

SENATE BILL REPORT

SB 5996

As Reported By Senate Committee On:
Economic Development, Trade & Management, January 25, 2008

Title: An act relating to supporting commercialization of life sciences research.

Brief Description: Promoting commercialization of life sciences research.

Sponsors: Senators Kastama, Shin, Zarelli, Kilmer, Kauffman, Brown, Tom, McAuliffe and Rasmussen.

Brief History:

Committee Activity: Economic Development, Trade & Management: 1/16/08, 1/25/08 [DPS].

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & MANAGEMENT

Majority Report: That Substitute Senate Bill No. 5996 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kastama, Chair; Kilmer, Vice Chair; Zarelli, Ranking Minority Member; Kauffman, King and Shin.

Staff: Jack Brummel (786-7428)

Background: In 2005 the Legislature created the Life Sciences Discovery Fund with the stated intent that it promote research in life sciences and build on strengths in biosciences and biomanufacturing. A Life Sciences Discovery Fund Authority (Authority) was also created to, among other things, make grants for the promotion of life sciences research in the state.

Summary of Bill (Recommended Substitute): It is a public purpose to promote life sciences research and development. Promoting commercialization is added as one of the things the Life Sciences Discovery Fund is intended to do. "Commercialization" is defined as a sequence of steps, including technology transfer, technical assistance in product development, production process design, and technical skills development needed for market entry and competitiveness of innovative technologies, processes, and products.

At least one member of the Authority's board of trustees is to be experienced in facilitating the commercialization process.

The authority is to collaborate with organizations with commercialization expertise and contract with them for the provision of technical assistance as appropriate. Life Sciences Discovery Fund dollars may be used, upon the recommendation of the Washington Economic

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Development Commission, for the recruitment of researchers that have commercialized technologies. Grants may be made for the promotion of life sciences research and development. Factors to consider in evaluating requests for grant funding include: (1) the proposed technical assistance in product development or production process design; and (2) the potential to promote technical skills training for health care delivery, biomedical manufacturing, and life sciences related employment in the state.

EFFECT OF CHANGES MADE BY ECONOMIC DEVELOPMENT, TRADE & MANAGEMENT COMMITTEE (Recommended Substitute): The obligation to reserve 5 percent of funds for commercialization through organizations with commercialization expertise is replaced with an obligation to collaborate with such organizations and contract with them for the provision of technical assistance as appropriate.

Appropriation: None.

Fiscal Note: Requested on substitute bill on January 30, 2008.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Substitute Bill: OTHER: A lot of the things in the bill won't change anything. The only concern is the 5 percent set-aside. This is a difficult and dangerous precedent. The focus of the program is high leverage. They are now in a programmatic competition with state funds – the goals are to reduce health care costs and produce new products and new companies.

Persons Testifying: OTHER: Senator Chris Marr, Dr. Lura Powell, Life Sciences Fund.