



June 4, 2024

Hon. Steve Samuelson, Chair  
Hon. Keith J. Greiner, Republic Chair  
Finance Committee, Pennsylvania House of Representatives

*Via email*

Re: **HB2226**

My name is Alfred Altomari, and I am the Chair and Chief Executive Officer of Agile Therapeutics, Inc. Agile Therapeutics is a women's healthcare company dedicated to fulfilling the unmet needs of today's women. Agile is a publicly traded company located in Princeton, New Jersey. We secured FDA approval for our first product TWIRLA and began commercialization of TWIRLA in late 2020.

While our Company is headquartered in New Jersey my wife and I are proud to reside in Washington Crossing Pennsylvania (Lower Makefield Township, Bucks County). One of the main reasons the Company is headquartered in New Jersey is the Technology Business Tax Certificate Transfer (NOL) Program. The Program is aimed at New Jersey-based technology or biotechnology companies with fewer than 225 U.S. employees (including parent company and all subsidiaries) with no positive net operating income the last 2 years. Up to \$75 million is available annually, with \$15 million set aside for businesses located in Innovation Zones, Opportunity Zones, or NJ Certified as a minority and/or woman owned business or enterprise. If Pennsylvania had a similar NOL program as New Jersey our Company would more than likely be headquartered in Bucks County. Without a similar NOL program, Pennsylvania is at a competitive disadvantage. The biotech industry's average salaries are significantly higher than most industries and bringing these companies to Pennsylvania could be economically meaningful to the State.

In the biotech industry access to capital is the critical success factor that defines the company's ultimate success. This is most acute at the early stages when companies are doing the basic research and conducting the studies and trials needed to secure FDA approval.

Agile has been the recipient of six (6) New Jersey Technology Business Tax Certificate Transfer (NOL) Program awards generating approximately \$20 million in proceeds. Our last award in 2022 generated \$5 million in proceeds. The \$20 million is the maximum for any one company can receive in total. On a few occasions the NOL program saved our company. It provided an economic 'bridge' and stability allowing the Company to continue developing TWIRLA and securing FDA approval.

I would strongly urge the State of Pennsylvania to create a program like the New Jersey Technology Business Tax Certificate Transfer (NOL) Program. Companies like Agile are not looking for a subsidy but rather a bridge. I think of New Jersey in the same way I do of any of my investors. I want the State of New Jersey to secure a return on their investment through job creation and contributing to the State's ecosystem. At the same time, I hope to see the biotech industry flourish. The biotech industry is a strategically important vertical for Pennsylvania.

I appreciate the opportunity to provide comments on **HB2226** and encourage your consideration and support.

Sincerely,

Alfred Altomari  
Chair and CEO, Agile Therapeutics, Inc.  
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