

SENATE BILL REPORT

SB 5455

As of February 14, 2025

Title: An act relating to the administration of the Andy Hill cancer research endowment.

Brief Description: Concerning the administration of the Andy Hill cancer research endowment.

Sponsors: Senators Harris, Cleveland, Braun and Muzzall.

Brief History:

Committee Activity: Health & Long-Term Care: 2/14/25.

Brief Summary of Bill

- Makes changes to the administration of the Andy Hill Cancer Research Endowment Board and several accounts related to Andy Hill Cancer Research Endowment.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Staff: Julie Tran (786-7283)

Background: The Andy Hill Cancer Research Endowment, also known as the Andy Hill CARE Fund, makes grants to public and private entities for the promotion of cancer research. The endowment is governed by a 13-member board and administered by a private, nonprofit corporation with expertise in conducting or managing research granting activities, funds, or organizations. Two of the members of the Andy Hill Cancer Research Endowment Board (board) must be appointed from nominations submitted by the Fred Hutchinson Cancer Center, Seattle Cancer Care Alliance, and the Seattle Children's Research Institute.

The services to the board are provided by a program administrator who is a private nonprofit corporation that qualifies as a tax-exempt entity with expertise in conducting or managing research granting activities, funds, or organizations.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

The purpose of the Andy Hill Cancer Research Endowment Fund Match Transfer Account (match transfer account) is to provide matching funds for the endowment. The Legislature must annually appropriate a state match of up to \$10 million. The state match is comprised of tax collections and penalties from the tax on vapor products, cigarette tax, other tobacco product tax, and retail sales and use tax.

Expenditures, in the form of matching funds, from the match transfer account may be made only upon receipt of proof from the program administrator of nonstate or private contributions to the fund for the program. Expenditures, in the form of matching funds, may not exceed the total amount of nonstate or private contributions.

Once the money in the match transfer account are subject to an agreement between the Department of Commerce and the program administrator to demonstrate exchange of consideration for the matching funds and are deposited into the match transfer account, the moneys in the Andy Hill Cancer Research Endowment Fund are not considered state money, common case, or revenue to the state.

Summary of Bill: Andy Hill Cancer Research Endowment Board. One or more licensed private nonprofit corporations may qualify as a program administrator providing services to the board and the program administrator is not required to have expertise in conducting or managing research granting activities, funds, or organizations.

The board must have two members appointed from submitted nominations by Fred Hutchinson Cancer Center and Seattle Children's Research Institute.

The board must be staffed by one or more program administrator selected by and under contract with the board. The board may cause one or more tax-exempt nonprofit corporation to be created, organized, and operated exclusively to perform some or all of the program administrator duties. The board may select and contract directly with any program administrator. The program administrator must be paid an administrative fee as determined by the board and paid mutually agreed-upon operating costs which may vary depending on the endowment's activities.

Andy Hill Cancer Research Endowment Fund. Moneys in the Andy Hill Cancer Research Fund are not considered state money, common cash, or revenue to the state.

Soliciting requests for grant funding, evaluating, and awarding grants for the purposes of community outreach and engagement to increase participation by underrepresented communities in clinical trials are not subject to scientific review and advisory committee review.

Andy Hill Cancer Research Endowment Fund Match Transfer Account. The match transfer account's purpose is to provide state matching funds and other state appropriations for the fund and administrative costs.

Expenditures from the match transfer account may be made only upon receipt of proof from the program administrator of committed nonstate or private contributions for cancer research, prevention, or care supported by the match transfer account or the program's advancement. Expenditures from the match transfer account, in the form of matching funds, may not exceed the total amount of committed nonstate or private contributions.

Expenditures to fund or reimburse the program administrator are not subject to that match transfer account requirement. The Department of Commerce and the board must enter into an appropriate agreement with the program administrator to demonstrate exchange of consideration for the expenditures from the match transfer account that are subject to the match transfer account requirements.

Moneys expended into the match transfer account for the purposes of community outreach and engagement to increase participation by underrepresented communities in clinical trials are not subject to the above match transfer account requirements.

Other Changes. Clinical trial means cancer clinical trial.

Appropriation: None.

Fiscal Note: Requested on January 27, 2025.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: This bill simplifies the way the board operates and ensures that the board has authority to select the program administrator. This gives a voice and a say to the board as to who the program administrator may be for the continuity purposes in the administration of the CARE Fund. The bill also clarifies that the CARE Fund can be directly receiving funds from local entities without having to go through the state.

OTHER: Commerce serves as the connection from the state to the overall endowment. This bill does create a little change in administration and the department will work with its partners to ensure clarity, transparency, and accountability in the state portion of the funding that is shared with the endowment.

Persons Testifying: PRO: Senator Paul Harris, Prime Sponsor; Libby Mongue-Wymore, CARE Fund, Board Member; Lyset Cadena, CARE Fund.

OTHER: Dave Pringle, Dept. of Commerce.

Persons Signed In To Testify But Not Testifying: No one.