
SENATE BILL 6727

State of Washington

61st Legislature

2010 Regular Session

By Senators Marr and Brown

Read first time 01/22/10. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to health sciences and services authorities;
2 amending RCW 35.104.060 and 42.30.110; and adding a new section to
3 chapter 35.104 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 35.104.060 and 2009 c 564 s 921 are each amended to
6 read as follows:

7 (1) The authority has all the general powers necessary to carry out
8 its purposes and duties and to exercise its specific powers, including
9 the authority may:

10 (a) Sue and be sued in its own name;

11 (b) Make and execute agreements, contracts, and other instruments,
12 with any public or private entity or person, in accordance with this
13 chapter;

14 (c) Employ, contract with, or engage independent counsel, financial
15 advisors, auditors, other technical or professional assistants, and
16 such other personnel as are necessary or desirable to implement this
17 chapter;

18 (d) Establish such special funds, and control deposits to and

1 disbursements from them, as it finds convenient for the implementation
2 of this chapter;

3 (e) Enter into contracts with public and private entities for
4 research to be conducted in this state;

5 (f) Delegate any of its powers and duties if consistent with the
6 purposes of this chapter;

7 (g) Exercise any other power reasonably required to implement the
8 purposes of this chapter; and

9 (h) Hire staff and pay administrative costs; however, such expenses
10 shall be paid from moneys provided by the sponsoring local government
11 and moneys received from gifts, grants, and bequests and the interest
12 earned on the authority's accounts and investments. (~~During the 2009-~~
13 ~~2011 fiscal biennium, up to~~) No more than ten percent of the amounts
14 received under RCW 82.14.480 may be used by a health sciences and
15 ~~services~~ (~~and sciences~~) authority for the purposes of subsections
16 (1)(c) and (h) of this section.

17 (2) In addition to other powers and duties prescribed in this
18 chapter, the authority is empowered to:

19 (a) Use the authority's public moneys, leveraging those moneys with
20 amounts received from other public and private sources in accordance
21 with contribution agreements, to promote bioscience-based economic
22 development, and to advance new therapies and procedures to combat
23 disease and promote public health;

24 (b) Solicit and receive gifts, grants, and bequests, and enter into
25 contribution agreements with private entities and public entities to
26 receive moneys in consideration of the authority's promise to leverage
27 those moneys with the revenue generated by the tax authorized under RCW
28 82.14.480 and contributions from other public entities and private
29 entities, in order to use those moneys to promote bioscience-based
30 economic development and advance new therapies and procedures to combat
31 disease and promote public health;

32 (c) Hold funds received by the authority in trust for their use
33 pursuant to this chapter to promote bioscience-based economic
34 development and advance new therapies and procedures to combat disease
35 and promote public health;

36 (d) Manage its funds, obligations, and investments as necessary and
37 consistent with its purpose, including the segregation of revenues into
38 separate funds and accounts;

1 (e) Borrow money and incur indebtedness pursuant to section 2 of
2 this act;

3 (f) Make grants to entities pursuant to contract to promote
4 bioscience-based economic development and advance new therapies and
5 procedures to combat disease and promote public health. Grant
6 agreements shall specify the deliverables to be provided by the
7 recipient pursuant to the grant. Grants to private entities may only
8 be provided under a contractual agreement that ensures the state will
9 receive appropriate consideration, such as an assurance of job creation
10 or retention, or the delivery of services that provide for the public
11 health, safety, and welfare. The authority shall solicit requests for
12 funding and evaluate the requests by reference to factors such as: (i)
13 The quality of the proposed research; (ii) its potential to improve
14 health outcomes, with particular attention to the likelihood that it
15 will also lower health care costs, substitute for a more costly
16 diagnostic or treatment modality, or offer a breakthrough treatment for
17 a particular disease or condition; (iii) its potential to leverage
18 additional funding; (iv) its potential to provide health care benefits;
19 (v) its potential to stimulate employment; and (vi) evidence of public
20 and private collaboration;

21 ~~((f))~~ (g) Create one or more advisory boards composed of
22 scientists, industrialists, and others familiar with health sciences
23 and services; and

24 ~~((g))~~ (h) Adopt policies and procedures to facilitate the orderly
25 process of grant application, review, and reward.

26 (3) The records of the authority shall be subject to audit by the
27 office of the state auditor.

28 NEW SECTION. Sec. 2. A new section is added to chapter 35.104 RCW
29 to read as follows:

30 (1) A local government that has established a health sciences and
31 services authority under RCW 35.104.030 may, by ordinance or
32 resolution, authorize the authority to borrow money under the
33 conditions set forth in this section.

34 (2) Moneys borrowed by an authority must be secured by funds
35 derived from gifts or grants from any source, public or private,
36 federal, state, or local government grants or payments, or
37 intergovernmental transfers.

1 (3) The authority shall incur no expense or liability that is an
2 obligation, either general or special, of the state or local
3 government, or a general obligation of the authority, and shall pay no
4 expense or liability from funds other than funds of the authority.

5 **Sec. 3.** RCW 42.30.110 and 2005 c 424 s 13 are each amended to read
6 as follows:

7 (1) Nothing contained in this chapter may be construed to prevent
8 a governing body from holding an executive session during a regular or
9 special meeting:

10 (a) To consider matters affecting national security;

11 (b) To consider the selection of a site or the acquisition of real
12 estate by lease or purchase when public knowledge regarding such
13 consideration would cause a likelihood of increased price;

14 (c) To consider the minimum price at which real estate will be
15 offered for sale or lease when public knowledge regarding such
16 consideration would cause a likelihood of decreased price. However,
17 final action selling or leasing public property shall be taken in a
18 meeting open to the public;

19 (d) To review negotiations on the performance of publicly bid
20 contracts when public knowledge regarding such consideration would
21 cause a likelihood of increased costs;

22 (e) To consider, in the case of an export trading company,
23 financial and commercial information supplied by private persons to the
24 export trading company;

25 (f) To receive and evaluate complaints or charges brought against
26 a public officer or employee. However, upon the request of such
27 officer or employee, a public hearing or a meeting open to the public
28 shall be conducted upon such complaint or charge;

29 (g) To evaluate the qualifications of an applicant for public
30 employment or to review the performance of a public employee. However,
31 subject to RCW 42.30.140(4), discussion by a governing body of
32 salaries, wages, and other conditions of employment to be generally
33 applied within the agency shall occur in a meeting open to the public,
34 and when a governing body elects to take final action hiring, setting
35 the salary of an individual employee or class of employees, or
36 discharging or disciplining an employee, that action shall be taken in
37 a meeting open to the public;

1 (h) To evaluate the qualifications of a candidate for appointment
2 to elective office. However, any interview of such candidate and final
3 action appointing a candidate to elective office shall be in a meeting
4 open to the public;

5 (i) To discuss with legal counsel representing the agency matters
6 relating to agency enforcement actions, or to discuss with legal
7 counsel representing the agency litigation or potential litigation to
8 which the agency, the governing body, or a member acting in an official
9 capacity is, or is likely to become, a party, when public knowledge
10 regarding the discussion is likely to result in an adverse legal or
11 financial consequence to the agency.

12 This subsection (1)(i) does not permit a governing body to hold an
13 executive session solely because an attorney representing the agency is
14 present. For purposes of this subsection (1)(i), "potential
15 litigation" means matters protected by RPC 1.6 or RCW 5.60.060(2)(a)
16 concerning:

17 (~~(A)~~) (i) Litigation that has been specifically threatened to
18 which the agency, the governing body, or a member acting in an official
19 capacity is, or is likely to become, a party;

20 (~~(B)~~) (ii) Litigation that the agency reasonably believes may be
21 commenced by or against the agency, the governing body, or a member
22 acting in an official capacity; or

23 (~~(C)~~) (iii) Litigation or legal risks of a proposed action or
24 current practice that the agency has identified when public discussion
25 of the litigation or legal risks is likely to result in an adverse
26 legal or financial consequence to the agency;

27 (j) To consider, in the case of the state library commission or its
28 advisory bodies, western library network prices, products, equipment,
29 and services, when such discussion would be likely to adversely affect
30 the network's ability to conduct business in a competitive economic
31 climate. However, final action on these matters shall be taken in a
32 meeting open to the public;

33 (k) To consider, in the case of the state investment board,
34 financial and commercial information when the information relates to
35 the investment of public trust or retirement funds and when public
36 knowledge regarding the discussion would result in loss to such funds
37 or in private loss to the providers of this information;

1 (1) To consider proprietary or confidential nonpublished
2 information related to the development, acquisition, or implementation
3 of state purchased health care services as provided in RCW 41.05.026;

4 (m) To consider in the case of the life sciences discovery fund
5 authority, the substance of grant applications and grant awards when
6 public knowledge regarding the discussion would reasonably be expected
7 to result in private loss to the providers of this information;

8 (n) To consider in the case of a health sciences and services
9 authority, the substance of grant applications and grant awards when
10 public knowledge regarding the discussion would reasonably be expected
11 to result in private loss to the providers of this information.

12 (2) Before convening in executive session, the presiding officer of
13 a governing body shall publicly announce the purpose for excluding the
14 public from the meeting place, and the time when the executive session
15 will be concluded. The executive session may be extended to a stated
16 later time by announcement of the presiding officer.

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