



Chairman Hoops, Vice Chair Lorenz, Ranking Member Abdullahi, and Members of the House Development Committee, thank you for the opportunity to present interested party testimony on House Bill 96.

My name is Eddie Pauline, and I am the president and CEO of the Ohio Life Sciences Association. We represent 4,900 industrial bio, agricultural feedstock, biopharma, medical devices and equipment, research, testing, medical labs, and bio-related distribution establishments across the state of Ohio who employ 60,000 Ohioans generating 2.2 billion in state income tax revenue. Our members are on the cutting edge of biotech advancements curing rare diseases and chronic conditions, allowing Ohioans to live happier and healthier lives.

Some may know that Ohio is competing to become a national hub for the life sciences industry. Our leadership in policies aimed at making Ohio more affordable for businesses has garnered attention, compared to many other states. However, we are still not doing enough to remain competitive in the life sciences.

Pennsylvania's executive budget includes over 30 million dollars to support biotech. These funds will be used to match biotech venture investments, establish a statewide clinical trial network, create workforce development programs, and establish an SBIR matching fund. With that SBIR matching fund established, Ohio will now be the only state in the Midwest without one, making us much less attractive to entrepreneurs who want to build a business here.

This is a missed opportunity because, as you know, Ohio has some of the best research institutions in the country spinning out amazing intellectual property that should be being turned into companies.

Cincinnati Children's is the #1 ranked children's hospital in the US, and Nationwide Children's is #6. **The technologies and IP coming from these organizations are life-changing, but Ohio risks losing it to other states because we are not doing enough to support those early-stage companies.**

An example of an opportunity we can create more of is captured in the story of Myonex Therapeutics. It was a spinout from Nationwide Children's Hospital and focused on developing technology to treat the life-ending disease called Duchenne Muscular Dystrophy. Entrepreneurs in Ohio licensed this technology and advanced its development locally. They secured the funding necessary to continue their R&D efforts and eventually sold the company for \$165 million. The company that acquired them chose to relocate their entire gene and cell therapy R&D division to Ohio. They now operate a 150,000 square foot facility and employ approximately 400 people.

An example of what we risk by not continuing to invest can be illustrated by Avexis, another spinout from Nationwide Children's. Avexis developed a cure for spinal muscular atrophy, a serious childhood condition. They aimed to grow in Ohio but ended up relocating to Chicago to find the right talent, space, and funding necessary for expansion. Three years later, the company was purchased for \$8.7 billion and created hundreds of jobs in Illinois.

These examples illustrate why early-stage investments in infrastructure—such as talent, space, and funding—are so vital. A small upfront investment from the state can lead to significant returns when these companies sell, hire hundreds of employees, and commence manufacturing and distributing locally. Additionally, this approach attracts further state investment, ultimately enabling the ecosystem to become self-sustaining.

I want to acknowledge and express that genuine obstacles hinder a multitrillion-dollar industry from thriving in Ohio. With a relatively small investment, we can overcome many of these barriers.

Along with states such as Pennsylvania, others are investing in the talent, space, and funding requirements of organizations that produce innovative work. My testimony provides a more detailed list of state investments, but I want to highlight just a few for you.

- **Michigan invested \$60 million** in the Michigan Innovation Fund
- **Massachusetts** (the state with the highest concentration of life sciences companies) **invested \$500 million** in capital investments to bolster the Massachusetts Life Sciences Center.
- **Virginia invested \$66.7 million** to focus on job creation and broad economic growth within the life sciences.
- **Arizona invested \$50 million** into the Health Innovation Trust Fund.
- **Rhode Island \$45 million** to establish the Rhode Island Life Sciences Hub

These are just a few of the enormous investments we have seen over the past couple of years.

In the last operating budget, OLS was extremely grateful to have received \$5 million over the biennium from an earmark by the Department of Development. With these funds, OLS made significant investments in creating a workforce pipeline for both emerging and established life sciences companies. Here are a few more important initiatives:

- We launched BioPathways, a K-16 education initiative focused on teacher trainings, learning resources, and community engagement.
- We are opening a life sciences industry hub and training center
- We piloted a Biotech Bootcamp at Columbus State Community College. This is a 12-week certification program that trains under/unemployed individuals, veterans, and career changers to work at biotech firms like Amgen and Abbott. We are delighted to say that Butler Tech will host the next iteration of the Biotech Bootcamp and we are in active conversations with Lakeland Community College about another.
- We created a first-of-its-kind workforce portal that matches candidates to jobs and provides career coaching supported by career navigators.
- In collaboration with COSI, we are creating a STEM Learning Lunchbox that will provide middle schoolers in all 88 counties exposure to life sciences careers.

While we are extremely proud of our accomplishments, but much work remains. Ohio is falling behind in direct investment in the life sciences. If we do not take action, we risk losing substantial investments, businesses, and scientific advancements. Now is the time for bold measures, and now is the time to continue investing in Ohio's life sciences.

Chairman Hoops and Members of the House Development Committee, thank you very much for your time. I would be happy to answer any questions you may have.

Eddie Pauline
President and CEO
Ohio Life Sciences Association
epauline@ohiolifesciences.org