

1 A RESOLUTION encouraging Kentucky policymakers to study, develop, and
2 implement economic development policies to incentivize biopharmaceutical investment
3 and innovation in Kentucky.

4 WHEREAS, the Commonwealth has made significant investments in
5 pharmaceutical research in recent years, both through recurring general fund
6 commitments and consequential, one-time expenditures into projects like the LifeSciKY,
7 a lab incubator accelerating science, entrepreneurship, education, and economic
8 development; and

9 WHEREAS, biopharmaceutical investment and innovation is a major economic
10 driver, with the potential to bring many high-paying jobs to the Commonwealth; and

11 WHEREAS, each phase of the biopharmaceutical innovation process requires
12 immense amounts of brainpower and capital, and inventors and investors look to mitigate
13 their risk by moving to locations that provide better investment incentives; and

14 WHEREAS, the state of Indiana recently announced a \$1 billion commitment in the
15 form of tax credits to attract major biopharmaceutical companies to their state, with the
16 goal of creating 100,000 new high-wage jobs over the next 10 years; and

17 WHEREAS, the Commonwealth is home to many talented minds that, without the
18 proper incentives, may move elsewhere to invest and develop these types of life-changing
19 innovations; and

20 WHEREAS, the Commonwealth would benefit greatly by implementing policies
21 that strengthen biopharmaceutical investment and innovation and would attract and keep
22 these important developments in the Commonwealth;

23 NOW, THEREFORE,

24 ***Be it resolved by the Senate of the General Assembly of the Commonwealth of***
25 ***Kentucky:***

26 ➔Section 1. The Senate hereby encourages Kentucky policymakers to study,
27 develop, and implement economic development policies to incentivize biopharmaceutical

1 investment and innovation in the Commonwealth, including but not limited to:

2 (1) The creation of tax credits, grants, or similar incentive mechanisms that
3 meaningfully support research and development investments by both commercial stage
4 entities and pre-revenue and early-stage biopharmaceutical companies;

5 (2) The establishment of graduated incentive tiers that provide enhanced benefits
6 for companies that are headquartered in the Commonwealth, or relocate their principal
7 place of business to the Commonwealth, in recognition that biopharmaceutical
8 investment generates high-quality jobs beyond research and development, including but
9 not limited to finance, accounting, legal, regulatory, business development, human
10 resources, manufacturing, and executive leadership roles, and that incentive structures
11 should encourage the full corporate and operational footprint of these companies to reside
12 in Kentucky;

13 (3) The development of a dedicated and reliable funding pool, to support such
14 incentives and to ensure the Commonwealth remains competitive with peer states making
15 substantially larger commitments to attract life sciences investments, including existing
16 incentive programs in other sectors of the Commonwealth that exceed this level of annual
17 funding; and

18 (4) The alignment of any such incentive program with the Commonwealth's
19 existing investments in life sciences infrastructure, workforce development, and research
20 commercialization, so as to maximize return on investment, retain homegrown
21 innovation, and attract external capital to the Commonwealth.

22 ➔Section 2. The Clerk of the Senate is directed to transmit a copy of this
23 Resolution to Senator Shelley Funke Frommeyer for distribution.