

The Boston Globe

July 20, 2007

Patrick pitches biotech plan

Cites new jobs, 'contribution to humanity'

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Governor Deval Patrick provided a blueprint yesterday for his proposed \$1 billion investment in biotechnology, introducing sweeping legislation that would finance cutting-edge research, create the nation's largest stem cell bank, and provide expanded tax credits to life science companies.

The bill would authorize \$500 million in borrowing to build a stem cell bank and a gene research center at the University of Massachusetts Medical School in Worcester.

The bank, which would hold more than 30 embryonic cell lines that have been created in Massachusetts, would be the "largest repository of stem cells in the world" and would be available to the public and private sectors, Patrick said.

The gene research center would build on the pioneering research that earned Craig Mello, a scientist at the Medical School, the Nobel Prize in Medicine last fall. Mello's research into gene interference, called RNAi, which allows scientists to block the effect of individual genes in cells, has helped to transform biomedical research. The technique holds promise for breakthroughs in cancer, Alzheimer's disease, and HIV treatments.

"This is our chance to capture the field, to create thousands of new jobs and make a lasting contribution to humanity, and I call on each of you in this chamber for swift and favorable action on that bill," said Patrick, during an address to a joint session of the Legislature in which he honored Mello. "With this legislation we can begin a robust stage in our own long march toward investment in innovation and investing in innovation infrastructure throughout the region and in every region of the Commonwealth," the governor said. "We want to create a pipeline of ideas to cures, from inspiration to commercialization."

The 10-year initiative would provide \$25 million a year for research grants, fellowships, and workforce training programs and authorize \$25 million a year for a range of tax incentives for life science companies.

An expanded and restructured Life Sciences Center Board, chaired by the secretary of housing and economic development, would administer the \$25 million research fund.

The five-member board would be replaced by a seven-member board, including four new Patrick appointees, two members of his administration, and the UMass president. The two current board members appointed by Governor Mitt Romney oppose some forms of embryonic stem cell research and would be ousted upon the bill's passage.

A 10-member committee would advise the board.

Patrick announced the \$1 billion, 10-year initiative earlier this spring, but provided few details about how it would be implemented.

Patrick urged lawmakers at the joint session to approve the plan swiftly. He said the plan would strengthen the state's standing in the scientific community and prevent top researchers from gravitating to better research opportunities elsewhere.

Supporters said yesterday that the stem cell and gene research centers would foster collaboration among the academic, business, and health communities, spur economic growth, and fund research that would otherwise be postponed.

"This would help keep the lights on in labs that haven't been able to win grants from the federal government," said Kevin Casey, director of federal and state relations for Harvard University, which has pledged to donate its stem cell lines to the bank.

"It helps keep our assets alive and robust," he said.

Legislators expressed support for the initiative, although some worried about its cost.

"We certainly embrace the concepts," House Speaker Salvatore F. DiMasi said in a statement. "As with any proposal of this magnitude, we must always keep costs and affordability in mind."

Representative Bradley Jones, a North Reading Republican and the House minority leader, said that while the life science industry is vital to the state's economy, the program's cost raised concerns, particularly in light of the expensive education proposal that Patrick recently unveiled and the state's transportation needs.

"It's a \$1 billion initiative," he said. "On its own, it looks good, but how does it mesh with other initiatives in the overall budget?"

Jones also questioned giving tax breaks exclusively to life science companies as opposed to other industries. He said legislators support the plan in general, but would study the details in the coming months.

"My guess is there'll be some pushes and pulls," he said.

The research centers will be expected to conduct innovative research and create jobs, Patrick said. Companies would receive tax breaks based on the projected return on investment.

Patrick met with some 70 leaders in the field in the past two months to craft the legislation.

"We will hold our private sector partners accountable for commitments that they make," he said.

The legislation would authorize \$500 million in bonds immediately, while the research and tax credits would come from the state budget on an annual basis as soon as next year.

Michael Widmer of the Massachusetts Taxpayers Foundation, president of the business-funded think tank, said the spending could yield economic dividends.

"The sum is manageable, but will require difficult choices," he said. "This kind of investment could potentially have a powerful payback."

Jack Wilson, president of the UMass system, sits on the life sciences board by virtue of his position. He said the university is delighted to be placed at the center of the governor's initiative, which he said would provide therapeutic and economic gains.

"This is fulfilling a vision for the scientific community," he said.

In June, President Bush again vetoed legislation to increase federal funding of embryonic stem cell research, citing moral objections to destroying human embryos.

States and private organizations are permitted to fund the research, which scientists say holds great promise for battling disease.

The state investment will help alleviate the lack of federal support, Mello said.

"Massachusetts is uniquely situated in terms of our institutions that we have here to take a leadership role on this," Mello said.

William Guenther, president of Mass Insight Corporation, a Boston think tank, praised the plan for not earmarking funding to specific existing projects.

He said the money would be best spent on large-scale, collaborative projects that could compete for private and federal money.

During his address to lawmakers yesterday, Patrick told legislators that the work performed by Mello and other scientists who would benefit from this legislation could yield elusive cures.

"I bet there's not a person in this glorious chamber today whose family hasn't been touched in some way by some insidious disease we are powerless to do anything about," Patrick said