

AB 593 (PETRIE-NORRIS): THE GOLDEN STATE INNOVATION ACT OF 2021

POSITION: The Chamber's Health Committee voted to SUPPORT the bill on April 14, 2021. The Chamber's Public Policy Committee voted to SUPPORT this item on May 11, 2021. The Board of Directors voted to SUPPORT this item on May 27, 2021.

RATIONALE: AB 593 will assist the growth of the life science industry, which has contributed significantly to COVID-19 related bioscience innovation, new life-saving technologies, and generated \$191.6B in revenue, paid \$40 billion in wages, and more than \$17.5 billion in federal, state, and local taxes.

STATUS: AB 593 was introduced by Assemblymember Cottie Petrie-Norris on February 11, 2021. The bill's next hearing is in the Assembly Appropriations Committee on May 20, 2021.

SUMMARY

AB 593 reinstates the Research & Development (R&D) tax credit and net operating loss (NOL) tax cuts to the life sciences industry for tax years 2021 and 2022, which were eliminated last year.

INDUSTRY/IES IMPACTED

This bill would affect the life sciences industry.

SUPPORTERS

- Advanced Medical Technology Association
- American Cancer Society
- AMGEN
- Bayer
- Biocom (Sponsor)
- Bioscience LA
- Biotechnology Innovation Organization
- California Access Coalition
- California Biomedical Research Association
- California Chronic Care Coalition
- California Institute for Regenerative Medicine
- California Life Sciences Association (Sponsor)
- CAL RARE
- Cedars-Sinai
- City of Hope
- Conejo Valley Chamber of Commerce
- Dexcom
- Edwards Lifesciences
- Expanesthetics Inc.
- Horizon Therapeutics

OPPONENTS

- None at this time.

- Inari Medical
- Masimo Corporation
- Objective Capital Partners
- Quidel Corporation
- Downtown San Diego Partnership

ARGUMENTS IN FAVOR

- Reinstating the tax credit and NOL for this industry will contribute to the state's economic recovery and incentivize life sciences job development.
- The industry has played an important role in the state's response to the pandemic.

ARGUMENTS IN OPPOSITION

- None at this time.