

May 17, 2021



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Massachusetts Biotechnology Council
700 Technology Square, 5th Floor
Cambridge, MA 02139

The Honorable Michael Rodrigues
Chair, Senate Committee on Ways and Means
Massachusetts State House, Rm 212
Boston, MA 02133

Dear Senator Rodrigues,

On behalf of MassBio, our Board of Directors, and our members, we appreciate the opportunity to provide comment on three amendments filed to the Senate's FY2022 budget proposal that are of interest to the life sciences industry. MassBio represents over 1,400 life sciences companies, academic institutions, service providers, and patient organizations, the majority of which are directly engaged in the research, development, and manufacturing of innovative products that solve unmet medical needs for patients around the world.

Thank you for putting together a thoughtful, responsible budget proposal, especially in such a time of uncertainty and change. We applaud you for not including Governor Baker's proposal seeking to penalize drug manufacturers and set price controls on certain medicines. However, this same proposal has been filed as an amendment (#412). We remain strongly opposed to this policy, as we outline in more depth below.

Amendment #155 - Economic Development Tax Credits (Montigny) – OPPOSE

This amendment looks to impose a blanket one-year sunset to 17 enumerated tax credits, including the life sciences refundable jobs credit. Since its creation in 2011, this tax credit has incentivized life sciences companies to create new long-term jobs in Massachusetts and has been one reason why Massachusetts is the best place in the world for the life sciences industry. We understand the importance of periodically evaluating tax incentive programs. However, we believe that they should be considered individually, on their own merits. We urge the Senate to oppose the blanket sunset proposed in this amendment.

MassBio opposes Amendment #155.

Amendment #412 – Penalty on drug manufacturers for excessive price increases (P. O'Connor) - OPPOSE

This amendment mirrors Outside Section 42 of Governor Baker's FY2022 budget proposal. We agree with the decision by the Senate to exclude this misguided policy from its budget proposal. We encourage the Senate to continue to pass over this unnecessary proposal and instead consider policies that would have a direct, positive impact to patients at the pharmacy counter.

MassBio opposes Amendment #412.

Amendment #465 – Prescription Drug Coupon Task Force (Tarr) – OPPOSE

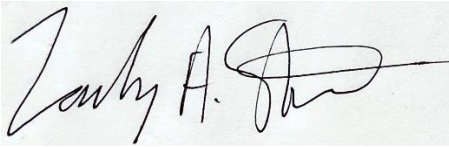
This amendment seeks to create a task force to study the use and impact of prescription drug coupons. This amendment is unnecessary as the Health Policy Commission was previously charged (via Chapter

363 of the 2018 Session Laws) with creating such a report, which HPC submitted to the Legislature in July of 2020 (<https://www.mass.gov/doc/prescription-drug-coupon-study/download>).

MassBio opposes Amendment #465.

Thank you for your consideration of these issues and MassBio's positions. Please do not hesitate to reach out to me with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Zachary A. Stanley", with a long horizontal flourish extending to the right.

Zachary Stanley
Executive Vice President, MassBio