



**BIOSCIENCE**  
BUSINESS ROUNDTABLE  
WASHINGTON

## State Legislative Actions in Biotechnology

Phil Dyer



# Federal Level Activity

1986- Establishment of Federal Coordinated Framework for Regulation of Biotechnology

*(White House Office of Science and Technology)*

No new statutes; Existing laws included;

Plant Protection Act (**PPA**)

Fed Insecticide, Fungicide and Rodenticide Act (**FIFRA**)

Toxic Substances Control Act (**TSCA**)

Federal Food Drug and Cosmetic Act (FFDCA)

Formally established the three primary regulatory agencies;

**APHIS** (Animal and Plant Health Inspection Service)

**FDA** (Food and Drug Administration)

**EPA** (Environmental Protection Agency)

# 2007-2008 State Legislative Activity

- Thirty-three States introduced 192 bills relating to biotechnology in the 07-08 sessions
- NCSL notes that the number of states which introduced biotechnology legislation has decreased by eleven states in 07-08 session.
- The most active states in legislating on biotech include;
  - CA            25 Bills
  - HI            22 Bills
  - NC            14 Bills
  - MA            10 Bills
  - TX            10 bills



# State Legislative Activity

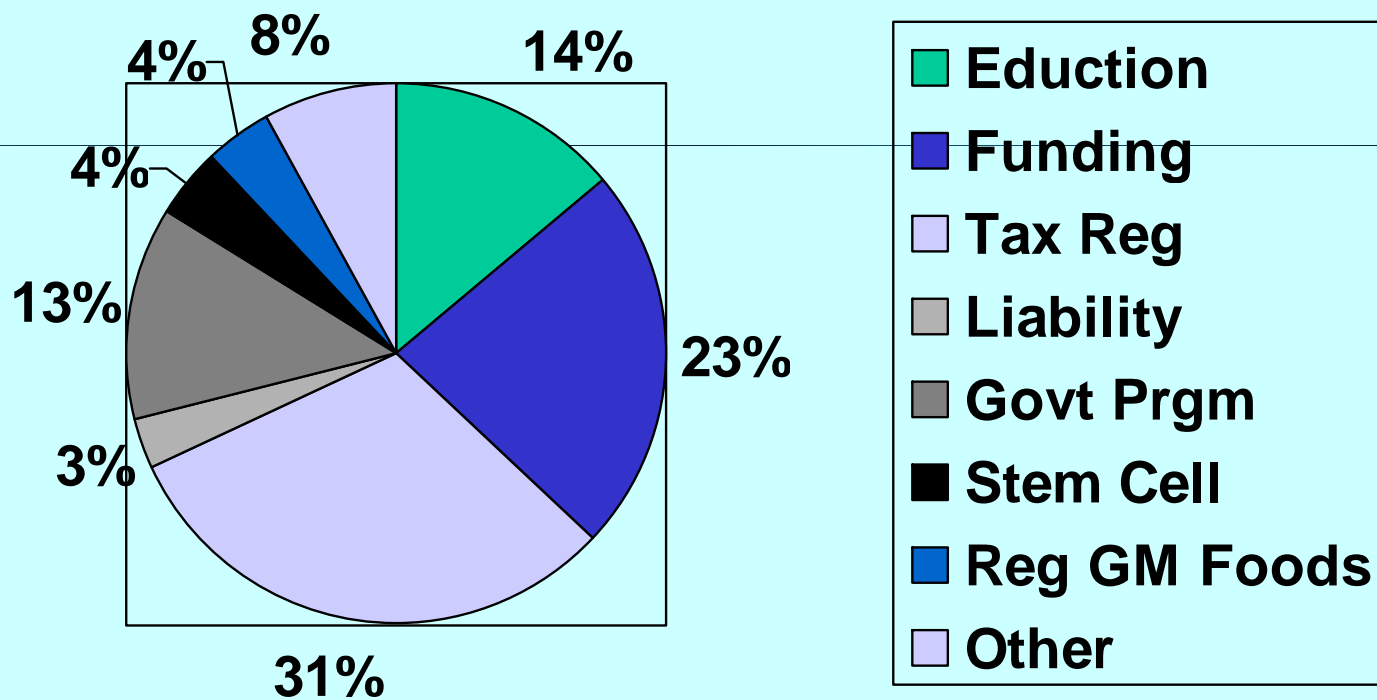
- Most Legislation focused on funding and encouraging biotech development
  - >50% of all biotech legislation dealt with funding and tax (incentives) issues
- Most common legislation biotech was creation of tax incentives to support research and industry
- Second most common; state funding of biotech development
  - 21 states



## State Legislative Activity (Continued)

- Increasingly important; is the inclusion of biotechnology in primary, secondary and tertiary education.
  - 13 States      26 Bills
- 13 States introduced 28 bills creating taskforces or government programs to assess the potential for biotech growth and development within the state.
- Genetically-modified foods. 7 Bills in 3 States
- 8 States had legislation re: Stem Cells
  - (limiting research and increasing liability)

# State Legislative Policy Trends



# WA STATE

- 1994 The Sales Tax Exemption for Hitech R&D/  
Mfg RCW 82.63.
- 1995 the inaugural “Annual Governor’s Life  
Sciences Summit.
- 2005 Life Sciences Discovery Fund Authorized  
(\$1B fund, \$350m from tobacco fund and \$650 private funding)
- 2009 Establishment of the Director of  
Commercialization and Innovation within the office  
of The Governor

# WA State

- RCW 82.32.645
  - “Annual survey for biotechnology and medical device manufacturing business tax incentive – Report to Legislature”
- First Report      December 1, 2009    ?
- Second Report    December 1, 2015

# NEXT?

- American Recovery and Reinvestment Act of 2009
  - Bailed out WA budget ‘temporarily’
- Incoming legislative session has a projected budget deficit of \$2.6B
- Continued economic stress, diminishing capital, and little flexibility for new initiatives