

TAXIS Pharmaceuticals Releases Statement Regarding the Recent House Budget Committee Roundtable on the Threat of Antibiotic Resistance

August 5, 2024

On July 25, House Budget Committee Chairman Jodey Arrington (R-TX) and Health Care Task Force (HCTF) Chairman Michael C. Burgess, MD (R-TX) led a [bipartisan roundtable](#) entitled, “Threats to Modern Medicine: Examining the Budgetary Effects of Antimicrobial Resistance (AMR) and the Broken Antibiotic Development Pipeline.”¹

Legislators at the roundtable expressed their support for the Pioneering Antimicrobial Subscriptions to End Upsurging Resistance ([PASTEUR Act](#)), intended “to encourage innovative antimicrobial drug development.”¹ The bill, if passed, “would commit \$6 billion to purchasing new drugs to treat drug-resistant bacteria and fungi that federal officials designate as critically important targets.”² It would establish a committee that, in consultation with patients and physicians, would determine which treatments the federal government should purchase, making those medications available at no cost for Medicare and Medicaid recipients and those who receive health benefits from the Department of Veterans Affairs.²

At TAXIS Pharmaceuticals, we believe that antibiotics are the foundation of modern medicine. We wholeheartedly support the intent of the PASTEUR Act and applaud bipartisan efforts and other initiatives aimed at coming together to fight this deadly global health crisis.

Greg Mario, MBA, CEO of TAXIS Pharmaceuticals, offered the following insight after the House Budget Committee released a summary of the roundtable event:

- **Return on Investment:** Ensuring a return on investment (ROI) for pharmaceutical companies is crucial. The Pasteur Act, which we anticipate will pass in the next few years, aims to reassure these companies by providing funding for AMR research. AMR is a significant threat to societal health, so prompt action on this bill is essential.
- **Congress needs to lead the charge:** Congress needs to galvanize pharmaceutical companies to address AMR. The Pasteur Act is a way of offering financial incentives to lure drug manufacturers back into the field. Pharmaceutical companies will be reluctant to invest in new antibiotic development until they see the potential for a return on that investment.
- **Dearth of antibiotics:** Many companies exited the AMR innovation space 40 years ago due to the rising cost of developing drugs and the inability to recoup investments. The result is a dearth of new antibiotics. Additionally, bacteria will always evolve to resist antibiotics, both old and new. We therefore need not only companies willing to develop new antibiotics, but therapeutics that will address the root cause of antibiotic resistance, at the cellular level, to truly solve this problem.
- **Securing funding for the Pasteur Act:** The challenge lies in funding the Pasteur Act. Identifying the financial sources and fine tuning the funding mechanisms will require collaboration and negotiation, but it’s an effort that must be undertaken.
- **Investing in saving lives:** When you look at the cost of oncology R&D, you can see that we often spend millions to extend the lives of octogenarians by only a few months. Yet investors and pharma companies invest only minimally in antibiotics – therapies that can fight against

treatable and preventable conditions like pneumonia and wound infectious, that can save lives of people in their thirties and forties. Antibiotics and other therapies that combat AMR can ensure people live long enough to benefit from advanced medical treatments later in life – and that they have the potential to contribute positively to society through economic productivity through their working years instead of dying from what should be treatable diseases.

- **Additional program incentives:** Aside from the PASTEUR Act, there are other laudable government efforts to incentivize pharma companies to develop therapies to treat infectious disease. The most notable of these is the FDA's Qualified Infectious Disease Product (QIDP) designation, which provides qualifying companies priority FDA review, fast track designation, and an additional five years of regulatory exclusivity. Together, efforts like the PASTEUR Act and QIDP can encourage pharma companies to re-engage in R&D aimed at combatting AMR.

TAXIS is currently developing three different therapies, with three different mechanisms of action aimed at disrupting bacteria cell function and proliferation, to combat antimicrobial research. In May of this year, we [received a \\$2.67 million grant](#) from the NIH's National Institute of Allergy and Infectious Disease (NIAID) to further our R&D efforts on one of these investigational therapies, our first efflux pump inhibitor targeting hospital-acquired pneumonia.

Together, we can overcome antimicrobial resistance and save lives.

References

1. "House Budget Committee Examines Budgetary Effects of Antimicrobial Resistance and the Broken Antibiotic Development Pipeline." House Budget Committee, 26 July 2024, https://budget.house.gov/press-release/house-budget-committee-examines-budgetary-effects-of-antimicrobial-resistance-and-the-broken-antibiotic-development-pipeline?mkt_tok=NDkwLUViWi05OTkAAAGUncc-LjnidYiT1PCDjcUs8miFc59u6En9_UQccObHsoaJNuoEjE2zv6n091sF1r8HdKml5uqutWo5EcSVbXng_ymlY5iE-9A2SEcA_Dnjw4Mwg. Accessed 30 July 2024.
2. "Congress Considers Paying Developers of New Antibiotics." The Wall Street Journal, 29 July 2024, www.wsj.com/articles/congress-considers-paying-developers-of-new-antibiotics-bc016cef. Accessed 30 July 2024.