

HOUSE No. 164

The Commonwealth of Massachusetts

PRESENTED BY:

Geoff Diehl

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act to establish a Massachusetts incubator network to be known as MassMarket.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Geoff Diehl</i>	<i>7th Plymouth</i>
<i>Michael D. Brady</i>	<i>9th Plymouth</i>
<i>Christine E. Canavan</i>	<i>10th Plymouth</i>
<i>Claire D. Cronin</i>	<i>11th Plymouth</i>
<i>Stephen L. DiNatale</i>	<i>3rd Worcester</i>
<i>Peter J. Durant</i>	<i>6th Worcester</i>
<i>Donald F. Humason, Jr.</i>	<i>4th Hampden</i>
<i>Mary S. Keefe</i>	<i>15th Worcester</i>
<i>Thomas P. Kennedy</i>	<i>Second Plymouth and Bristol</i>
<i>Kevin J. Kuros</i>	<i>8th Worcester</i>
<i>Leonard Mirra</i>	<i>2nd Essex</i>
<i>Shaunna O'Connell</i>	<i>3rd Bristol</i>
<i>Jeffrey N. Roy</i>	<i>10th Norfolk</i>
<i>Aaron Vega</i>	<i>5th Hampden</i>

HOUSE No. 164

By Mr. Diehl of Whitman, a petition (accompanied by bill, House, No. 164) of Geoff Diehl and others for legislation to create a strategy for small businesses. Community Development and Small Businesses.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act to establish a Massachusetts incubator network to be known as MassMarket.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. To provide for supplementing certain items in the general appropriation act
2 and other appropriation acts for fiscal year 2013, the sums set forth in section 2 are hereby
3 appropriated from the General Fund unless specifically designated otherwise in this act or in
4 those appropriation acts for the several purposes and subject to the conditions specified in this
5 act or in those appropriation acts, and subject to the laws regulating the disbursement of public
6 funds for the fiscal year ending June 30, 2013. These sums shall be in addition to any amounts
7 previously appropriated and made available for the purposes of those items.

8 SECTION 2.

9 EXECUTIVE OFFICE OF HOUSING AND ECONOMIC DEVELOPMENT.

10 Massachusetts Office of Business Development

11 7007-0800

12 For the MassMarket business incubator pilot located at Massasoit community college

13 \$50,000

14 SECTION 3. (a) There shall be a business incubator, as defined in section 3A of chapter
15 23A of the General Laws, established at Massasoit community college. The business incubator
16 shall serve the southeastern region and facilitate business development in its gateway
17 municipalities, as defined in said section 3A of said chapter 23A, and in surrounding
18 communities. A regional partnership consisting of the Brockton area workforce investment

19 board, Massasoit community college, and representatives from MOBD shall assist the business
20 incubator. The director of the Massachusetts business development office, in consultation with
21 the Brockton area workforce investment board and Massasoit community college, shall contract
22 with a vendor to manage and operate the business incubator. The business incubator shall
23 operate for 3 years.

24 (b) The vendor shall:

25 (i) integrate a youth entrepreneurship component or unit within the incubator to focus on
26 youth entrepreneurship activities;

27 (ii) establish a record of or plan to conform to best practices including clear policies for
28 business entry and graduation;

29 (iii) establish a record of or plan to conform to best practices and principles of publicly
30 supported incubators;

31 (iv) develop a comprehensive suite of entrepreneurial mentoring practices including but
32 not limited to advising, coaching, planning, technical assistance, capacity building, education and
33 connecting to funding sources;

34 (v) develop the capacity to secure substantial private and other non-state governmental
35 funding for the incubator;

36 (vi) demonstrate the ability and willingness to cooperate with other local, regional and
37 statewide economic development organizations, business support networks and venture and
38 angel capital funding sources;

39 (vii) establish such procedure as it deems appropriate for the evaluation of tenant
40 eligibility requirements for incubator entry and graduation;

41 (viii) submit an annual report on June 30th of each year to the director of the
42 Massachusetts office of business development that includes its revenue and expenses, the
43 number of private sector firms that have leased space in the business incubator, the number of
44 companies that have graduated from the business incubator, how long such graduating
45 companies remain in the commonwealth, and best estimates as to the number of full time
46 equivalent positions created by incubator companies and their successors during the reporting
47 period;, and other data as required by the director of the Massachusetts office of business
48 development;

49 (ix) maintain a management information system and collect statistics and other
50 information necessary for ongoing program evaluation, thus improving a program's effectiveness
51 and allowing it to evolve with the needs of the clients; and

52 (x) determine, in conjunction with the director of the Massachusetts office of business
53 development, how the basic and optional services provided at the business incubator shall be
54 charged to a company either: (i) while at the business incubator, (ii) upon its departure from the
55 business incubator, or (iii) as a percentage of its annual revenues after graduation from the
56 business incubator.

57 (c) There shall be an advisory board for the business incubator that shall consist of a
58 state representative and a state senator from the southeastern region, and advocates and
59 stakeholders in economic, workforce, education and community development from the
60 southeastern region. The advisory board shall evaluate public investments in the business
61 incubator, ensure that the funded programs are implementing best practices known to contribute
62 to program and client success, and identify new industry trends that could affect program
63 performance.

64 (d) There shall be a review panel, composed of statewide recognized experts in business
65 incubation and representatives from the executive office of housing and community
66 development, the executive office of labor and workforce development, the executive office of
67 education, the Brockton area workforce investment board and Massasoit community college,
68 whose purpose is to evaluate the performance of the vendor and the business incubator
69 according to the criteria listed in clause (x) of section (b) and to present its findings to the
70 secretary of housing and economic development.

71 SECTION 4. The Massachusetts office of business development shall conduct an
72 investigation and study, in consultation with the executive office of housing and economic
73 development, the executive office of labor and workforce development and the executive office
74 of education, (i) to determine whether the business incubator established at Massasoit
75 community college shall be a model for a statewide network of business incubators to be known
76 as MassMarket; (ii) to develop a collection of state resources to the business incubators through
77 regional MassMarket partnerships consisting of local workforce investment boards, community
78 colleges and representatives from the Massachusetts office of business development; and (3) to
79 create a comprehensive, collaborative and integrated state strategy for small business,
80 entrepreneurship and business incubation to address the needs and challenges across gateway
81 municipalities, as defined in section 3A, and surrounding communities. The study shall consider
82 whether the lease or sale of unused state property under the management of the division of
83 capital asset management and maintenance for use as business incubators in gateway
84 municipalities, as defined in section 3A of chapter 23A of the General Laws, is appropriate and
85 cost-effective. The Massachusetts office of business development shall report the results of its
86 investigation and study, and its recommendations, to the secretary of housing and economic
87 development and the general court. The report shall be filed with the secretary of housing and
88 economic development, the clerk of the house of representatives and the clerk of the senate no
89 later than 3 years after the effective date of this act.