

BioND

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Dear Chairman Beard and Members of the Senate Education Committee.

The following is testimony to this Committee in support of SB 2328, "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.

I am the Executive Director of the Bioscience Association of North Dakota. The goal of the Bioscience Association is to expand the Bioscience Industry in North Dakota either by recruiting companies from outside the State or by helping companies located in the State develop their technology and commercialize their products. The Bioscience Association expanded the Bioscience Industry in North Dakota through the Bio Innovation Grant program by making grants to companies either recruited from outside the State or by helping companies located in the State develop their technology and commercialize their products.

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.

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%.

The Bio Innovation Grant program has been 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.

While this is a departure from the status quo, this new process will allow for requests for grants to the



Bioscience Grant Innovation program to be more accurately assessed and evaluated by outside peerreview. This enhances the likelihood of successful implementation of the funded project and downstream commercialization success. The multiple strategies this legislation deploys permits a broader array of projects to be considered, enabling a greater expansion of the bioscience industry from early-stage companies to those that are more mature and with products in commerce. These two separate but equally advantageous strategies still accelerate the growth of the bioscience industry in North Dakota.

By deploying Bio as the commercialization arm of the Life Sciences Research Council it will provide an active partner to stimulate growth by enhancing funding opportunities across a variety of mechanisms as well as enabling a partner to actively recruit companies to come from North Dakota from other states and from non-adversarial nations. This will aid in growing the bioscience industry from with North Dakota as from hew external entities.

While this represents a change from our current practice, the new process will ensure that grant request for the Bioscience Grant Innovation program undergoes a more rigorous and impartial assessment through external peer review. This approach increases the probability of successful project implementation and subsequent commercialization. Additionally, the diverse strategies outlined in this legislation will expand the range of eligible projects, fostering growth across the bioscience industry -from early-stage companies to those with established products in the market. Together, these two distinct yet complementary strategies will accelerate the expansion of North Dakota' bioscience sector.

Furthermore, by designating ND Bio as the commercialization arm of the life sciences Research Council, we establish an active partner to stimulate growth. This partnership will enhance funding opportunities through various mechanisms and enable active recruitment of companies to North Dakota from other States and non-adversarial nations. Ultimately, this will facilitate the growth of the bioscience industry both from within North Dakota and through the attraction of external entities.

We should ask the Committee to give a DO Pass recommendation for SB 2328.

Respectfully submitted,
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