

TESTIMONY OF

Josh Teigen, Commissioner, ND Department of Commerce

Chairman Kanneanen and members of the committee. My name is Josh Teigen and I have the opportunity to serve as the Commissioner with the ND Department of Commerce. I am here today to express my support of HB 1455.

The mission of Commerce is to increase the overall wealth of the state and we do this through the attraction of capital and talent. One of the primary driving factors that enables us to do these things is a favorable tax and regulatory environment which is something that we market frequently as we compete with other states for business. On many fronts, ND is winning; however, when it comes to bioscience, our state's tax environment lags even states that are notorious for their unfriendly business environment and sky-high taxes.

States like Connecticut, Minnesota, and even California has programs to assist the bioscience industry that ND does not, and this is something that we need to address. Marketing ND as business friendly, with favorable regulatory and tax environments cannot be "pick and choose" on industry. We must appeal to all industries, especially one as important as bioscience to the state.

The recent \$9.6 billion acquisition of Aldevron certainly shines a bright light on what the bioscience industry could be in ND. However, I think we sometimes forget that bioscience is a horizontal industry that also has consequential impacts for energy, agriculture, and healthcare.

Some might say we were able to grow Aldevron here without this tax incentive, so why do we need it now? The reality is, Aldevron would not be in our state if it wasn't for its ND founder and roots at NDSU. As a state, we cannot attract the next Aldevron without the passage of this bill. The optics that this acquisition brings to our state as a hub to attract future companies will look to leverage existing talent and infrastructure, but we cannot miss this opportunity by failing to keep pace with tax incentives that other states we compete with are marketing to the same companies we are looking to attract.

Beyond just the healthcare sector of bioscience, the opportunity for advancements in the energy and agricultural sectors of our economy that will be enabled by bioscience advancement and applications are enormous. If we want to continue our dominance in these two sectors, as well as further diversify our economy, we must pass favorable policy such as HB 1455 or we will continue to fall behind states that we currently criticize for their unfriendly environments. The reality is, ND is the "unfriendly" environment as it stands today.

I urge you to support this critical piece of legislation and will be happy to stand for any questions you may have.