



March 31, 2025

The Honorable Mike Johnson
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable John Thune
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Hakeem Jeffries
Democratic Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Democratic Leader
U.S. Senate
Washington, DC 20510

Dear Majority Leader Thune, Minority Leader Schumer, Speaker Johnson, and Minority Leader Jeffries:

The Council of State Bioscience Associations (CSBA) is a coalition of independent state and territory based non-profit trade associations, each of which advocates for public policies that support responsible development and delivery of innovative life-sustaining and life-saving biotechnology solutions. We write to urge immediate legislative action to repeal harmful research and amortization provisions that went into effect in 2022, by passing the *American Innovation and R&D Competitiveness Act* (H.R. 1990), bipartisan legislation sponsored by Representatives Ron Estes (D-KS) and John Larson (R-CT).

The majority of CSBA's member companies are research-intensive small and large biotechnology companies working on cutting-edge innovations. Most of these are pre-revenue human health companies that take enormous risks to develop the next generation of biomedical breakthroughs. Their pipelines have the potential to benefit millions of patients suffering from diseases for which there are no cures or treatments.

In addition to human health focused biotech firms, our membership also includes start-up companies at the forefront of biotechnology in agriculture, food systems, energy, and biobased manufacturing. Over the past 25 years, these technologies have enabled significant improvements to agronomic practices, leading to measurable and widespread environmental and production benefits and the development of biofuels, plant bio stimulants, biobased pesticides, recycled carbon biobased products, and gene edited plants, animals, and microbes.

The 2017 Tax Cuts and Jobs Act (TCJA) modified Section 174 of the US tax code, so starting in 2022, businesses could no longer deduct research and experimentation expenses in the same taxable year. Currently, businesses must amortize such deductions over five years for domestic expenditures or over 15 years for foreign expenditures.

This mandatory amortization is already diverting much-needed funds away from small R&D-intensive companies, potentially jeopardizing the development of the future treatments and negatively impacting the local economies where these companies are established.

The CSBA urges you to pass H.R. 1990 to immediately restore the timely expensing of R&D expenditures to ensure the development of future treatments and cures tomorrow.

Thank you for your consideration. Please contact CSBA Executive Director, Patrick Plues at pplues@bio.org with any questions.

Sincerely,

AL - BIO Alabama
AR - Bio Arkansas
AZ - Arizona Bioindustry Association, Inc. (AZBio)
CA - California Life Sciences
CA - Biocom California
CA - SoCalBio
CO - Colorado BioScience Association
CT - BioCT
DE - Delaware BioScience Association
FL – BioFlorida
GA - Georgia Life Sciences
IA - Iowa Biotechnology Association
ID - Idaho Technology Council
IL - Illinois Bio
IN - Indiana Life Sciences Association
KS - AdAstra BIO
KY - Kentucky Life Sciences Council
LA - Louisiana BIO
MA - Massachusetts Biotechnology Council (MassBio)
MD - Maryland Tech Council
MI - Michigan Biosciences Industry Association
MN - Medical Alley
MO - Missouri Biotechnology Association (MOBIO)
MT - Montana Bioscience Alliance
NC - North Carolina Life Sciences Organization
ND - Bioscience Association of North Dakota
NE - Bio Nebraska
NH - Life Sciences (NHLS)
NJ - BioNJ
NM - NMBio
NV - Nevada Biotechnology & Science Consortium
NY - NewYorkBIO
OH - Ohio Life Sciences Association
OK - Life Science Oklahoma

OR - Oregon Bioscience Association
PA - Life Sciences PA
PR - INDUNIV - Puerto Rico Bio
RI - RI Bio
SC - SCBio
SD - South Dakota Biotech
TN - Life Science Tennessee
TX - Texas Healthcare & Bioscience Institute
UT - BioUtah
VA - Virginia Biotechnology Association
WA - Life Science Washington
WI - BioForward Wisconsin
WV - Bioscience Association of West Virginia
ME - Bioscience Association of Maine