

The Joint Standing Committee on Taxation
Testimony from Jared Auclair, Ph.D.
The Roux Institute, Portland, Maine

In Support Of

L.D. 1475

An Act to Promote Biomanufacturing and Biotechnology Development by Establishing a Tax Credit

18 April 2023

Senator Grohoski, Representative Perry, and distinguished members of the Taxation Committee, my name is Jared Auclair. I am Vice Provost Research Economic Development and Director of Bioinnovation at Northeastern University. I am speaking today on behalf of The Roux Institute in Portland. As you may be aware, founded in 2020, the Roux Institute's primary mission is to help grow Maine's economy by cultivating the development of advanced technologies and building a pipeline of life sciences talent. Unique to our institution, we focus on higher education from the perspective of teaching, research, and entrepreneurship in collaboration with industry, non-profits, governmental agencies, and other partners. In doing so, we seek to decrease the gap between education and professional practice, ensuring that we develop the important talent needed to address the global societal challenges of today and the future. Thank you for the opportunity to testify in support of L.D.1475, An Act to Promote Biomanufacturing and Biotechnology Development by Establishing a Tax Credit.

As Vice Provost Research Economic Development and Director of Bioinnovation my role is to promote economic development in a variety of industries, including biotechnology, my own area of professional expertise. In that capacity, I lead a regional coalition that supports the growth of the biotechnology industry across New England. I am privileged to work closely with many academic, industry, and community partners throughout Maine. We have a common goal – to support and grow Maine's bioeconomy so that we can create new career pathways and economic potential for Maine people and communities.

Maine is well positioned to capitalize on its proximity to the Boston life sciences epicenter. But government and industry must act for that to happen. Other states are creating and executing robust strategies to grow the bioeconomy. Massachusetts is a good example. Under the leadership of former Governor Deval Patrick, the state established a 10-year, one-billion-dollar investment in life sciences. That investment has transformed the Commonwealth into the global biotechnology leader. So much innovation is happening in Boston that the city cannot keep up with the demand. Massachusetts is now taking action to create additional life sciences hubs along the I-495 Corridor. Other states in the region, like New Hampshire, Rhode Island, and Connecticut, are moving to capitalize on this too.

Bioeconomy momentum in Maine is growing, but more needs to be done. Over the last several years, the state of Maine has had a number of institutions coalescing around the opportunity to support biotechnology through workforce development and research in Maine, from the University of Maine System to the Roux Institute, the community colleges and universities, Maine Health, and beyond. In addition, BioMaine, FocusMaine and dozens of others highlighted at bioconnectsne.com (our coalition's website) support the growing bioeconomy in Maine. Beyond all that, as someone who has a home in Bremen, Maine has an attractive quality of life and is conducive to supporting the biotech industry; heck, as a member of the mature workforce I have no desire to commute into Cambridge daily.

Boston and Cambridge also present a unique opportunity for early-stage companies and biomanufacturing in Maine and the region. The recent example of Moderna initially producing its COVID-19 vaccine in Norwood, MA (~24 miles southwest of Cambridge, MA) to ensure its success, highlights the feasibility and importance of locating early-stage companies and manufacturing activities near research and development (R&D). With Cambridge, MA as one of the largest hubs for biotechnology research and discovery, co-locating biomanufacturing in adjacent areas throughout Maine and New England will accelerate innovation and support economic growth in the region.

We have seen tax incentives help the biotechnology industry thrive in Massachusetts since 2008, and I anticipate this bill will do the same for Maine. However, it is more than just a set of tax incentives but is an announcement by the State of Maine that you are open to and ready to support the biotechnology industry. It shows state partnership and interest.

LD1475 will be a positive influence to attract biotechnology to Maine. It will make Maine competitive with other New England states trying to attract the industry. By attracting the biotech industry to Maine you will be providing high-quality jobs to residents of the state and provide an opportunity for the youth of Maine to stay local as well as attracting new Mainers to become residents. Beyond all that, however, by supporting the biotech industry you will have a positive impact on Maine patients' lives by providing opportunity and access to life-saving medicines the industry supports!

Thank you for your consideration.

A handwritten signature in black ink that reads "Jared Auclair". The signature is written in a cursive, flowing style.

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