Finds that placental and umbilical cord blood is recognized as a viable and more accessible alternative to bone marrow in many medical therapies. Science has discovered ways to treat many types of cancer, blood, and immune disorders through the use of stem cells from placental and umbilical cord blood. Placental and umbilical cord blood is currently used to treat such diseases as leukemia and over sixty other fatal immune system diseases.

Directs the department of health to establish two pilot programs to allow consenting expectant mothers, delivering in a hospital licensed under chapter 70.41 RCW, to donate, to a public blood bank, placental and umbilical cord blood following childbirth. One pilot program shall be located in eastern Washington and the other in western Washington. The department shall administer the pilot project in coordination with blood bank resources currently operating in the state.

Requires the pilot projects to: (1) Increase accessibility to placental and cord blood donation programs and public blood banks;

- (2) Facilitate the receipt, storage, and distribution of donated placental and umbilical cord blood for use by appropriate patients and, where the donated blood is not suitable for use by patients, for research in projects approved by an institutional review board; and
- (3) Increase awareness about placental and umbilical cord donation among expectant parents and health care providers, including in racial and ethnic communities where there are difficulties finding compatible donors.

Directs the department of health to report to the legislature by December 1, 2008, on the results of the pilot projects, including information on donations received and the use of those donations for patients and for research.