

February 28, 2014

The Honorable Rodney Tom
Majority Coalition Caucus Leader
307 Legislative Building
P.O. Box 40448
Olympia, WA 98504-0448

VIA ELECTRONIC MAIL

Dear Senator Tom:

We are writing with regard to Senate Bill 6002 (2014 supplemental operating budget) which terminates funding for the Life Sciences Discovery Fund (LSDF) as of June 30, 2014, including all of its existing grants. The LSDF is a unique program that has successfully leveraged Washington's life sciences research and development sector to improve the health and economic well-being of our citizens. This work must continue. To abruptly defund research and development – including funding already committed to multi-year projects currently underway – unnecessarily thwarts innovation and injects uncertainty into one of our state's critical economic drivers.

Eliminating the LSDF also stems the flow of follow-on funding that comes into the state of Washington. LSDF grants have led to \$450 million in additional dollars coming into the state and have saved an additional \$67 million in unneeded health care costs – together resulting in a seven-fold return on the original LSDF investment. These numbers further translate into over 3,000 jobs and one billion dollars of economic activity.

Current LSDF grants are helping to drive the innovation that will create the future of health care, with new treatments for diseases such as breast cancer and juvenile diabetes, new diagnostics for Alzheimer's disease and influenza, and new devices to improve the lives of stroke patients and amputees. The LSDF pipeline also involves some 33 startup companies whose work will create an array of new jobs for the future, from R&D to manufacturing to sales.

The action taken in the Senate 2014 supplemental budget sends an alarming message about the commitment of the state legislature to the innovation economy and will stifle the flow of new technologies from our universities and research institutions into life-saving treatments and therapies and halt the activities of many promising young companies. We believe that it is short-sighted to terminate this program, given its accomplishments to date and its importance to our economic and health care future. We ask that full funding be restored to LSDF and its grantees.

Sincerely,

Alan Aderem and Ken Stuart
Seattle Biomedical Research Institute (Seattle BioMed)

Rob Arnold
TransformativeMed

Susan Ashe and Nancy L. Isserlis
Health Sciences & Services Authority (HSSA)

Claire Bonilla
Microsoft and Washington Global Health Alliance

Anne Bugge
Sonitor Technologies

Caitlin Cameron
OtoMetrix Medical Technologies Inc.

Darrick Carter
PAI Life Sciences

Sailesh Chutani
Mobisante

Tom Clary
The Inception Group

Tom Clement and Barry Lutz
Aqueduct Neurosciences, Inc.

Lisa Cohen
Washington Global Health Alliance

Larry Corey
Fred Hutchinson Cancer Research Center

James Davie
MalarVx, Inc

Steve Davis
PATH

Jim Dennis
Benaroya Research Institute at Virginia Mason

Steve Dimmer
StratuMed

Elson Floyd
Washington State University

Jeff Haley
OraHealth Corporation

David Hatton
Aseptica, Inc.

Karen Hedine
Micronics, Inc.

James Hendricks
Seattle Children's Research Institute

Timothy J. Hogan
Riddell Williams P.S.

Leroy Hood
Institute for Systems Biology

Ronald S. Howell
Washington Research Foundation/WRF Capital

Justin Hulvershorn
Mirador Biomedical

Terry Johnson
Battelle Memorial Institute

Mark L. Kinsel
Agricultural Information Management, Inc.

Michael Kluse
Battelle

Beth Kolko
Shift Labs

Thong Q. Le
Accelerator Corporation and Washington Biotechnology & Biomedical Association

Rob Lin
Infectious Disease Research Institute (IDRI)

Susannah Malarkey
Technology Alliance

Jeff Marcell
Economic Development Council of Seattle and King County

Charlie Matlack and Tyler Davis
PotaVida, Inc.

Laura McLaughlin
Cascade Designs, Inc.

Monty M. Montoya
SightLife

Eric Rey
Arcadia Biosciences, Inc.

David Putnam and Ray Putnam
Photonic Biosystems, Inc.

Chris Rivera
Washington Biotechnology & Biomedical Association

Craig E. Rubens
Global Alliance to Prevent Prematurity and Stillbirth, an initiative of Seattle Children's

Michael Young
University of Washington

John R. Wecker
Pacific Northwest Diabetes Research Institute

Bob Wilcox
Viket Medical Corp

Lewis Zirkle and Jeanne Dillner
SIGN Fracture Care International

cc: Senator Mark Schoesler
Senator Sharon Nelson
Senator Andy Hill
Senator Michael Baumgartner
Senator James Hargrove