

# SENATE BILL REPORT

## HB 1820

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As Reported By Senate Committee On:  
Higher Education, March 26, 2001

**Title:** An act relating to clarifying ethics requirements for officers and employees of institutions of higher education with regard to sponsored research and technology transfer agreements.

**Brief Description:** Clarifying that certain technology transactions by institutions of higher education are exempt from state ethics requirements.

**Sponsors:** By Representatives Van Luven, H. Sommers, Lantz, Morris and Edwards; by request of University of Washington.

**Brief History:**

**Committee Activity:** Higher Education: 3/22/01, 3/26/01 [DP].

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### SENATE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass.

Signed by Senators Kohl-Welles, Chair; Shin, Vice Chair; Carlson, Horn, McAuliffe, Parlette and B. Sheldon.

**Staff:** Jean Six (786-7423)

**Background:** The University of Washington's Significant Financial Interest Disclosure Policy for Sponsored Projects provides the guidelines followed to maintain compliance with federal regulations governing research. While certain people and projects operating under the authority of these guidelines are also controlled by RCW 42.52.030, it is not clear that the statute applies to technology transfer licensing agreements or sponsored research. In order to recruit and retain high quality research faculty, the higher education institutions maintain a research environment that allows researchers to be rewarded, as required by federal law, for their contributions.

Current law provides that no one in public employment may derive a private beneficial interest as a result of that public employment. The law also provides that public employees may not be paid by a private entity for their public work. However, certain operations in a public research institution are governed instead by federal guidelines, thus allowing institutional researchers to remain working in the university environment while gaining some benefit from the market value of their research.

**Summary of Bill:** The law is clarified that sponsored research and technology transfer licensing agreements are controlled by RCW 42.52.030. A written administrative process relating to potential conflicts of interest must conform with certain federal requirements and be in place regarding technology transfer agreements and federally sponsored research.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This bill does not affect clinical trials with human subjects in any way. The bill clarifies what section of the ethics code governs sponsored research and technology transfer. There is a large national conversation about these issues. Universities are often stricter than the federal guidelines require. Public institutions disclose much more information than do private companies.

**Testimony Against:** None.

**Testified:** Bob Miller, Vice Provost for Intellectual Property, Mac Parks, Assistant Vice Provost for Research, Dick Thompson, Government Relations, UW.