

HOUSE No. 338

The Commonwealth of Massachusetts

PRESENTED BY:

Bradley H. Jones, Jr., George N. Peterson, Jr.

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 relative to the student entrepreneurial development and economic investment fund.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Viriato Manuel deMacedo	1st Plymouth
Bradley H. Jones, Jr.	20th Middlesex
George N. Peterson, Jr.	9th Worcester
Elizabeth Poirier	14th Bristol
F. Jay Barrows	1st Bristol
Lewis G. Evangelidis	1st Worcester
Paul K. Frost	7th Worcester
Susan Williams Gifford	2nd Plymouth
Bradford R. Hill	4th Essex
Richard J. Ross	9th Norfolk
Todd M. Smola	1st Hampden
Robert S. Hargraves	1st Middlesex

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 364 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO THE STUDENT ENTREPRENEURIAL DEVELOPMENT AND ECONOMIC INVESTMENT FUND.

*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. Chapter 23A of the General Laws, as appearing in the 2006 Official Edition, is
2 hereby amended by inserting after section 10A the following new section:-

3 Section 10B. (a) There shall be established and set upon the books of the commonwealth a
4 separate fund to be known as the student entrepreneurial development and economic investment
5 fund, hereinafter referred to as the student investment fund, to which shall be credited any
6 appropriations, bond proceeds, or other monies authorized by the general court and specifically
7 designated to be credited thereto and additional funds designated for deposit to the student
8 investment fund, including any pension funds, federal grants or loans, or private donations made
9 available to the secretary of economic development. The secretary of economic development
10 shall hold the student investment fund in an account separate from other funds or accounts.
11 Amounts credited to the student investment fund shall be available to the investment board as
12 established in subsection (b) to carry out the purposes of subsection (c).

13 (b) The investment board shall consist of the following members: the secretary of economic
14 development or his designee, who shall serve as the chairperson of the board; the chairman of the
15 board of higher education or his designee, who shall serve as the vice-chairperson of the board;
16 the president of the Massachusetts technology development corporation, or his designee; the
17 executive director of commercial ventures and intellectual property, or his designee; two private
18 Massachusetts-based investors to be chosen by the chairperson in consultation with the president
19 of the Massachusetts technology development corporation; one student representative selected by
20 the university of Massachusetts representative to the board of higher education; one student
21 representative selected by the state college representative to the board of higher education; and
22 one student representative selected by the community college representative to the board of
23 higher education. The chairman of the board of higher education shall establish a student
24 application program to aid the representatives of the board of higher education in the selection of
25 student members to the board.

26 Five members of the board shall constitute a quorum and the affirmative vote of five members
27 shall be necessary for any action taken by the board. No vacancy in the membership of the board
28 shall impair the right of a quorum to exercise all the rights and perform all the duties of the
29 board.

30 (c) The purpose of the student investment fund shall be to provide an opportunity for interested
31 students to gain experience in entrepreneurialism and early-stage business development while
32 fostering an economic environment that will attract students to the commonwealth and forge a
33 relationship between the public higher education system and the Massachusetts business
34 community with the intent of driving economic growth. Funds made available to the student
35 investment board from the student investment fund shall be used for a grant program

36 administered by the board for prototype funding of Massachusetts' student ideas in early
37 development stages; provided however, that the development of such ideas, plans, or business
38 occur within the commonwealth. The secretary of economic development shall promulgate rules
39 regarding the enforcement and penalties for recipients who relocate outside of the
40 commonwealth. The board shall not be limited in the number of grants distributed to students in
41 any one year; provided however, that the total monetary amount of all grants distributed by the
42 board in a fiscal year shall not exceed twenty percent of the fund's first year balance. The board
43 shall hold periodic hearings to allow selected students, who have submitted a statement of
44 interest and initial business plan, the opportunity to present a comprehensive business plan
45 describing characteristics and proprietary positions of the student's product or services; present
46 and future markets for such products or services; potential strategies for the future development
47 and funding of the prototype product or service; a statement of amount, timing and projected use
48 of the capital sought by the student; and a statement of the projected growth in employment or
49 other positive economic impacts. Comprehensive business plans may be written and reviewed in
50 consultation with the Massachusetts technology transfer center at the University of
51 Massachusetts.

52 (d) The board shall, by January 1 of each year, submit a report of its activities for the preceding
53 fiscal year to the governor, the joint committee on economic development and emerging
54 technologies, and the clerks of the house of representatives and senate. Each report shall set
55 forth a complete financial statement covering its operation during the year and shall also include
56 any requests for additional appropriations.