



April 2, 2015

House Higher Education, Innovation, and Workforce Development Committee
c/o Representative Tobias Read, Chair
900 Court St NE
Salem, OR 97301

Re: House Bill 2752

The Oregon Bioscience Association (Oregon Bio) believes that HB 2752 would provide an essential tool in helping foster and retain small companies in one of Oregon's most innovative industries. Bioscience ranks as both a high wage industry and one that has seen exciting growth in the last few years. However, it remains difficult for emerging companies to resist the temptation to relocate to other regions that can offer better economic development opportunities and access to capital.

Young bioscience companies face particularly high barriers, due to their lengthy product development lifecycles and the heavy reliance on research and development spending. HB 2752 is an opportunity for the state to support their efforts to fund these research activities and encourage their investors to do business in Oregon. By allowing a "refundability provision" for companies with less than \$1 million in revenue, the bill would specifically help the most vulnerable of our start-up's during these critical early years.

By also expanding the tax credit from \$1 million to \$2 million, HB 2752 will encourage early stage bioscience investors to spend their money here in Oregon—addressing a critical bioscience capital shortage identified in the last Business Oregon Capital Scan Report. In light of the international attention and the wave of medical research innovation expected to result for the Knight Cancer Challenge, Oregon would be prudent to take this limited step to stimulate commercialization and help drive company recruitment.

As the collective voice for the bioscience industry, Oregon Bio asks you to support HB 2752 and its goal of offering valuable Research & Development Tax Credits to the most innovative sectors of our economy.

Thank you for your work on this issue.

Sincerely,

A handwritten signature in black ink that reads "Dennis McNannay". The signature is fluid and cursive, with the first name "Dennis" and last name "McNannay" clearly legible.

Dennis McNannay
Executive Director