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SENATE CHAIR, *Joint Committee on Community Development and Small Business*
Second Worcester District Auburn, Grafton, Leicester, Millbury, Shrewsbury, Upton, and Worcester Wards 5-8

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Welcome to my Business Newsletter!

Hello and welcome to the first issue of my Business Newsletter, aimed at updating leaders and innovators in our economic community on the efforts of myself and the Committee on Community Development and Small Business. Especially during these tough economic times, I remain committed to ensuring that state government works towards encouraging small business growth and success, versus hindering it. Small businesses employ the majority of the American workforce, and continue to represent the future of our economic growth and vitality. I have made fighting for Massachusetts employers a priority of mine, and I want to keep you updated on our progress.

As part of my duties as Chairman of Community Development & Small Business, I have embarked on a series of listening tours around the Commonwealth. The purpose of the tours is to allow small business owners

from around Massachusetts the opportunity to ask questions of myself and my fellow committee members, as well as provide their experiences and concerns with state policies governing small businesses. So far the committee has visited the Worcester area, the MetroWest, Cape Cod, and the North Shore.

At the conclusion of the 10-stop tour, my House counterpart, Representative Linda Dorceca Forry, and I will produce a working document and file legislation based on the information gathered during our tour. So far, we have heard quite a bit relative to health insurance costs, difficulties securing loans and capital, and difficulties with regulations, amongst others.

While the tour is a wonderful endeavor, I always appreciate your input and feedback, and welcome you to reach out to me with your ideas and concerns. Together, we can move our



economy forward, grow our businesses, and put Massachusetts back to work.

Sincerely,

Michael O. Moore
State Senator

Moore to Hold Oversight Hearing on DUA to Address Small Business Concerns

Senator Moore has announced that the Joint Committee on Community Development and Small Business, together with the Joint Committee on Health Care Financing, will hold a hearing regarding the Division of Unemployment Assistance. Sen. Moore and other legislators have received numerous complaints from small business owners regarding the practices of the agency, specifically its filing and auditing processes. The hearing will take place at the State House on Wednesday, March 10, at 1:00 PM in

Room A-2.

In November 2009, Senator Moore and other legislators sent a letter to then-Secretary of Labor and Workforce Development Suzanne M. Bump, outlining concerns raised by various local business owners and outlining proposed changes to current policies and regulations. Some of the changes recommended in the letter include changes to DUA's website, allowing access to online forms, and creating a firewall between the help line and the auditors.

The letter requested that Executive Office of Labor and Workforce Development work both internally and with the Division of Health Care Finance and Policy to address the issues that were brought forth. Unfortunately to date the request has gone unanswered. This oversight hearing will give businesses the opportunity they deserve to discuss their concerns and will provide an opportunity for the new Secretary to hear directly from those affected.

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Moore Votes to Freeze Unemployment Insurance Rate Hike

In an effort to relieve economic burdens on small businesses and create new jobs, Sen. Moore recently voted to freeze the Unemployment Insurance rate, which was scheduled to increase by nearly \$300 per employee. Without the freeze, the average employer would see the per-employee payment jump from \$584 to \$852.

"This issue is of utmost importance to small businesses, who are already feeling the squeeze of tough economic times," said Sen. Moore. "I wrote to the Governor recently concerning this issue, to make sure action was taken to reduce the burden on small businesses, versus exacerbate it."

Other Senate efforts to help businesses include legislation to streamline the state's array of business develop-

ment agencies, many of which overlap duties and lack coordinated efforts. The Senate also supports certain business tax incentives and a cap on small business health insurance rates to provide further relief and encourage short-term growth. The Legislature has also reduced the corporate excise tax, dropping this year to 8.75 percent and to 8 percent by January 2012.

In late January, Sen. Moore sent a letter to Gov. Patrick, urging him to support the legislation.

"Enactment of legislation in early 2010 that implements a less dramatic increase in UI tax rates would help mitigate an obstacle to new hiring, without jeopardizing the long-term solvency of the UI trust fund based on current projections," said Sen. Moore in the let-

ter. "Given the current fiscal climate it is imperative that we take all necessary steps to ensure our local small businesses and workers are given every opportunity to succeed."

The Senate bill to freeze the Unemployment Insurance rate would hold steady the current rate schedule for Unemployment Insurance assessments on employers for calendar year 2010. In previous recessions the state has frozen the assessment schedule to relieve the burden on small businesses in tough economic times. The years 2008 and 2003 are the most recent examples.

In recognition of the almost unprecedented strain on state unemployment insurance systems, the federal government will charge no interest on borrowing in calendar year 2010.

Moore Helps Organize Successful 2009 Worcester Restaurant Week, 2010 Event in the Works

Senator Moore was a key supporter and organizer of Worcester Restaurant Week this year. Almost 50 restaurants took part in Worcester Restaurant Week in an effort to boost business at locally-owned restaurants while giving people real value for their dollar. The event took place over a two-week period in August, and will be repeated again in August 2010.

Participating restaurants offered a menu for \$20.09 that included a 3-course meal. Katherine Krock and Mike Covino served as co-chairs of the event. 2009 co-

sponsors of the event included the Central Mass Convention and Visitors Bureau, the Worcester Regional Chamber of Commerce, Destination Worcester, Dis-

"Almost 50 restaurants took part in Worcester Restaurant Week in an effort to boost business at locally-owned restaurants while giving people real value for their dollar."

tributors, Consolidated Beverages, Performance Food Service, Winn Companies,

Infodiligo, GoBare, Integrity Merchant Solutions, and Enterprise Cleaning Corp. The event also received support from a host of media outlets including the Pulse Magazine, Vitality Magazine, Taste-Worcester.com, the WRTA, and radio stations WCRN, WXLO, Oldies 98.9 and The Pike.

The event generated a great deal of interest, and local restaurant owners reported an increase in the number of patrons visiting their establishments during this period. The event encompassed a number of restaurants outside the city itself, spreading across the region.

\$7.5 Million Grant Announced for Canal District Streetscape Project in Worcester

Senator Moore announced in October that a \$7.5 million grant will be awarded to the Canal District Streetscape effort, including road resurfacing, new and wider sidewalks and pedestrian crossings, and bicycle racks. The award was announced as part of the second round of highway funding from the American Recovery and Reinvestment Act.

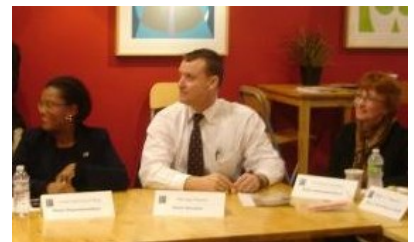
"I am very pleased that this funding has been made available to this great neighborhood," said Sen. Moore. "The Canal District has been on the rise for some time, and has already done so much to bring new and successful businesses into the area. This project will

expand and beautify the streets in the neighborhood, which will better enable local restaurants and other businesses to attract not only residents, but visitors as well."

33 projects throughout the state will receive the funding. The projects will now be reviewed for final approval by the state's 13 regional Metropolitan Planning Organizations. When approved and advertised for bid, they will complete the Patrick-Murray Administration's investment of the \$437.9 million in ARRA highway funds allocated to the state by the federal government.

As of September 30, Massachusetts had 48 highway projects in the

pipeline to construction, worth more than \$272 million. The state was required to obligate approximately \$153 million by the end of June 2009.



Sen. Moore participating in a Small Business Solutions Tour

Moore Announces \$1 Million PWED Grant for Shrewsbury's CenTech Park East, 600 Jobs to Result

Senator Moore announced in November that Shrewsbury's CenTech Park East will receive a \$1 million Public Works Economic Development Grant, through the Massachusetts Department of Transportation.

The grant will leverage at least \$26 million in private investment and build a critical new access road to the CenTech technology park, an 85 acre park that will accommodate biotech, industrial, and research and development firms. An estimated 600 jobs will be created.

"I am very pleased that this funding has been made available for CenTech Park East," said Senator Moore. "Shrewsbury is extremely well-positioned to benefit from the next wave of technological and industrial growth. Thanks to the Worcester Business Development Corporation, the town, and the state, CenTech Park will lay the groundwork for leading companies to come into

the area, create jobs, and help keep Shrewsbury at the forefront of regional economic development. This is a wise investment for the community, and for the Commonwealth."

David P. Forsberg, President, Worcester Business Development Corporation (WBDC) said, "This grant is a true success for the Town of Shrewsbury and the Commonwealth of Massachusetts. The CenTech Park East project is a prime example of the effective use of state resources, taking vacant, underutilized state property and transforming it into an active technology park. Complementing the successes of its neighboring CenTech Park, this project will foster a critical return to the Commonwealth by way of tax revenue and job creation for the Town of Shrewsbury and Central Massachusetts."

MassDOT provides PWED funding awards to municipalities for transportation infrastructure improve-

ments that will spur economic development, job creation, smart growth and better pedestrian access. Since 2000, \$99.6 million has been awarded in PWED contracts across the state.



Sen. Moore at the Ribbon Cutting Ceremony for Shrewsbury's Lake-way Business District

Beacon Hill Institute Ranks Mass. #1 in Competitiveness

"For the second year in a row, Massachusetts ranks first in the Beacon Hill Institute's annual State Competitiveness Report for its ability to promote economic growth and provide high income for its workers over the long term. The BHI competitiveness index is based on a set of 43 indicators divided into eight subindexes – government and fiscal policy, security, infrastructure, human resources, technology, business incubation, openness, and environmental policy. The breadth of the BHI index distinguishes it from more narrowly focused measures of competitiveness that target only taxes, high tech, or economic freedom.

**From The
Beacon Hill
Institute**

Based on its strong showing in the measures of technology, business incubation and human resources, Massachusetts remains at the top, closely followed by North Dakota, and then by Utah, Minnesota, and Wyoming. Colorado, Alaska, Washington, Iowa, and Idaho round out the top 10 most competitive states. Alaska, capitalizing on increasing oil revenues, was the most improved this year, up 17 places. New Hampshire, a perennial competitor from New England, held third place only two years ago, but slipped to 17th last year; this year it improved slightly to the 15th position. Vermont finished 18th while

other New England states finished in the middle of the pack: Maine (23), Rhode Island (29) and Connecticut (26).

Policymakers often compare Massachusetts's performance with that of "leading technology states." However, these high technology states do not always prove to be competitive by the Institute's measure. Massachusetts (1), Minnesota (4) and Washington (8) are the only leading technology states to finish in the top ten in the latest BHI index. Other LTS states - California (32), Connecticut (26), New Jersey (42), New York (35), North Carolina (27) Pennsylvania (39) and Texas (24) - have relatively unimpressive rankings."



Sen. Moore with other members of the Joint Committee on Community Development and Small Business

Legislature, Governor Take Action to Spare Commonwealth \$186 Million Lump-sum Payment, Stave off Toll Hikes

As a result of action taken by the Legislature, this past summer the Massachusetts Turnpike Authority, now part of MassDOT, saw its bond rating increased. One such action dedicated \$100 million in sales tax revenues to Turnpike bond holders, and the other restored the Commonwealth's full faith and credit to the 2001 interest rate swap agreements relative to the Authority.

These actions allowed the Commonwealth to avoid having to pay \$186 million in Big Dig financ-

ing costs all at once, which would have been devastating to the state financially and a potential new burden on taxpayers. A round of "major" toll hikes was cancelled this past summer as a result of the \$100 million being dedicated for Big Dig debt.

Both cost-saving measures were signed into law by Governor Patrick, whose administration negotiated with UBS to avoid the lump-sum payment. This was made possible by the actions of the Legislature.

IMPORTANT DATES!

*PUBLIC HEARING:
DIVISION OF
UNEMPLOYMENT
ASSISTANCE (DUA)*

Wednesday, March 10th
1:00 PM
State House, Room A-2

If you have any questions or concerns that you would like addressed by Sen. Moore or the Joint Committee on Community Development and Small Business, please call (617) 722-1485

*Visit Senator Moore
Online!
www.MichaelOMoore.com*



*Thank you for
reading!*

Moore Signs On to Affordable Health Plan Legislation to Reduce Cost of Health Care Premiums

With rising health care costs placing an increasing burden on Massachusetts small businesses and their employees, Senator Moore has signed onto a legislative package that would create a new product – the Affordable Health Plan – that could reduce the cost of premiums by as much as 22 percent for the small group/nongroup market.

The Affordable Health Plan, which would establish in statute a new product for businesses with 50 or fewer employees and individuals, would contain the following elements:

- A new product with benefits actuarially equivalent to Commonwealth Choice Bronze Level coverage. The product would be available for purchase through or outside the Health Connector.
- Establishes a statutory rate cap on reimbursements to all providers at no more than 110 percent of Medicare (or a rate actuarially equivalent to 110 percent of Medicare) for all covered services other than outpatient pharmacy benefits.
- Limits post-tax underwriting surpluses to 2 percent and establishes a minimum medical loss ratio of 85 percent for products offered by carriers in the small group/nongroup market.
- Prohibits providers from billing patients in excess of the reimbursement amount and established co-payments, co-insurance or deductibles.
- Prohibits providers from shifting costs to other products and charges the Division of Health Care Finance and Policy with monitoring provider charges and reporting noncompliance to the Attorney General.
- Sunsets upon implementation of the Special Commission on the Health Care Payment System's recommendations and are deemed to generate comparable reductions in costs.

The Affordable Health Plan would also help to reduce the wide variation in reimbursement rates among providers as the Special Commission on the Health Care Payment System completes its work and its recommendations are implemented over the next several years. The proposal would also improve comparison shopping for consumers, who could focus on quality and service knowing that the cost would be the same, regardless of provider.

Worcester Regional Chamber of Commerce Salutes Senator Moore!

In December 2009, Sen. Moore received a Salute from the Worcester Regional Chamber of Commerce's Breakfast Club, at their quarterly breakfast held at Coral Sea Foods in Worcester. Sen. Moore received the award for his work as Senate Chair of the Joint Committee on Community Development and Small Business.

"I am honored to have been chosen for a salute by the Chamber, which does so much to help promote economic vitality in the Worcester area," said Sen. Moore. "It has been my privilege to do what I can for small businesses, which are the backbone of our local economy. While much attention is paid to large corporations, monitoring the needs of small businesses and their employees should be a priority of state government."

"We are so proud to honor Sen. Moore for all of his hard work on behalf of area businesses, and on behalf of the residents of the Second Worcester District," said Michael Lanava, Busi-



ness Resource Manager for the Worcester Regional Chamber of Commerce. "We applaud his commitment to looking after small businesses and the issues that they face, to improve the business climate in the area."

Sen. Moore's work on behalf of small businesses includes regular "Small Business Solutions Tours" around the state, with members of his committee, to visit various local businesses and hear the concerns of their leaders. Additionally, Sen. Moore has advocated for stimulus funding to be used for local pro-

jects that will help area businesses, including the Canal District Streetscape project.

The Chamber's Breakfast Club is a quarterly event that pays tribute to local businesses and leaders for "major contributions to economic growth, improving the quality of life in the region, major milestones, and for other activities which enhance the Worcester region." The Worcester Regional Chamber of Commerce is also affiliated with several other area chambers, including Auburn, Blackstone Valley, and Central Mass South.