

SB 2328
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BioND

Bioscience Association of North Dakota

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Dear Chairman Dever and Members of the Senate Appropriations - Human Resources Division; I am here to give testimony in favor of passage of SB 2328 which is , “A BILL for an Act to create and enact a new chapter 54 of the North Dakota Century Code, relating to a life science research council, to repeal section 4.1-01-20.1 of the North Dakota Code relating to the bioscience innovation grant program, and to provide a continuing appropriation. What SB 2328 does is take the Bio Innovation Grant Program (and all its facets) and IMPROVES them.

We are requesting in “SECTION 4” of SB 2328 an “APPROPRIATION - TRANSFER TO LIFE SCIENCE DEVELOPMENT FUND”, the sum of \$12,000,000, which the office of management and budget shall transfer to the life science development fund, for the period beginning with the effective date of this Act, and ending June 30, 2027.” This money will be used “to carry out the purposes of this chapter” and “to foster the development of the life science industry in North Dakota”.

This is the exact amount of money the Association received from the Legislature last year. In fact, the total amount of money that the Association has received from the legislature since the inception of the Bio Innovation Grant program in 2019 to the present is \$23,200,000.00. The State of North Dakota has invested \$23,200,000 in expanding the Bioscience Industry in North Dakota. What has it received back from its investment?

All of its money.

Now attached to this “testimony” is a letter from the Fargo Moorhead Economic Development Corporation. The Association works closely with them, as well as the Grand Forks Region Economic Development Corporation to bring businesses to their communities or help biotech industries in their communities grow and expand.

As Stated in an article published by the Greater Fargo Moorhead Economic Development Corp., December 19, 2022, by Meghan Feir Walker; “the Gross Regional Product (GRP) contributed by the bioscience industry in the Fargo-Moorhead MSA (alone) has grown from less than \$50 million dollars in 2011 to over \$208 million in 2021. The growth of bioscience occupations in the FM metro has grown 40.9 percent in that same period, eclipsing the national growth rate of 23.4 percent.

Further, there has been filed a letter from Ryan Aasheim of the Fargo Moorhead EDC, stating that



“In the 15 years since BIOND was established in 2010, the statewide GDP from the bioscience sector has grown from 52.6 million to more than 418.6million in 2023 (a nearly tenfold in growth in 13years). The bioscience industry employes approximately 1,467 with an average earning of \$111,516 per employee. Statewide job growth in the sector of 58% over the last 5 years has pushed jobs from 927 in 2018 to 1,476 in 2023 which far outpaces the national bioscience job growth rate 22%.

Mr. Aasheim goes on to say.

“BioND continues to be a critical partner in telling the story of the North Dakota bioscience sector and attracting bioscience and medical device companies to consider investing in their growth in North Dakota. Since 2019, GFMEDC has engaged with more than 30 bioscience and medical device companies in collaboration with BioND. Many of these engagements have developed into exciting success stories such as Agathos Biologics, Aldevron, Checkable Medical, CorVent Medical, FamGenix, Genovac Antibody Discovery, TailWind MedTech, Theratec Inc., TWL Pharma Pac, Walkwise, and many more.

The GFMEDC has most recently partnered with BioND to organize two critical industry enhancing BioScience Summits, in 2023 and 2024 and is looking forward to continuing this annual partnership with our third Summit later this fall. The 2nd annual BioScience Summit, held in Fargo on September 17 and 18, 2024 welcomed more than 275 attendees from 16 states and countries like Israel, Norway and Singapore and has led to a number of ongoing project opportunities and strategic partnership conversations.”

I have attached articles from three different companies describing their commitment and work in North Dakota. The first of these is CorVent Medical, LLC. They recently had a “Ribbon Cutting” at their New 17,000 square foot manufacturing facility located in the Prax Building in Fargo. Richard Walsh described how they came here from California and have raised and spent more than 21 million dollars in private money bringing their new product to market.

I have also attached a sheet describing how Lincoln Therapeutics is developing “intra nasal ketamine and ketamine” in partnership with the department of defense. This is going to be of use for pain in far forward battlefield conditions. They are also engaged in a joint partnership with Thrifty White Drug Building, a packaging facility in Fargo which, when completed will employ about 100 people.

Also attached is an information sheet furnished by SafetySpect, Inc, a company located in Grand Forks who produces a Contamination and Sanitation Inspection device. They are now entering the commercial market.

Further, I have attached the “Bioscience Innovation Grant (BIG) Program”, Grant Report 2023-2024”. This program was prepared by the Department of Agriculture. What it shows are all of the projects funded through the Bio Innovation Grant fund. It tells the company receiving the grant; the amount of the grant and what the money is being used for. This is basically where the money was expended.



BioND

The Bio Innovation Grant program has been a highly successful tool in helping to expand the Bioscience Industry in this State. But we think this “tool” can be improved upon and be more effective in our recruitment efforts. And that is why we are in front of you today. We ask the Committee to give a DO Pass recommendation for SB 2328 and the \$12,000,000 requested therein.

Thank you for your time and attention to this matter.

Respectfully submitted,

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