare costs for employers.	Oppose