

August 16, 2011

The Honorable Devin Nunes
U.S. House of Representatives
1013 Longworth House Office Building
Washington, DC 20515

Dear Representative Nunes:

On behalf of the California Healthcare Institute (CHI), the public policy association representing California's statewide life sciences sector – research universities and institutes, biotechnology, pharmaceutical, medical device companies, and venture capital firms – I am writing to support your legislation, H.R. 2632, the "Life Sciences Jobs and Investment Act."

As you know, California is home to more than 2,000 innovative biomedical companies responsible for treatments, therapies and diagnostics that are improving and extending the lives of millions in the United States and around the world. This sector is also a key component of our state economy, employing 268,000 people and accounting for more than \$114 billion in annual revenues, \$15.4 billion in exports and \$19.4 billion in wages and salaries. Last year, California's biomedical innovators attracted \$2.6 billion in capital investment and \$3.2 billion in NIH research funding.

This legislation is a welcome proposal to generate desperately needed investment, innovation and job creation in a leading 21st century sector of our economy. Your bill encourages private sector hiring and investment by doubling the existing life sciences R&D tax credit from 20% to 40% of the first \$150 million corporations spend on qualifying life sciences R&D. Further, the bill would also provide incentives to hire additional scientists or researchers, or contract with other qualified organizations, like California's premier research universities and institutes, to conduct qualified life sciences research.

CHI believes that these targeted tax incentives will aid the private sector in California and throughout the nation in capitalizing on our position as a leader in life sciences innovation. The well-paying jobs generated by these efforts will employ the products of our state's world-class research universities and institutes, and spark investment and laboratory science infrastructure construction that will allow us to maintain and expand our leadership in the increasingly competitive global economy.

Thank you for your leadership, we look forward to working with you on this important matter, and please let me know if CHI may be of any further assistance.

Sincerely,



Todd Gillenwater
Senior Vice President, Public Policy

cc: Representatives Jason Altmire, Charles Dent, Chaka Fattah, Jim Gerlach, Patrick Meehan, Bill Pascrell, Jr., Allyson Schwartz