



AMERICANS
for TAX REFORM

March 23, 2023

To: Members of the State and Local Government and Veterans Committee
From: Americans for Tax Reform
Re: Oppose Senate File 168

Dear Senator,

On behalf of Americans for Tax Reform (ATR) and our supporters across Minnesota, **I urge you to oppose Senate File 168, legislation that seeks to impose price controls through an upper payment limit on prescription medications. If implemented, this bill would result in a number of unintended negative consequences for patients across Minnesota.**

The biopharmaceutical industry is one of the most heavily regulated industries in the United States. It costs more than \$2.5 billion and can take over a decade for just one new drug to make it through the Food and Drug Administration (FDA) approval process. Piling on with even more government intervention at the state level would only make pharmaceutical development that much more costly and complicated.

Forcefully reducing the price of prescription drugs would leave manufacturers with even fewer resources available to invest in research and development for the next generation of lifesaving, life-improving medications. **This would jeopardize pharmaceutical innovation as well as access to current medicines, resulting in the people of Minnesota being left with even fewer, lower quality choices. As such, legislation such as SF 168 would actually lead to higher healthcare costs over the long term.**

Buttressing this point is experience from countries with a more heavy-handed approach to healthcare policy, which has demonstrated that government intervention neither lowers costs nor increases access. Rather, it stifles development, creates shortages, and leads to fewer choices for consumers and patients.

The best thing state lawmakers can do to mitigate rising healthcare costs is embrace free market solutions, which promote the competition that spurs innovation, improves quality, increases the number of available options, and naturally keeps prices low. **ATR opposes SF 168 and urges you to vote NO.**

Sincerely,

Grover Norquist
President
Americans for Tax Reform

722 12th Street N.W.

Fourth Floor

Washington, D.C.

20005

T: (202) 785-0266

F: (202) 785-0261

www.atr.org