



February 3, 2021

House Finance and Taxation Committee  
Chairman Craig Headland  
4950 92nd Avenue SE  
Montpelier, ND 58472-9630

Honorable Chairman Headland and Members of the Committee:

The Grand Forks Region Economic Development Corporation (EDC) is writing this letter in support of HB 1456, which would create a sales tax exemption for biologic materials used in research and manufacturing processes by bioscience and biotechnology firms.

As a regional economic development organization our focus is the expansion and diversification of the Grand Forks regional economy. In pursuit of this goal, we strive to grow industries that bring additional resources to North Dakota through the marketing and sales of products and services across the nation and, in many cases, the world. The bioscience industry, with its vast applications, is a key target of many economic development priorities across the nation.

It is our understanding that other states are using policies like HB 1456 to make their regions more attractive to biotechnical businesses seeking a location for their companies. The positive impacts of HB 1456 would not only increase North Dakota's competitiveness with other states in attracting investment in this space but would also strengthen the competitiveness of companies that currently operate in North Dakota.

We believe that tremendous opportunity exists to leverage the world class research capabilities and talent production from our two research universities, NDSU and UND, to include the UND School of Medicine and Health Sciences; increased access to capital for technology companies through LIFT, PACE, and North Dakota Development Fund; and a growing number of ecosystem partners.

In recent years, the Grand Forks Region EDC has seen increased interest from biotech and medical device companies from other states with two new firms locating here in 2020 alone. We believe strongly in the potential of the biotechnology industry to become a future driver of North Dakota's economy and to create a lasting impact to the state. We urge you to support HB 1456 as you consider this important public policy.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Keith Lund', is written over a blue line.

Keith Lund  
President & CEO