

October 30, 2025

Representative Carole Fiola, Chair
Joint Committee on Economic Development &
Emerging Technologies
State House, Room 236
Boston, MA 02133

Senator Barry Finegold, Chair
Joint Committee on Economic Development &
Emerging Technologies
State House, Room 109-D
Boston, MA 02133

Dear Chairs Fiola and Finegold,

On behalf of the Greater Boston Chamber of Commerce and our over 1200 members, I write to offer testimony in support of H.4375, *An Act to preserve and advance Massachusetts' competitiveness in discovery, research, and innovation for a vibrant economy*, also known as the DRIVE Act. At a moment when critical federal research funding is at risk, this legislation supports our research and higher education institutions that are key drivers of Greater Boston's economy.

Massachusetts is home to the most well-respected and prestigious research institutions, hospitals, and universities in the world. Due to this strength in research capabilities, our institutions receive federal research funding from many federal agencies across all areas of scientific and medical advances, including from the National Institutes of Health (NIH), the Department of Defense (DOE), the National Science Foundation (NSF), NASA, the Department of Defense (DOD), among others. Particularly strong in life sciences, Massachusetts receives the highest level of NIH funding per capita and the third highest funding levels in real dollars in 2024.ⁱ Our strong knowledge-based economy regularly produces critical advances in science and innovation, often leading to new businesses and new jobs that help drive economic growth.

To measure how important these institutions are to the Commonwealth's economy, just this week, the Chamber released [an independent analysis](#) of the economic impact of our hospitals, community health centers, colleges and universities. The data reinforces the common belief that our "Eds & Meds" are critical pieces of our economy statewide. These industries represent \$155.9 billion in annual economic impact, over 858,000 jobs, and over \$4 billion in state tax revenue. Given that Massachusetts civilian labor force is just under 4 million individuals, over 1 in 5 jobs are tied to our Eds & Meds.ⁱⁱ Beyond the simple fact that these institutions are some of our largest employers, this impact reaches our construction, legal, financial services, venture capital, and food services industries across the state as well.

It is critically important that we continue to cultivate our Eds & Meds despite recent changes in federal policy. Given the substantial federal support of the Commonwealth's research, it is now uniquely vulnerable to disruptions. With drastic cuts to funding on the table, changes to federal support of key infrastructure costs, and delays in disbursement of already reviewed and awarded grant funding, our research ecosystem faces high levels of uncertainty and existential choices. Our report outlines that Massachusetts may lose over \$5.9 billion in economic activity from cuts to NIH funding and changes to Medicaid alone, impacting 22,300 jobs and \$2.9 billion in employee compensation.ⁱⁱⁱ This moment requires support from both policymakers and the business community to ensure our competitive edge in sciences does not erode by undermining key contributors to our economy.

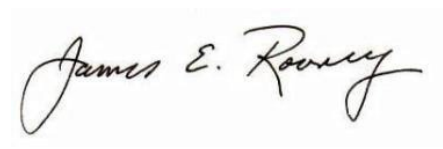
To highlight the importance of federal research funding, the Chamber reactivated [the Business for Federal Research Funding Coalition](#), a group of over 80 regional and state chambers of commerce that advocates for robust levels of federal research funding, and engages Congress and the Administration to demonstrate how research funding is essential for economic competitiveness, job creation, and advancement in science and technology. However, as federal fiscal policy remains unpredictable, the DRIVE Act is an important proposal to support our research institutions at the state level.

The DRIVE Act expands the allowable uses of the Federal Match fund, positioning the state to invest up to \$200 million in scientific research. It also allocates \$200 million in surtax funds to our higher education institutions, covering research expenses, talent retention, and regional research partnerships and joint ventures. While the Chamber has reservations about the increasing reliance and expanding uses of surtax funds, this one-time investment in the current context is a proper use of such funding to weather the unpredictable federal debate around research funding.

We urge the Committee to give H.4375 a favorable report and support swift passage in the Legislature.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "James E. Rooney". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

James E. Rooney
President & CEO

ⁱ <https://www.bizjournals.com/boston/news/2025/01/29/nih-funding-in-mass-could-now-be-at-risk.html>

ⁱⁱ <https://www.bls.gov/eag/eag.ma.htm>

ⁱⁱⁱ Anchored in Excellence, page 59.