

The Joint Standing Committee on Taxation
Testimony from Agnieszka Carpenter, Executive Director, BioME

In Support of LD 1475

LD 1475

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

18 April 2023

Chair Grohoski, Chair Perry, and members of the Joint Standing Committee on Taxation:

My name is Agnieszka Carpenter, I am the Executive Director of the Bioscience Association of Maine (BioME) located in Portland, Maine. I am here today to present testimony on behalf of BioME in support of L.D. 1417.

Bioscience Association of Maine (BioME) is a trade organization representing over 230 bioscience companies in Maine. BioME's mission is to advance economic growth and opportunities within the life sciences community in Maine by allocation equal involvement in the life sciences advocacy, education, economic development, workforce development, and attracting out-of-business.

Maine's life science industry has made steady progress year over year, as demonstrated by our industry report, which highlights over 480 companies and 9,500 employees across biotech, human and animal health, R&D, diagnostics, medical equipment & supplies. In addition to this, we have experienced strong job growth over the past five years, which has had a significant multiplier effect on the state's economy, generating substantial income from those jobs. The average salary for a life science employee in Maine is \$108,000 which is much higher than all other industries.

Despite this progress, there is still much work to be done to build this sector into a regional player and to fully tap into the Massachusetts biotech ecosystem, which is overflowing. However, we are positioned to grow more, and that's why BioME has adopted the following four policy priorities this year: tax and regulatory, workforce development, innovation and business incentives, and capital formation and access. Our board believes that focusing on these areas will grow Maine's bioeconomy.

Senator Jackson's bill is a creative way to position Maine to be competitive in the biotech industry. By offering a tax credit to life science companies focused on manufacturing, Maine policymakers would show that they understand the potential of this sector and that they are taking this opportunity seriously. This legislation touches on three out of our four priorities and will help to attract companies to Maine.

When combined with other life science initiatives currently under review by the state legislature, such as the research and development bond and funding for the mobile learning lab, this bill will enhance the story we tell prospective Maine biotech companies at the BIO International Convention in Boston this June.

In conclusion, passing LD 1475 will be a significant step forward for Maine's biotech industry. It will attract new companies, generate more jobs and income, and position Maine as a regional player in this rapidly growing sector.

For those reasons, we urge you to support LD 1475.

Sincerely,
Agnieszka Carpenter
BioME Executive Director