



## BioCT Legislative Summary

BioCT, through its Government Relations Committee, established a set of priorities in the form of a legislative agenda. The creation of the priorities was a collaborative effort of our diverse membership, which includes life science and academic entities within CT as well as companies serving patients in the State. Below is a brief summary of high priority issues on which BioCT engaged during the 2024 Legislative Session and for which additional advocacy is needed in the 2025 session.

**Study AI and Emerging Technologies** – Through Senator James Maroney’s leadership nationally on artificial intelligence policy, Connecticut had one of just a handful of bills in state legislatures around the country seeking to establish a comprehensive regulatory framework on artificial intelligence, introduced through the General Law Committee which he co-chairs. Regulation of AI is relatively uncharted territory, and we appreciate Senator Maroney’s work with BioCT to hear the concerns of the life sciences industries here in CT. Amendments were adopted at our request to the original bill to better address AI in research and development, while still maintaining the integrity of the proposal to reduce the risks of AI algorithmic discrimination. Our requested modifications to protect R&D activities involving AI were incorporated in the bill prior to passing the Senate, however, the House of Representatives never took the bill up for a vote before the legislative session adjourned. We look forward to continuing our work with Senator Maroney and other proponents of the bill to ensure that our concerns are recognized as any new legislation gets reintroduced in future sessions.

**Maintain the integrity of the federal 340B program** – The Senate Democrat caucus sponsored SB 8 An Act Concerning Drug Affordability. This legislation passed in the Human Services Committee and eventually died on the Senate Calendar. Some of the highlights of the bill included a Canadian Prescription Drug Importation Program, a Prescription Drug Affordability Board and Stakeholder Council, drug withdrawal penalty, and 340B Drugs. We worked closely with stakeholders and interested parties to mitigate any concerns that may have negatively impacted our members and industry. Life science growth and sustainability in Connecticut is essential for the goal of improving human health with the continued innovation and development of new drugs and therapies. Maintaining the integrity of the 340B program is essential for allowing intended discounted drug prices for many uninsured and low-income patients. We will continue to work with legislators to ensure that quality health care and prescription drugs are available to those in need while supporting the innovation and expansion of life sciences in Connecticut.

### **Medicaid Coverage for Biomarker Testing and Rapid Whole Genome Sequencing**

BioCT is pleased that the legislature passed two bills during the 2024 session; one requiring Medicaid coverage for biomarker testing and one requiring Medicaid coverage for rapid whole genome sequencing. It is important to ensure as a matter of public policy that our Medicaid population have access to the same advancements in science and medical care as those who are privately insured to reduce disparity and improve outcomes.

**Biomarkers:** The legislature required Medicaid coverage for biomarker testing under certain circumstances. The bill was amended to 1) require DSS to ensure coverage is medically necessary under existing law rather than conditioning coverage on certain evidence to determine medical necessity, 2) requires evidence to demonstrate clinical utility, and 3) adds provisions on limiting disruptions in care and fair hearings. Biomarker testing can help providers detect, stage, or classify cancer, and can assess how quickly the cancer may grow or spread while helping to

determine targeted therapies that are most likely to be effective. In addition, it can also help assess a patient's risk of cancer and cancer recurrence.

**Rapid Whole Genome Sequencing:** The legislature required medically necessary coverage for certain critically ill infants within available appropriations. Studies demonstrate that rapid whole genome sequencing is the most powerful tool available in the diagnostic odyssey of rare disease patients, shortening the time to diagnosis for patients with a genetic variant from an average of 8-10 years to just days. While narrowly tailored, the passage of this bill is a step in the right direction for the state to take to support and protect our most vulnerable with rare diseases leveraging tools at hand to shorten the diagnostic odyssey and enable early access to life saving treatments. . BioCT will be supporting Alexion with a press conference on this bill July 11<sup>th</sup> including an op ed.

**Increase funding for the Roberta Willis Scholarship Program:** Included in section 50 of HB 5523 was the requirement of Office of Higher Education to reserve up to \$15 million from the Program's FY 25 appropriation for disbursement during FY 26. Furthermore, section 53 of the bill includes a prohibition for OHE requiring that Roberta Willis scholarship program need-based grants be reduced based on a student's initial qualifications as determined on their FAFSA

### **Preview of BioCT Budget Priorities for 2025**

We look forward to engaging further during the next biennial budget cycle to ensure that CT remains competitive with our neighboring states in bio and life sciences and we derisk development and provide tools for founders to support innovation and growth

**Increase the cash exchange rate to 100% for R&D tax credit for biotech companies and support funding to expand the state's tech talent pipeline-** These items did not pass, due primarily to the legislature's decision to not pursue biennial budget adjustments this session. We appreciate that a bill was raised on the R&D Tax Credit exchange rate and was subject to a public hearing, however, in the absence of midterm budget adjustments being adopted, no final action was taken. We look forward to continuing these positive conversations with legislators and officials as they prepare the FY26-27 biennial budget during the next legislative session. It is essential for Connecticut to be a leader that we remain competitive in sustaining and attracting the Life Science industry through our tax policy and our investments to develop workforce talent and career pipelines.

Additionally, BioCT intends to advocate for funding in the following areas as the government relations committee establishes its 2025 legislative agenda later this year:

- Support for Vivarium space
- SBIR matching
- Equipment and Educational reimbursement