HOUSE DOCKET, NO. 2364 FILED ON: 1/17/2013

HOUSE . . . . . No. 319

The Commonwealth of Massachusetts

PRESENTED BY:

Bradley H. Jones, 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:

An Act relative to the student entrepreneurial development and economic investment fund.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Bradley H. Jones, Jr.	*20th Middlesex*
George N. Peterson, Jr.	*9th Worcester*
Bradford Hill	*4th Essex*
Elizabeth A. Poirier	*14th Bristol*
Viriato Manuel deMacedo	*1st Plymouth*
Donald F. Humason, Jr.	*4th Hampden*
Sheila C. Harrington	*1st Middlesex*
Paul K. Frost	*7th Worcester*
Nicholas A. Boldyga	*3rd Hampden*
Kimberly N. Ferguson	*1st Worcester*
Daniel B. Winslow	*9th Norfolk*
Todd M. Smola	*1st Hampden*
Kevin J. Kuros	*8th Worcester*
Matthew A. Beaton	*11th Worcester*

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By Mr. Jones of North Reading, a petition (accompanied by bill, House, No. 319) of Bradley H. Jones, Jr. and others relative to the student entrepreneurial development and economic investment fund. Economic Development and Emerging Technologies.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
HOUSE
, NO. *1903* OF 2011-2012.]

The Commonwealth of Massachusetts

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:

SECTION 1. Chapter 23A of the General Laws, as most recently amended by section 9 of chapter 238 of the acts of 2012, is hereby amended by inserting after section 10B the following new section:-

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

(b) The investment board shall consist of the following members: the secretary of economic development or his designee, who shall serve as the chairperson of the board; the chairman of the board of higher education or his designee, who shall serve as the vice-chairperson of the board; the president of the Massachusetts technology development corporation, or his designee; the executive director of commercial ventures and intellectual

19 property, or his designee; two private Massachusetts-based investors to be chosen by the
20 chairperson in consultation with the president of the Massachusetts technology development
21 corporation; one student representative selected by the university of Massachusetts representative
22 to the board of higher education; one student representative selected by the state college
23 representative to the board of higher education; and one student representative selected by the
24 community college representative to the board of higher education. The chairman of the board
25 of higher education shall establish a student application program to aid the representatives of the
26 board of higher education in the selection of student members to the board.

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

31 (c) The purpose of the student investment fund shall be to provide an opportunity for
32 interested students to gain experience in entrepreneurialism and early-stage business
33 development while fostering an economic environment that will attract students to the
34 commonwealth and forge a relationship between the public higher education system and the
35 Massachusetts business community with the intent of driving economic growth. Funds made
36 available to the student investment board from the student investment fund shall be used for a
37 grant program administered by the board for prototype funding of Massachusetts' student ideas
38 in early development stages; provided however, that the development of such ideas, plans, or
39 business occur within the commonwealth. The secretary of economic development shall
40 promulgate rules regarding the enforcement and penalties for recipients who relocate outside of
41 the commonwealth. The board shall not be limited in the number of grants distributed to
42 students in any one year; provided however, that the total monetary amount of all grants
43 distributed by the board in a fiscal year shall not exceed twenty percent of the fund's first year
44 balance. The board shall hold periodic hearings to allow selected students, who have submitted a
45 statement of interest and initial business plan, the opportunity to present a comprehensive
46 business plan describing characteristics and proprietary positions of the student's product or
47 services; present and future markets for such products or services; potential strategies for the
48 future development and funding of the prototype product or service; a statement of amount,
49 timing and projected use of the capital sought by the student; and a statement of the projected
50 growth in employment or other positive economic impacts. Comprehensive business plans may
51 be written and reviewed in consultation with the Massachusetts technology transfer center at the
52 University of Massachusetts.

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