

CERTIFICATION OF ENROLLMENT

SENATE BILL 5455

69th Legislature
2025 Regular Session

Passed by the Senate March 10, 2025
Yeas 48 Nays 1

President of the Senate

Passed by the House April 15, 2025
Yeas 95 Nays 0

**Speaker of the House of
Representatives**

Approved

Governor of the State of Washington

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5455** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SENATE BILL 5455

Passed Legislature - 2025 Regular Session

State of Washington

69th Legislature

2025 Regular Session

By Senators Harris, Cleveland, Braun, and Muzzall

1 AN ACT Relating to the administration of the Andy Hill cancer
2 research endowment; amending RCW 43.348.020, 43.348.040, 43.348.060,
3 and 43.348.080; and reenacting and amending RCW 43.348.010.

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

5 **Sec. 1.** RCW 43.348.010 and 2018 c 4 s 1 are each reenacted and
6 amended to read as follows:

7 The definitions in this section apply throughout this chapter
8 unless the context clearly requires otherwise.

9 (1) "Board" means the governing board of the endowment.

10 (2) "Cancer" means a group of diseases involving unregulated cell
11 growth.

12 (3) "Cancer patient advocacy organizations" means groups with
13 offices in the state that promote cancer prevention and advocate on
14 behalf of cancer patients.

15 (4) "Cancer research" means advanced and applied research and
16 development relating to the causes, prevention, and diagnosis of
17 cancer and care of cancer patients including the development of
18 tests, genetic analysis, medications, processes, services, and
19 technologies to optimize cancer therapies and their manufacture and
20 commercialization and includes the costs of recruiting scientists and
21 establishing and equipping research facilities.

1 (5) "Clinical trial" means cancer clinical trial.
2 (6) "Commercial entity" means a for-profit entity located in the
3 state that develops, manufactures, or sells goods or services
4 relating to cancer prevention or care.
5 ~~((+6))~~ (7) "Committee" means an independent expert scientific
6 review and advisory committee established under RCW 43.348.050.
7 ~~((+7))~~ (8) "Contribution agreement" means any agreement
8 authorized under this chapter in which a private entity or a public
9 entity other than the state agrees to provide to the endowment
10 contributions for the purpose of cancer research, prevention, or
11 care.
12 ~~((+8))~~ (9) "Costs" means the costs and expenses associated with
13 the conduct of research, prevention, and care including, but not
14 limited to, the cost of recruiting and compensating personnel,
15 securing and financing facilities and equipment, and conducting
16 clinical trials.
17 ~~((+9))~~ (10) "Department" means the department of commerce.
18 ~~((+10))~~ (11) "Endowment" means the Andy Hill cancer research
19 endowment.
20 ~~((+11))~~ (12) "Fund" means the Andy Hill cancer research fund
21 created in RCW 43.348.060(1)(b).
22 ~~((+12))~~ (13) "Health care delivery system" means hospitals and
23 clinics providing care to patients in the state.
24 ~~((+13))~~ (14) "Life sciences research" means advanced and applied
25 research and development intended to improve human health, including
26 scientific study of the developing brain and human learning and
27 development, and other areas of scientific research and development
28 vital to the state's economy.
29 ~~((+14))~~ (15) "Prevention" means measures to prevent the
30 development and progression of cancer, including education,
31 vaccinations, and screening processes and technologies, and to reduce
32 the risk of cancer.
33 ~~((+15))~~ (16) "Program" means the Andy Hill cancer research
34 endowment program created in RCW 43.348.040.
35 ~~((+16))~~ (17) "Program administrator" means ((a)) one or more
36 private nonprofit corporations registered under Title 24 RCW
37 qualified as a tax-exempt entity under 26 U.S.C. Sec. 501(c)(3) of
38 the federal internal revenue code~~((, with expertise in conducting or~~
39 ~~managing research granting activities, funds, or organizations))~~.

1 **Sec. 2.** RCW 43.348.020 and 2018 c 4 s 2 are each amended to read
2 as follows:

3 (1) The Andy Hill cancer research endowment is created. The
4 powers of the endowment are vested in and must be exercised by a
5 board. The board consists of thirteen members appointed by the
6 governor:

7 (a) Two members must be appointed from nominations submitted by
8 the presidents of the University of Washington and Washington State
9 University;

10 (b) Two members must be appointed from nominations submitted by
11 the Fred Hutchinson cancer (~~research~~) center(~~(, Seattle cancer care~~
12 ~~alliance,~~) and the Seattle children's research institute;

13 (c) Two members must be appointed from nominations submitted by
14 patient advocacy organizations;

15 (d) Two members must be appointed from nominations submitted by
16 representatives of businesses or industries engaged in the
17 commercialization of life sciences research or cancer research;

18 (e) One member must be appointed from a list of at least three
19 nominated by the speaker of the house of representatives;

20 (f) One member must be appointed from a list of at least three
21 nominated by the president of the senate;

22 (g) One member must be appointed from nominations submitted by
23 entities or systems that provide health care delivery services;

24 (h) One member must be appointed from nominations provided by
25 private sector donors to the fund. However, the governor may reject
26 all nominations and request a new list from which the governor must
27 select the member; and

28 (i) The remaining member must be a member of the public.

29 (2) In soliciting nominations and appointing members, the
30 governor must seek to identify individuals from throughout the state
31 having relevant knowledge, experience, and expertise with regard to
32 (a) cancer research, prevention, and care; (b) health care consumer
33 issues; (c) government finance and budget; and (d) the
34 commercialization of life sciences or cancer research. In soliciting
35 nominations and appointing members, the governor must seek
36 individuals who will contribute to the geographic diversity of the
37 board, with the goal that at least five board members be from
38 counties with a population less than one million persons.
39 Appointments must be made on or before July 1, 2016.

1 (3) The term of a member is four years from the date of their
2 appointment except the initial term of the members in subsection
3 (1)(d) through (i) of this section must be two years to create a
4 staggered appointment process. A member may be appointed to not more
5 than two full consecutive terms. A member appointed by the governor
6 may be removed by the governor for cause under RCW 43.06.070 and
7 43.06.080. The members may not be compensated but may be reimbursed,
8 solely from the fund, for expenses incurred in the discharge of their
9 duties under this chapter.

10 (4) Seven members of the board constitute a quorum.

11 (5) The members must elect a chair, treasurer, and secretary
12 annually, and other officers as the members determine necessary, and
13 may adopt bylaws or rules for their own government.

14 (6) Meetings of the board must be held in accordance with the
15 open public meetings act, chapter 42.30 RCW, and at the call of the
16 chair or when a majority of the members so requests. Meetings of the
17 board may be held at any location within or out of the state, and
18 members may participate in a meeting of the board by means of a
19 conference telephone or similar communication equipment under RCW
20 23B.08.200.

21 (7) The board must be staffed by one or more program
22 administrators selected by and under contract with the board. The
23 board may cause one or more tax-exempt nonprofit corporations to be
24 created, organized, and operated exclusively to perform some or all
25 of the program administrator duties. The board may select and
26 contract directly with any program administrator. The program
27 administrator must be paid an administrative fee as determined by the
28 board and paid mutually agreed-upon operating costs which may vary
29 depending on the endowment's activities.

30 **Sec. 3.** RCW 43.348.040 and 2023 c 426 s 5 are each amended to
31 read as follows:

32 (1) The Andy Hill cancer research endowment program is created.
33 The purpose of the program is to make grants to public and private
34 entities, including commercial entities, to fund or reimburse the
35 entities pursuant to agreement for the promotion of cancer research
36 to be conducted in the state. The endowment is to oversee and guide
37 the program, including the solicitation, selection, and award of
38 grants.

1 (2) The board must develop a plan for the allocation of projected
2 amounts in the fund, which it must update annually, following at
3 least one annual public hearing. The plan must provide for
4 appropriate funding continuity and take into account the projected
5 speed at which revenues will be available and amounts that can be
6 spent during the plan period.

7 (3) The endowment must solicit requests for grant funding and
8 evaluate the requests by reference to factors such as: (a) The
9 quality of the proposed research or program; (b) its potential to
10 improve health outcomes of persons with cancer, with particular
11 attention to the likelihood that it will also lower health care
12 costs, substitute for a more costly diagnostic or treatment modality,
13 or offer a breakthrough treatment for a particular cancer or cancer-
14 related condition or disease; (c) its potential for leveraging
15 additional funding; (d) its potential to provide additional health
16 care benefits or benefit other human diseases or conditions; (e) its
17 potential to stimulate life science, health care, and biomedical
18 employment in the state; (f) the geographic diversity of the grantees
19 within Washington; (g) evidence of potential royalty, sales, or
20 licensing revenue, or other commercialization-related revenue and
21 contractual means to recapture such income for purposes of this
22 chapter; (h) evidence of public and private collaboration; (i) the
23 ability to offer trial participants information in a language other
24 than English; (j) the ability to provide culturally specific
25 recruitment materials alongside general enrollment materials; (k) the
26 ability to provide electronic consent when not prohibited by other
27 granting entities or federal regulations; and (l) other evidence of
28 outreach and engagement to increase participation of underrepresented
29 communities in clinical trials of drugs and medical devices.

30 (4) The endowment may not award a grant for a proposal that was
31 not recommended by an independent expert scientific review and
32 advisory committee under RCW 43.348.050.

33 (5) The endowment must issue an annual report to the public that
34 sets forth its activities with respect to the fund, including grants
35 awarded, grant-funded work in progress, research accomplishments,
36 prevention, and care activities, and future program directions with
37 respect to cancer research, prevention, and care. Each annual report
38 regarding activities of the program and fund must include, but not be
39 limited to, the following: The number and dollar amounts of grants;
40 the grantees for the prior year; the endowment's administrative

1 expenses; an assessment of the availability of funding for cancer
2 research, prevention, and care from sources other than the endowment;
3 a summary of research, prevention, and care-related findings,
4 including promising new areas for investment; and a report on the
5 benefits to Washington of its programs to date.

6 (6) The endowment's first annual report must include a proposed
7 operating plan for the design, implementation, and administration of
8 an endowment program supporting the purposes of the endowment and
9 program.

10 (7) The endowment must adopt policies to ensure that all
11 potential conflicts have been disclosed and that all conflicts have
12 been eliminated or mitigated.

13 (8) The endowment must establish standards to ensure that
14 recipients of grants for cancer research, prevention, or care
15 purchase goods and services from Washington suppliers to the extent
16 reasonably possible.

17 (9) Soliciting requests for grant funding, evaluating, and
18 awarding grants for the purposes of implementing RCW 43.348.090 are
19 not subject to the requirements of subsections (3) and (4) of this
20 section and RCW 43.348.050.

21 **Sec. 4.** RCW 43.348.060 and 2018 c 4 s 6 are each amended to read
22 as follows:

23 (1) The program administrator must provide services to the board
24 and has the following duties and responsibilities:

25 (a) Jointly with the board, solicit and receive gifts, grants,
26 and bequests, and enter into contribution agreements with private
27 entities and public entities, including commercial entities, in order
28 to use those moneys to fund grants awarded by the endowment;

29 (b) Establish an Andy Hill cancer research fund. The fund must be
30 a separate private account outside the state treasury into which
31 grants and contributions received from public and private sources as
32 well as ~~((state matching))~~ funds from the match transfer account must
33 be deposited, and from which funds for grants awarded by the
34 endowment must be disbursed. ~~((Once moneys in the Andy Hill cancer
35 research endowment fund match transfer account are subject to an
36 agreement under RCW 43.348.080(6) and are deposited in the fund under
37 this section, the))~~ The moneys in the fund are not considered state
38 money, common cash, or revenue to the state;

1 (c) Manage the fund, its obligations, and investments as to
2 achieve the maximum possible rate of return on investment in the
3 fund;

4 (d) Establish policies and procedures to facilitate the orderly
5 process of grant application, review, selection, and notification;
6 and

7 (e) Distribute funds to selected entities through grant
8 agreements. Grant agreements must set forth the terms and conditions
9 of the grant and must include, but not be limited to: (i)
10 Deliverables to be provided by the recipient pursuant to the grant;
11 (ii) the circumstances under which the grant amount would be required
12 to be repaid or the circumstances under which royalty, sales, or
13 licensing revenue, or other commercialization-related revenue would
14 be required to be shared; and (iii) indemnification, dispute
15 resolution, and any other terms and conditions as are customary for
16 grant agreements or are deemed reasonable by the board. The program
17 administrator may negotiate with any grantee the costs associated
18 with performing scientific activities funded by grants.

19 (2) Periodically, but not less often than every three years, the
20 endowment and the department must conduct a request for proposals and
21 retain the services of an independent auditor with experience in
22 performance auditing of research granting entities similar to the
23 endowment. The independent auditor must review the endowment's
24 strategic plan, program, and program administrator and publish a
25 report assessing their performance and providing recommendations for
26 improvement. The endowment must hold at least one public hearing at
27 which the results of each audit are presented and discussed.

28 **Sec. 5.** RCW 43.348.080 and 2022 c 297 s 961 are each amended to
29 read as follows:

30 (1) The Andy Hill cancer research endowment fund match transfer
31 account is created in the custody of the state treasury to be used
32 solely and exclusively for the program created in RCW 43.348.040.
33 Moneys in the account may be spent only after appropriation. The
34 purpose of the account is to provide state matching funds and other
35 state appropriations for the fund and administrative costs.
36 Expenditures to fund or reimburse the program administrator are not
37 subject to the requirements of subsection ~~((4))~~ (5) of this
38 section.

1 (2) The legislature must appropriate a state match, up to a
2 maximum of ten million dollars annually, beginning July 1, 2016, and
3 each July 1st following the end of the fiscal year from tax
4 collections and penalties generated from enforcement of state taxes
5 on cigarettes and other tobacco products by the state liquor and
6 cannabis board or other federal, state or local law or tax
7 enforcement agency, as determined by the department of revenue. Tax
8 collections include any cigarette tax, other tobacco product tax, and
9 retail sales and use tax. Any amounts deposited into this account
10 from the tax imposed under RCW 82.25.010 in excess of the cap
11 provided in this subsection must be deposited into the foundational
12 public health services account created in RCW 82.25.015.

13 (3) Revenues to the account must consist of deposits into the
14 account, taxes imposed on vapor products under RCW 82.25.010,
15 legislative appropriations, and any gifts, grants, or donations
16 received by the department for this purpose.

17 (4) Each fiscal biennium, the legislature must appropriate to the
18 department of commerce such amounts as estimated to be the balance of
19 the match transfer account to provide state matching funds.

20 (5) Expenditures (~~(, in the form of matching funds,)~~) from the
21 account may be made only upon receipt of proof from the program
22 administrator of committed nonstate or private contributions (~~(to the~~
23 ~~fund for the program)~~) for cancer research, prevention, or care
24 supported by the match transfer account or advancement of the
25 program. Expenditures from the match transfer account, in the form of
26 matching funds, may not exceed the total amount of committed nonstate
27 or private contributions.

28 (6) The department and board must enter into an appropriate
29 agreement with the program administrator to demonstrate exchange of
30 consideration for the (~~(matching funds)~~) expenditures from the match
31 transfer account that are subject to subsection (5) of this section.

32 (7) Moneys expended into the account in fiscal year 2023 pursuant
33 to section 706, chapter 297, Laws of 2022 are not subject to the
34 requirements of subsections (5) and (6) of this section.

35 (8) Moneys expended into the match transfer account for the
36 purposes of implementing RCW 43.348.090 are not subject to the
37 requirements of subsections (5) and (6) of this section.

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