HOUSE DOCKET, NO. 2129 FILED ON: 1/17/2019

# HOUSE . . . . . No. 385

## 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 adoption of the accompanying bill:

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

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|---|---|---|
| *Bradley H. Jones, Jr.* | *20th Middlesex* | *1/17/2019* |
| *Bradford Hill* | *4th Essex* | *1/24/2019* |
| *Elizabeth A. Poirier* | *14th Bristol* | *1/17/2019* |
| *Susan Williams Gifford* | *2nd Plymouth* | *1/17/2019* |
| *Paul K. Frost* | *7th Worcester* | *1/30/2019* |
| *Todd M. Smola* | *1st Hampden* | *1/31/2019* |
| *Randy Hunt* | *5th Barnstable* | *1/28/2019* |
| *Steven S. Howitt* | *4th Bristol* | *1/30/2019* |
| *Mathew J. Muratore* | *1st Plymouth* | *1/30/2019* |
| *Michael J. Soter* | *8th Worcester* | *1/31/2019* |

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# HOUSE . . . . . No. 385

By Mr. Jones of North Reading, a petition (accompanied by bill, House, No. 385) of Bradley H. Jones, Jr., and others for legislation to establish a student entrepreneurial and economic investment fund to provide an opportunity for interested students to gain entrepreneurial and early-stage business development experience and establish a relationship between the public higher education system and the business community. Economic Development and Emerging Technologies.

## The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court**
**(2019-2020)**

An Act relative to the student entrepreneurial 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 appearing in 2016 Official Edition, 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 property, or his designee; two private Massachusetts-based investors to be chosen by the chairperson in consultation with the president of the Massachusetts technology development corporation; one student representative selected by the university of Massachusetts representative to the board of higher education; one student representative selected by the state college representative to the board of higher education; and one student representative selected by the community college representative to the board of higher education. The chairman of the board of higher education shall establish a student application program to aid the representatives of the board of higher education in the selection of student members to the board.

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

(c) The purpose of the student investment fund shall be to provide an opportunity for interested students to gain experience in entrepreneurialism and early-stage business development while fostering an economic environment that will attract students to the

commonwealth and forge a relationship between the public higher education system and the Massachusetts business community with the intent of driving economic growth. Funds made available to the student investment board from the student investment fund shall be used for a grant program administered by the board for prototype funding of Massachusetts' student ideas in early development stages; provided however, that the development of such ideas, plans, or business occur within the commonwealth. The secretary of economic development shall promulgate rules regarding the enforcement and penalties for recipients who relocate outside of the commonwealth. The board shall not be limited in the number of grants distributed to students in any one year; provided however, that the total monetary amount of all grants distributed by the board in a fiscal year shall not exceed twenty percent of the fund's first year balance. The board shall hold periodic hearings to allow selected students, who have submitted a statement of interest and initial business plan, the opportunity to present a comprehensive business plan describing characteristics and proprietary positions of the student's product or services; present and future markets for such products or services; potential strategies for the future development and funding of the prototype product or service; a statement of amount, timing and projected use of the capital sought by the student; and a statement of the projected growth in employment or other positive economic impacts. Comprehensive business plans may be written and reviewed in consultation with the Massachusetts technology transfer center at the University of Massachusetts.

(d) The board shall, by January 1 of each year, submit a report of its activities for the preceding fiscal year to the governor, the joint committee on economic development and emerging technologies, and the clerks of the House of Representatives and senate. Each report

shall set forth a complete financial statement covering its operation during the year and shall also include any requests for additional appropriations.”.