



February 5, 2019

Representative Paul Marquart
Chair, House Taxes Committee
597 State Office Building
100 Rev. Dr. Martin Luther King, Jr. Blvd
Saint Paul, MN 55155

Chair Marquart and Esteemed Committee Members,

On behalf of Medical Alley Association and its more than 600 members that make up Minnesota's health innovation and care industry, I am writing in support of House File 502 authored by Representative Jamie Becker-Finn and House File 503 authored by Representative Tou Xiong.

Attracting talent is one of the biggest challenges facing Medical Alley companies. Medical Alley is home to the world's top medical technology cluster, a vibrant biotechnology sector, and a fast-growing digital health community. An abundant supply of new talent is critical to accelerating growth and bolstering Minnesota's leadership position in healthcare.

This past year, Medical Alley Association convened working groups, composed of healthcare leaders from all sectors, to put together a 10-year vision with the goal of Medical Alley being recognized as the global epicenter of health innovation and care. These working groups concluded that, in order to realize this vision, there were four major challenges that needed to be addressed. One of these was that Minnesota must significantly increase its attraction of talented people as well as better preparing its existing workforce to impact the future of healthcare.

These working groups proposed several solutions to meet this challenge, including strengthening investment in STEM education and programming in schools. They also recognized, however, that while developing and educating our future workforce is extremely important, that alone will not meet be enough. By 2020, Minnesota faces a projected gap of more than 100,000 workers; we currently rank 17th in net migration of working professionals. The current growth rate must improve fivefold for the state to move into the top 10 and eightfold to move to number one. To shrink this gap, Minnesota needs to develop public policies to attract additional talent. Strengthening the student loan tax credit is one policy that will help.

The student loan tax credit, first adopted in 2017, is a helpful tool for not only attracting talent to Minnesota, but also retaining talent trained at our colleges and universities. The changes to this credit contained in HF502 and HF503 only strengthen it. By making the credit refundable, and adjusting the calculation so more taxpayers qualify, the credit makes Minnesota an even more attractive place for recent graduates (or any professional with student loans) to move, live, and work.

Medical Alley Association supports HF502 and HF503 and asks they be considered to be included in any tax bill that moves forward this year.

Sincerely,

A handwritten signature in blue ink that reads 'Bobby Patrick, VI'.

Bobby Patrick, VI
Director, Government Relations
Medical Alley Association