

## Budget Hearing on Economic Development/Arts on Thursday, February 26, 2026

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#### Introduction

New York is one of the world's great engines of biomedical discovery. Across 55 institutions, we secure billions in federal research funding, train **1 in 7** doctors and **1 in 11** scientists, and run **12.5%** of all clinical trials nationwide. That leadership isn't just academic—it's a core economic-development asset for the State, supporting high-skill jobs, attracting private capital, and turning breakthroughs into patents, licenses, and better health outcomes.

The Bolstering Biotech Initiative is a meaningful step in the right direction. To maximize its economic and public-health return, New York should treat science as infrastructure, and the scientists who build it as essential assets of the biomedical economy. Over the past two decades, states like Texas, California, and Massachusetts have recognized this value and recruited New York talent aggressively. When our scientists leave, they don't leave alone. They take federal dollars, inventions that seed new companies, and the jobs and investment that follow.

Now, with growing volatility in federal funding, New York isn't just competing with neighboring states—it's competing globally. Countries like **Canada**, which recently committed **\$1.7 billion** to recruit the best and brightest, are moving with urgency. If New York wants to lead the next era of biotech, we must invest just as urgently in the—people and the discovery capacity—that will maintain the state's competitiveness and grow New York leadership in Biotechnology.

#### Core request

We respectfully urge the Legislature to:

1. **Approve the Bolstering Biotech Initiative**, and
2. **Increase the appropriation to \$165 million**, with substantial funding dedicated to upstream discovery research and workforce programs at New York's hospitals, universities, and research institutions, as well as a statewide clinical trials consortium that can move breakthroughs into the clinic, expand access to care, and ultimately help reduce the State's health care costs.

#### Why an increase is necessary: New York is competing against multi-billion-dollar state strategies

New York is in a direct, multi-state and international race for scientific talent. The researchers we retain and recruit are the ones who generate discoveries that become new companies, new jobs, and therapies that reach patients.

Peer states have already committed billions to sustained biomedical investment. Texas launched the Cancer Prevention and Research Institute of Texas with **\$3 billion** and renewed it with another **\$3 billion**, for a **\$6 billion** total commitment, and voters approved an additional **\$3 billion** in 2025 to establish a dementia prevention and research institute. California created the California Institute for Regenerative Medicine with **\$3 billion** and later renewed it with an additional **\$5.5 billion** through Proposition 14. Massachusetts, through the Mass Leads Act framework, is reauthorizing **\$1 billion** in life sciences investments over the next decade.



These investments are built to attract and retain scientists, seed early-stage discoveries, and create durable pipelines from lab to patient to company.

New York should not respond by focusing primarily on brick-and-mortar projects. Facilities matter, but they are not a substitute for the discovery workforce or for the early-stage research that fills buildings with breakthroughs. **Buildings do not make discoveries. People do.**

### **Why “upstream research” is how you build biotech—especially now**

If New York’s goal is to grow biotech, New York must invest upstream, in the early discoveries, workforce pipelines, and translational capacity that generate the next wave of therapies and companies.

That need is even sharper in today’s financing environment. Venture funding remains well below pre-pandemic norms, and early-stage investment has been hit especially hard. Private capital is simply less willing to absorb the earliest scientific risk. In this climate, state investment can be the deciding factor between a promising discovery becoming a New York company, or being developed somewhere else. And this is exactly where public investment is strongest. New York can invest in its durable advantage: stable, world-class hospitals, universities, and research institutions that train talent, generate discoveries year after year, and repeatedly turn early science into companies, jobs, and cures.

And the logic is backed by evidence. **Publicly supported research underpins 99.4% of FDA-approved drugs.** Upstream science is not a “nice to have.” It is the reliable starting point for the downstream outcomes we want: new companies, new therapies, and better health for all New Yorkers

### **Recommendations: four priorities to maximize the return on Bolstering Biotech Initiative**

To ensure Bolstering Biotech Initiative produces measurable economic development and health impact statewide, we recommend four priority investments.

#### **1) Workforce development through graduate and postdoctoral fellowships**

Direct a substantial share of funds to **graduate and postdoctoral fellowships** housed in New York academic institutions, with an emphasis on early-career stability and in state retention across the state via “**Train here-stay here**” programs.

Why this matters:

- Early-career scientists are the foundational workforce behind discovery, patents, and translational advances.
- If New York loses this cohort, we lose a key workforce that fuels the biomedical economy. Once lost, the gap will be difficult to rebuild.

#### **2) Academic discovery grants to fund early-stage breakthroughs that seed biotech**

Create or expand early-stage academic discovery and translational grants—proof-of-concept funding that produces the data needed to:

- attract private investment,
- generate patent,
- form spinouts, and
- move innovations toward FDA IND filings.

This is the most direct “seed capital” New York can provide for its own innovation pipeline.

#### **3) Dedicated funds for a statewide clinical trial consortium**



Establish dedicated funding to build a statewide clinical trial consortium that:

- makes it easier to run trials across institutions and all regions in New York,
- expands access to trials for patients statewide, and
- keeps translational activity—and associated jobs and investment—in New York.

This also makes New York more competitive for industry partnerships and for decisions about where clinical trials are placed.

#### **4) Broad disease focus with prevention and improved health outcomes that matter to New Yorkers**

Bolstering Biotech Initiative should maintain a **broad focus**—not limited to any single therapeutic area—on diseases that affect New Yorkers, alongside prevention and early intervention. This supports:

- a diversified biotech economy,
- better long-term health outcomes, and
- reduced pressure on public healthcare spending over time.

#### **Funding recommendation: increase to \$165million**

Bolstering Biotech Initiative is a critical first step. But compared with the **multi-billion-dollar** commitments underway in Texas, California, and Massachusetts, the proposed scale does not yet match the competitive reality.

We therefore respectfully request that the Legislature approve the initiative and **increase the appropriation to \$165million**, with the majority of funds directed toward:

- graduate and postdoctoral fellowships (workforce development),
- early-stage academic discovery and translational grants (upstream FDA IND enabling research and rapid progress to biotech), and
- a statewide clinical trial consortium (translation and access).

#### **Closing**

New York can choose to lead. Or, amid growing federal volatility, it can stand by while other states capture the talent, companies, and clinical trial activity that New York's research institutions make possible.

If New York wants to build biotech, it must invest in upstream scientific infrastructure, in the people and discoveries that seed new companies, attract capital, and drive translation to patients, especially now. Treating science as infrastructure is not just a research agenda. It is a competitiveness agenda, an economic development agenda, and a long-term health agenda.