

10.30.07 - Governor Gives Testimony on Behalf of Life Sciences Bill

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Testimony Before Joint Committee on Economic Development and Emerging Technologies on Behalf of Life Sciences Legislation

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As Delivered

Chairman Bosley, Chairman Hart, Members of the Committee.

Thank you for your attention to this bill and for today's public hearing.

I am here today to testify in strong support of H4234, An Act Providing for the Investment in and Expansion of the Life Sciences Industry in the Commonwealth. As you know, this bill is a collaborative effort among leaders from all aspects of the Massachusetts Life Sciences sector (many of whom are here today), working together with Senate President, the Speaker of the House and members of my administration. I want to thank everyone for that collaboration and acknowledge the unusually broad base of support for the measures proposed.

As you know, Massachusetts is world-renowned as a Life Sciences Supercluster. We have an unrivaled concentration of biopharmaceutical, biotechnology, and medical device expertise, of academic medical centers, hospitals, research institutions, and patient advocate group; and of venture capital. Our Life Sciences sector has led the world in creating life-saving medicines and therapies and innovative stem cell research that will save lives, ease suffering and reduce long-term health care costs. Our preeminence in early-stage research attracts world class talent.

The sector is an important feature of our economy as well. Growth has outpaced other industries and has provided a broad range of job opportunities at all income and skill levels. According to a study conducted by the Milken Institute, every direct job in life sciences (scientists, technicians, lab assistants, bio-manufacturing engineers) creates 3.6 indirect jobs (suppliers, vendors, support services, utilities, construction, real estate, transportation, among others). The Life Sciences is a powerful economic engine for this Commonwealth.

But regional, national and global competition is fierce. At the BIO 2007 convention in Boston, dozens of competitor states and nations aggressively targeted our talent and companies. As we gather here today, our competitors are actively luring our state's best and brightest researchers, doctors and entrepreneurs.

California and New Jersey are investing hundreds of millions in the Life Sciences, North Carolina is providing lucrative tax benefits to lure our companies, and Florida has invested hundreds of millions so that Life Sciences can expand in their state. China and Ireland - two nations with a proven record of well-coordinated competitive strategies -- have joined the global sweepstakes for talent as well. For Massachusetts -- a state dependent on intellectual capital and research -- the threat is real and the stakes are high.

In addition to the direct threats from competitor states and nations, we also face the threat of flat NIH research funding - a critical source of research funding that has declined, especially for stem cell research.

In addition, the Bush Administration's prohibition on the use of federal funds for embryonic stem cell research combined with the Romney Administration's restrictions on stem cell research have made us vulnerable to efforts by other states and foreign countries to lure Massachusetts researchers and companies with offers of new funds, new facilities, and robust research incentives free of political restrictions.

All of these are ways in which the world is changing. If we do nothing, we lose.

Recognizing these challenges, and unwilling to accept defeat, the Senate President, the Speaker and I announced the bill before you at the BIO 2007 International Convention in May. You will hear from the experts who follow me details about each element of the bill. But in brief summary, the bill contains measure to: 1) develop stronger public/private partnerships around funding and investment strategies to create new jobs, spur innovative research, strengthen investments in higher education and workforce training, 2) make targeted investments at stages of the development and commercialization cycle, particularly those where venture capital has not been available, that result in robust job creation, and 3) create Regional Innovation Centers that attract researchers and companies and grow cures and jobs.

Today, you will hear from many industry leaders, researchers, and medical experts, as well as those affected by curable diseases, about the many benefits we will derive from the implementation of the Massachusetts Life Sciences Initiative. These benefits include the creation of life saving medical therapies and cures, attraction and retention of world-class researchers and life science companies, as well as new employment opportunities for people at all wage levels.

In terms of job creation, estimates by nationally known and respected economic forecasting firms attest to the potential for up to 250,000 new direct and indirect jobs as a result of the programmatic elements of the plan.

As far as research talent is concerned, passage of the bill will help us attract and retain world-class talent,

such as Nobel Laureate Dr. Craig Mello, whose cutting edge research in RNAi is supported by our bill, or MacArthur prize winner Dr. Kevin Eggan, director of the Harvard Stem Cell Institute, whose stem cell work is also supported by and leveraged through this bill. Both are here today to offer testimony as well.

You fully appreciate that we cannot rest on our laurels and we have not done so. Just last week - and thanks in large part to your efforts - the Life Science Center approved a grant-making process that will make available \$12 million toward stem cell research and other Life Science initiatives. In addition, it approved the first phase of the development of a stem cell bank and registry at the University of Massachusetts Medical School.

As you know, Bristol-Myers Squibb has chosen to open a major operation at Devens, and Genzyme has many facilities in Massachusetts, including a manufacturing facility in Cambridge and operations in Westborough. Avant Immunotherapeutics has located a facility in Fall River on the South Coast. Other companies have agreed to stay here because of our demonstrated commitment to cultivate and support this industry, and to join the global competition for investment and talent.

But not everyone is convinced that we mean it. One large company - Project Magellan - was prepared to invest hundreds of millions of dollars in over 700,000 square feet of lab and office space creating over 400 new, well-paying jobs. But our inaction on this proposal over many months caused them to abandon those plans here and focus instead on other states.

For the sake of our economy, for the sake of healing, for the sake of our future - and because you hate to lose as much as I do - I urge the Committee to take swift and favorable action on this bill. Thank you for your consideration.