



Los Angeles Regional POLICY PRIORITIES

Linkage Fee
Gross Receipts Tax
Prescription & Sharps Take Back

Workforce Development
Propel LA

Industry Impact

According to Biocom's 2017 Economic Impact Report¹, Los Angeles County's life science cluster employs 69,800 people in five sectors: biopharmaceuticals, medical devices and diagnostics, research and lab services, bio-renewables, and life science wholesale. The County's life science employees support an additional 162,000 jobs for a total countywide impact of over 231,800 jobs. These jobs pay an average wage of \$72,577, and generate \$40.3 billion in annual economic activity. Biocom represents more than 1,000 members in California; we focus on initiatives that positively influence the region's life science community in the development and delivery of innovative products that improve health and quality of life.



LINKAGE FEE

Biocom members are often among the most heavily impacted by new fees and taxes on construction projects; these costs can hinder development of life science facilities and campuses. The City of Los Angeles is currently implementing an affordable housing offset, or "linkage fee," of \$1-15 per square foot depending on the type of construction and where it's located. We urge officials to consider the potential negative impacts to businesses of all new fees before implementation, particularly with respect to business sectors those local governments are seeking to attract or stimulate.

Biocom supports Councilmember Gil Cedillo's motion to exempt workforce housing from the City of Los Angeles' new linkage fee. Exempting moderate income housing from the linkage fee could incentivize building in this category, therefore ensuring additional housing for the ever-growing life science workforce in Los Angeles.

GROSS RECEIPTS TAX

Gross receipts tax the total amount a company receives from all sources, without subtracting expenses or taking into account whether the company is profitable. These taxes disproportionately affect companies with small margins like small and mid-sized life sciences.

Biocom encourages policy makers to consider lowering or eliminating gross receipts taxes on life science and/or companies that are not yet profitable. We urge local jurisdictions to evaluate the impact of reducing or eliminating business taxes on firms in the Los Angeles area, as these adjustments can encourage industry growth.



¹ T.Clower & Associates. 2017 Biocom California Economic Impact Report Databook. San Diego: Biocom, 2017.



PRESCRIPTION & SHARPS TAKE BACK

For over two years, the life science industry in Los Angeles County and county representatives have been involved in conversations about how to address prescription and sharps take back. A campaign developed by industry seeks to change perceptions, raise awareness, educate, and motivate changes in behavior towards proper disposal.

County staff delivered a report in December 2017 recommending the County implement a mandatory ordinance. Biocom supports moving forward with industry-designed quarterly take back activities before imposing additional regulations.

WORKFORCE DEVELOPMENT

Biocom supports a robust talent pipeline to fuel the life science industry in Los Angeles. Dina Lozofsky, Executive Director of Biocom's LA Office, sits on the City of Los Angeles Workforce Development Board (LAWDB), to educate and advocate for workforce development efforts that will support our industry. Biocom engaged on the Industry Sector Strategy: BioScience & BioTechnology project that was commissioned by the LAWDB in 2017, and the LA Valley College team used data from Biocom's 2017 Economic Report and research with local employers to present recommendations for a community college program that would prepare the workforce for these jobs.



PROPEL LA

Propel LA is the initiative led by the Los Angeles County Economic Development Corporation (LAEDC) to implement the 2016-2020 Countywide Strategic Plan for Economic Development (Plan). In November 2017, Propel LA formed formal partnerships with 18 government agencies, trade associations, and education institutions, including Biocom. With a focus on shared economic prosperity, social equity, and harnessing the region's innovation-intensive industries, the initiative addresses the region's economic development challenges and highlights the significant work that moves each of the Plan's objectives and strategies forward.

One such project done in conjunction with the LA County Office of Education will help inform students about high demand, good paying jobs in LA County. This project, which launched in January 2018, addresses strategies to link all levels of education to regional industry demand to upskill the workforce.