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*Governor*



**KARYN POLITO**  
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**Baker-Polito Administration Proposes Life Sciences Initiative**

Invests up to \$500 million over five years to bolster state's leadership in education, research and development, workforce training

**BOSTON**— The Baker-Polito Administration today announced a legislative proposal to bolster Massachusetts' leadership in the life sciences sector, which would provide up to \$500 million over five years for strategic investments in public infrastructure, research and development, workforce training and education, including up to \$295 million in capital authorization and up to \$150 million job-creating tax incentives. The funding will continue to be managed by the Massachusetts Life Sciences Center (MLSC), which is co-chaired by Administration and Finance Secretary Kristen Lepore and Housing and Economic Development Secretary Jay Ash.

"We are committed to supporting the public-private partnerships and strategic investments that have made Massachusetts a global leader in the life sciences, research, development and medical advancements," **said Governor Charlie Baker.** "This proposal empowers the Commonwealth and the Massachusetts Life Sciences Center to continue that success, attracting world-class companies in innovation and technology, giving researchers the best available tools and educational environment, training our workforce and providing successful careers here in Massachusetts."

On Wednesday, Governor Charlie Baker will address the 2017 BIO International Convention in San Diego, reinforcing the Baker-Polito Administration's commitment to the Commonwealth's leadership in the growing life sciences sector as companies look to expand and grow, and welcoming attendees to the 2018 BIO International

Convention being hosted in Boston next June.

“Our administration has a strong commitment to increasing educational opportunities in science, technology, engineering and math for students across Massachusetts,” **said Lieutenant Governor Karyn Polito**. “We have a talented pipeline ready to lead and learn in the life sciences, and through this proposal, we are excited to provide more opportunities for the Commonwealth’s fastest growing industry.”

“Massachusetts is recognized as a leading global hub for life science innovation and advancement, and our financial commitment will ensure that we continue to hold on to that distinction,” **said Kristen Lepore, Secretary of Administration and Finance**. “These strategic investments will enhance the workforce skills and economic vitality in the Commonwealth.”

“Massachusetts’ unique combination of workforce, academic institutions, hospitals, infrastructure, and financing opportunities allowed us to develop, over the last three decades, a leading biotech cluster. The addition of the Life Sciences Initiative made us the best in the world. Today’s announcement by Governor Baker recognizes that in order to remain on top, we must continue to foster a consistent and welcoming business environment for life sciences companies to grow and move here,” **said Robert K. Coughlin, President and CEO of MassBio**. “For Massachusetts residents Governor Baker’s actions mean more high paying jobs in all corners of the state for years to come. For patients of the world, it means more breakthrough cures and treatments will reach them faster. I applaud the Baker Administration for their vision and commitment to economic growth and patients.”

Strategic priorities for the initiative include strengthening investments in human capital to fortify the state’s skilled workforce pipeline, expanding opportunities for companies to access both private investment capital and dynamic public infrastructure resources, developing new scientific innovations that deliver higher outcome, affordable therapies to patients, and leading the convergence revolution in digital health, biopharma, medical devices and engineering.

“This proposal will build upon previous investment by the Baker-Polito Administration that has propelled Massachusetts to the top of so many national lists including innovation, growth potential and R&D investment,” **said Executive Office of Housing and Economic Development Secretary, Jay Ash**. “It will also allow the state to remain competitive, enhance workforce training opportunities, leverage tax incentives to encourage new job creation, and launch infrastructure projects that will reinforce the global competitiveness of R&D centers and the development of a robust biomanufacturing sector.”

“The Baker-Polito administration has always been a supporter of the Life Sciences Initiative and by extension, the Massachusetts Life Sciences Center. The bill that has been filed to reauthorize investments in the life sciences throughout the Commonwealth is a clear signal that the administration’s goals are closely aligned with those of the state’s most prominent industry,” **said Travis McCready, President & CEO of the Massachusetts Life Sciences Center.** “At the Life Sciences Center, we are looking forward to improving upon the first iteration of this initiative and continuing to support Massachusetts’ position as the global leader in life sciences.”

The five-year, \$295 million bond authorization in the proposal would provide capital funding that will enable the state to strengthen the ecosystem through collaborations that maximize third-party investments and sharpen the Commonwealth’s competitive edge.

“Shire is thrilled to be part of the world’s leading biotech cluster here in Massachusetts and we thank Governor Baker and our partners in government for understanding the important impact the life sciences sector has on patients and our communities,” **said Flemming Ornskov, M.D., M.P.H., CEO of Shire.** “The MA Life Sciences Center plays a key role in keeping Massachusetts a global life sciences leader and we look forward to continuing our work with them in the future.”

"The life sciences industry is a major economic driver for the Commonwealth, and the cornerstone of our thriving biomedical innovation ecosystem that produces treatments and cures to save lives around the world," **said Dr. Jeffrey Leiden, M.D., Ph.D., Chairman, President and CEO of Vertex.** "Vertex calls Massachusetts home because the Commonwealth is the global leader in life sciences, and this legislation, coupled with the Governor's tremendous support for the industry, will provide the tools necessary to maintain our leadership position."

The Commonwealth is now arguably the biotech capital of the world, and the Massachusetts Life Sciences Initiative – now a widely copied model for collaboration between the State, corporations and universities – was crucial fuel that propelled the region to this position of global strength,” **said Rafael Reif, President of the Massachusetts Institute of Technology.** “As a community of researchers, students and inventors, at MIT we are deeply grateful for Governor Baker's vision and leadership in reauthorizing the Initiative, we are eager to help write the next exciting chapter in the state's economic growth, and we are delighted to be part of a community doing so much, through the life sciences, to make a better world.

"We are grateful to Governor Baker and the Massachusetts Life Sciences Center for their continued commitment and support to the life sciences community in the

Commonwealth,” said **Laurie H. Glimcher, President and CEO of Dana-Farber Cancer Institute**. “This renewed funding demonstrates important support for our life sciences’ ecosystem that benefits our economy, biomedical research and our patients.”

“The Mass Life Sciences Center has been instrumental in creating a strong life sciences ecosystem in Massachusetts by providing support for startup companies, workforce development, and tax incentives,” said **Dr. David Walt, Chair of the MLSC Scientific Advisory Board**. “Continued support from the Commonwealth for these high-quality programs will enable entrepreneurs and businesses to succeed in bringing transformative technologies and therapies to the marketplace in a competitive global life sciences market.”

In addition to seeking new capital authorization for the MLSC, the administration’s legislative proposal also extends and expands the authorization of a key state tax credit that finances job growth. The proposal would permit the MLSC to award tax incentives for an additional ten years and increases the MLSC’s current annual statutory cap up to \$30 million on tax credit awards.

Under its current structure, the tax incentive program provides a cost-effective way of attracting new and relocating companies to the Commonwealth while ensuring the state retains current commercial activity and captures investments from future growth. The program’s track record shows that once incentives anchor job creation, companies will exceed their growth projections by larger margins, creating further leverage on the state’s incentive awards.

Investment Fund programs will be funded a projected \$55 million over five years through the annual consolidated net surplus, the same funding mechanism as the current initiative.

Building on prior initiatives, this proposal further distinguishes Massachusetts as the global leader in life sciences. Since its inception, Massachusetts - through the MLSC - has invested more than \$650 million across the state, including:

- More than \$429 million in capital infrastructure grants, giving Massachusetts multiple state-of-the-art facilities that have improved research, manufacturing and administrative capabilities for the companies and institutions throughout the Commonwealth
- More than \$116 million to medium-to-large companies committed to growing jobs within the Commonwealth through the MLSC Tax Incentive Program
- \$62 million outfitting lab space in middle schools and high schools,

advancing scientific research, subsidizing internships and developing programs to educate the state's workforce

- \$33 million via grants and loans for small-to-medium sized businesses in the life sciences

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