

By: Craddick

H.B. No. 5

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Dementia Prevention and Research Institute of Texas.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle E, Title 2, Health and Safety Code, is amended by adding Chapter 101A to read as follows:

CHAPTER 101A. DEMENTIA PREVENTION AND RESEARCH INSTITUTE OF TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 101A.001. DEFINITIONS. In this chapter:

(1) "Institute" means the Dementia Prevention and Research Institute of Texas.

(2) "Oversight committee" means the Dementia Prevention and Research Institute of Texas Oversight Committee.

(3) "Peer review committee" means the Dementia Prevention and Research Institute of Texas Peer Review Committee.

(4) "Program integration committee" means the Dementia Prevention and Research Institute of Texas Program Integration Committee.

Sec. 101A.002. PURPOSES. The Dementia Prevention and Research Institute of Texas is established to:

(1) create and expedite innovation in research on dementia and related disorders to improve the health of residents of this state, enhance the potential for a medical or scientific breakthrough in research on dementia and related disorders, and

enhance the research superiority of this state regarding dementia and related disorders; and

(2) attract, create, or expand research capabilities of eligible institutions of higher education and other public or private entities by awarding grants to promote a substantial increase in research on dementia and related disorders, strategies for prevention of dementia and related disorders, and the creation of exceptional jobs in this state.

Sec. 101A.003. SUNSET PROVISION. The Dementia Prevention and Research Institute of Texas is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the institute is abolished and this chapter expires September 1, 2035.

Sec. 101A.004. STATE AUDITOR. Nothing in this chapter limits the authority of the state auditor under Chapter 321, Government Code, or other law.

SUBCHAPTER B. POWERS AND DUTIES OF INSTITUTE

Sec. 101A.051. POWERS AND DUTIES. The institute:

(1) may award grants to institutions of learning, advanced medical research facilities, public or private persons, and collaboratives in this state to further the purposes of this chapter and Section 68, Article III, Texas Constitution, including:

(A) research, including translational and clinical research, into the causes of, means of prevention of, and treatment and rehabilitation for dementia and related disorders;

(B) research, including translational research, to develop therapies, protocols, medical pharmaceuticals, or

1 procedures for the substantial mitigation of the symptoms of
2 dementia and related disorders;

3 (C) facilities, equipment, and other costs
4 related to research on dementia and related disorders; and

5 (D) prevention programs and strategies to
6 mitigate the detrimental health impacts of dementia and related
7 disorders;

8 (2) may collaborate with relevant state agencies,
9 coordinating councils, and consortiums to enhance health care and
10 research for dementia and related disorders;

11 (3) shall establish the appropriate standards and
12 oversight bodies to ensure money authorized under this chapter is
13 properly used for the purposes of this chapter;

14 (4) may employ necessary staff to provide to the
15 institute administrative support;

16 (5) may contract with another state agency to share
17 the cost of administrative services, including grant accounting,
18 grant monitoring, technical and document management of the grant
19 application review process, legal services, and compliance
20 services;

21 (6) shall monitor grant contracts authorized by this
22 chapter and ensure each grant recipient complies with the terms and
23 conditions of the contract;

24 (7) shall ensure all grant proposals comply with this
25 chapter and rules adopted under this chapter before the proposals
26 are submitted to the oversight committee for approval; and

27 (8) shall establish procedures to document compliance

1 by the institute, institute employees, and institute committee
2 members with all laws and rules governing the peer review process
3 and conflicts of interest.

4 Sec. 101A.052. CHIEF EXECUTIVE OFFICER; CHIEF COMPLIANCE
5 OFFICER; ADDITIONAL OFFICERS. (a) The oversight committee shall
6 hire a chief executive officer. The chief executive officer shall
7 perform the duties required by this chapter and the duties
8 designated by the oversight committee. The chief executive officer
9 must have a demonstrated ability to lead and develop academic,
10 commercial, and governmental partnerships and coalitions.

11 (b) The institute shall employ a chief compliance officer to
12 monitor compliance with this chapter and rules adopted under this
13 chapter and to report to the oversight committee incidents of
14 noncompliance.

15 (c) The chief executive officer may hire any other officer
16 position the chief executive officer determines necessary for the
17 institute's efficient operation.

18 Sec. 101A.053. ANNUAL PUBLIC REPORT; INTERNET POSTING. Not
19 later than January 31 of each year, the institute shall prepare and
20 submit to the governor, lieutenant governor, speaker of the house
21 of representatives, and standing committee of each house of the
22 legislature with primary jurisdiction over institute matters and
23 post on the institute's Internet website a report on:

24 (1) the institute's activities under this chapter;
25 (2) a list of recipients of grants awarded during the
26 preceding state fiscal year and the grant amount awarded to each
27 recipient;

1 (3) any research accomplishments a grant recipient or
2 the recipient's partners achieved during the preceding state fiscal
3 year;

4 (4) an overview summary of the institute's most recent
5 audited financial statement;

6 (5) an assessment of the relationship between the
7 institute's grants and research program strategy;

8 (6) an estimate of the financial cost to this state of
9 dementia and related disorders during the most recent state fiscal
10 year for which data is available;

11 (7) a statement of the institute's compliance program
12 activities, including any proposed legislation or other
13 recommendations identified through the activities;

14 (8) for the preceding state fiscal year:

15 (A) a list of any conflict of interest requiring
16 recusal under this chapter or rules adopted under this chapter;

17 (B) any unreported conflict of interest
18 confirmed by an investigation conducted under Section 101A.254,
19 including any institute actions regarding an unreported conflict of
20 interest and subsequent investigation; and

21 (C) any waivers granted through the process
22 established under Section 101A.253; and

23 (9) the institute's future direction.

24 Sec. 101A.054. INDEPENDENT FINANCIAL AUDIT. (a) The
25 institute shall annually commission a certified public accounting
26 firm to perform an independent financial audit of its activities.
27 The institute shall provide the audit to the comptroller.

1 (b) The comptroller shall:

2 (1) review and evaluate the audit and annually issue a
3 public report of that review; and

4 (2) make recommendations concerning the institute's
5 financial practices and performance.

6 (c) The oversight committee shall review the annual
7 financial audit, the comptroller's public report and
8 recommendations, and the financial practices of the institute.

9 Sec. 101A.055. GRANT RECORDS; AUDIT OF ELECTRONIC GRANT
10 MANAGEMENT SYSTEM. (a) The institute shall maintain complete
11 records of:

12 (1) each grant application submitted to the institute,
13 including each application funded by the institute or withdrawn
14 after submission and the score the peer review committee assigns to
15 each reviewed application in accordance with rules adopted under
16 Section 101A.302;

17 (2) each grant recipient's financial reports,
18 including the amount of matching money dedicated to the research
19 specified for the grant award;

20 (3) each grant recipient's progress reports;

21 (4) the identity of each principal investor and owner
22 of each grant recipient as provided by institute rules to determine
23 any conflict of interest; and

24 (5) the institute's review of the grant recipient's
25 financial reports and progress reports.

26 (b) The institute shall keep each record described by
27 Subsection (a) until at least the 15th anniversary of the record's

1 date of issuance.

2 (c) The institute shall have prepared periodic audits of any
3 electronic grant management system used to maintain records of
4 grant applications and grant awards. The institute shall timely
5 address each weakness identified in an audit of the system.

6 Sec. 101A.056. GIFTS AND GRANTS. (a) The institute may
7 solicit and accept gifts and grants from any source for the purposes
8 of this chapter.

9 (b) The institute may not supplement the salary of any
10 institute employee or officer with a gift or grant the institute
11 receives.

12 Sec. 101A.057. PROHIBITED OFFICE LOCATION. An institute
13 employee may not have an office located in a facility owned by an
14 entity receiving or applying to receive money from the institute.

15 Sec. 101A.058. COMPLIANCE PROGRAM; INVESTIGATIONS. (a)
16 The institute shall establish a compliance program operating under
17 the direction of the institute's chief compliance officer to
18 monitor compliance with this chapter and rules adopted under this
19 chapter and for use in reporting incidents of noncompliance to the
20 oversight committee.

21 (b) The chief compliance officer or the officer's designee
22 shall attend and observe meetings of the peer review committee and
23 the program integration committee to ensure compliance with this
24 chapter and rules adopted under this chapter.

25 (c) The chief compliance officer shall submit a written
26 report to the oversight committee confirming each grant application
27 recommendation included on the list the program integration

committee submits under Section 101A.302(a)(2) complies with the oversight committee's rules regarding grant award procedures. The report must contain all relevant information on:

(1) the peer review process for the grant application;

(2) the score the peer review committee assigns to the application;

(3) adherence to the conflict-of-interest notification and recusal process; and

(4) confirmation that a recommended grant applicant did not make any gift or grant prohibited by Section 101A.302(f).

(d) To ensure each grant recipient complies with reporting requirements included in the grant contract and the rules adopted under this chapter, the institute shall implement a system to:

(1) track the dates on which grant recipient reports are due and are received by the institute; and

(2) monitor the status of any required report a grant recipient does not timely submit to the institute.

(e) The chief compliance officer shall:

(1) monitor compliance with this section and the status of any required report a grant recipient does not timely submit to the institute; and

(2) notify the institute's general counsel and the oversight committee of a grant recipient who has not complied with the grant contract reporting requirements to allow the institute to suspend or terminate the contract as the institute determines appropriate.

(f) The chief compliance officer shall establish procedures

for investigating allegations against oversight committee members, institute employees or contractors, grant applicants, or grant recipients for fraud, waste, or abuse of state resources. The procedures must include:

(1) private access to the compliance program office, such as a telephone hotline; and

(2) to the extent possible, preservation of the confidentiality of communications and the anonymity of a person who submits a compliance report related to fraud, waste, or abuse or participates in a compliance investigation.

SUBCHAPTER C. OVERSIGHT COMMITTEE

Sec. 101A.101. COMPOSITION OF OVERSIGHT COMMITTEE. (a) The oversight committee is the institute's governing body.

(b) The oversight committee is composed of the following nine members:

(1) three members appointed by the governor;

(2) three members appointed by the lieutenant governor; and

(3) three members appointed by the speaker of the house of representatives.

(c) The oversight committee members must represent this state's geographic and cultural diversity.

(d) In making appointments to the oversight committee, the governor, lieutenant governor, and speaker of the house of representatives:

(1) must each appoint at least one person who is a physician or a scientist with extensive experience working with

dementia or related disorders or in the field of public health; and

(2) should attempt to include persons affected by dementia or related disorders or family members or caregivers of patients with dementia or related disorders.

(e) A person may not be an oversight committee member if the person or the person's spouse:

(1) is employed by or participates in the management of an entity receiving money from the institute;

(2) owns or controls, directly or indirectly, an interest in an entity receiving money from the institute; or

(3) uses or receives a substantial amount of tangible goods, services, or money from the institute, other than reimbursement authorized by this chapter for oversight committee membership, attendance, or expenses.

Sec. 101A.102. REMOVAL. (a) It is a ground for removal from the oversight committee that a member:

(1) is ineligible for membership under Section 101A.101(e);

(2) cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term; or

(3) is absent from more than half of the regularly scheduled oversight committee meetings the member is eligible to attend during a calendar year without an excuse approved by a majority vote of the committee.

(b) The validity of an oversight committee action is not affected by the fact that the action is taken when a ground for

1 removal of a committee member exists.

2 (c) If the chief executive officer has knowledge that a
3 potential ground for removal of a committee member exists, the
4 chief executive officer shall notify the presiding officer of the
5 oversight committee of the potential ground. The presiding officer
6 shall then notify the appointing authority and the attorney general
7 that a potential ground for removal exists. If the potential ground
8 for removal involves the presiding officer, the chief executive
9 officer shall notify the next highest ranking officer of the
10 oversight committee, who shall then notify the appointing authority
11 and the attorney general that a potential ground for removal
12 exists.

13 Sec. 101A.103. TERMS; VACANCY. (a) Oversight committee
14 members appointed by the governor, lieutenant governor, and speaker
15 of the house serve at the pleasure of the appointing authority for
16 staggered six-year terms, with the terms of three members expiring
17 on January 31 of each odd-numbered year.

18 (b) If a vacancy occurs on the oversight committee, the
19 appropriate appointing authority shall appoint a successor in the
20 same manner as the original appointment to serve for the remainder
21 of the unexpired term. The appropriate appointing authority shall
22 appoint the successor not later than the 30th day after the date the
23 vacancy occurs.

24 Sec. 101A.104. OFFICERS. (a) The oversight committee
25 shall elect a presiding officer and assistant presiding officer
26 from among its members every two years. The oversight committee may
27 elect additional officers from among its members.

1 (b) The presiding officer and assistant presiding officer
2 may not serve in the position to which the officer was elected for
3 consecutive terms.

4 (c) The oversight committee shall:

5 (1) establish and approve duties and responsibilities
6 for committee officers; and

7 (2) develop and implement policies that distinguish
8 the responsibilities of the oversight committee and the committee's
9 officers from the responsibilities of the chief executive officer
10 and institute employees.

11 Sec. 101A.105. EXPENSES. An oversight committee member is
12 not entitled to compensation but is entitled to reimbursement for
13 actual and necessary expenses incurred in attending committee
14 meetings or performing other official duties authorized by the
15 presiding officer.

16 Sec. 101A.106. MEETINGS. (a) The oversight committee
17 shall hold at least one public meeting each quarter of the calendar
18 year, with appropriate notice and a formal public comment period.

19 (b) The oversight committee may conduct a closed meeting in
20 accordance with Subchapter E, Chapter 551, Government Code, to
21 discuss issues related to:

22 (1) managing, acquiring, or selling securities or
23 other revenue-sharing obligations realized under the standards
24 established as required by Section 101A.305; and

25 (2) an ongoing compliance investigation into issues
26 related to fraud, waste, or abuse of state resources.

27 Sec. 101A.107. POWERS AND DUTIES. (a) The oversight

1 committee shall:

2 (1) hire a chief executive officer;

3 (2) annually set priorities for each grant program
4 established under this chapter; and

5 (3) consider the priorities set under Subdivision (2)
6 in awarding grants under this chapter.

7 (b) The oversight committee shall adopt a code of conduct
8 applicable to each oversight committee member, program integration
9 committee member, peer review committee member, and institute
10 employee that includes provisions prohibiting the member,
11 employee, or member's or employee's spouse from:

12 (1) accepting or soliciting any gift, favor, or
13 service that could reasonably influence the member or employee in
14 the discharge of official duties or that the member, employee, or
15 spouse knows or should know is being offered with the intent to
16 influence the member's or employee's official conduct;

17 (2) accepting employment or engaging in any business
18 or professional activity that would reasonably require or induce
19 the member or employee to disclose confidential information
20 acquired in the member's or employee's official position;

21 (3) accepting other employment or compensation that
22 could reasonably impair the member's or employee's independent
23 judgment in the performance of official duties;

24 (4) holding a personal investment or financial
25 interest that could reasonably create a substantial conflict
26 between the private interests and official duties of the member or
27 employee;

1 (5) intentionally or knowingly soliciting, accepting,
2 or agreeing to accept any benefit for exercising the member's
3 official powers or performing the member's or employee's official
4 duties in favor of another;

5 (6) directly or indirectly leasing to an entity that
6 receives a grant from the institute any property, capital
7 equipment, employee, or service;

8 (7) submitting a grant application for funding by the
9 institute;

10 (8) serving on the board of directors of an
11 organization established with a grant from the institute; or

12 (9) serving on the board of directors of a grant
13 recipient.

14 Sec. 101A.108. RULEMAKING AUTHORITY. The oversight
15 committee may adopt rules to administer this chapter.

16 Sec. 101A.109. FINANCIAL STATEMENT REQUIRED. Each
17 oversight committee member shall file with the chief compliance
18 officer a verified financial statement complying with Sections
19 572.022, 572.023, 572.024, 572.025, 572.0251, and 572.0252,
20 Government Code, as required of a state officer by Section 572.021
21 of that code.

22 SUBCHAPTER D. OTHER INSTITUTE COMMITTEES

23 Sec. 101A.151. PEER REVIEW COMMITTEE. (a) The oversight
24 committee shall establish a peer review committee. The chief
25 executive officer, with approval by a simple majority of the
26 oversight committee members, shall appoint as members to the peer
27 review committee:

1 (1) experts in fields related to dementia or related
2 disorders, including research, health care, dementia treatment and
3 prevention, and other study areas; and

4 (2) trained patient advocates who meet the
5 qualifications adopted under Subsection (c).

6 (b) The oversight committee shall adopt a written policy on
7 in-state or out-of-state residency requirements for peer review
8 committee members.

9 (c) The oversight committee shall adopt rules regarding the
10 qualifications required of a trained patient advocate for
11 membership on the peer review committee. The rules must require the
12 trained patient advocate to successfully complete science-based
13 training.

14 (d) A peer review committee member may receive an
15 honorarium. Subchapter B, Chapter 2254, Government Code, does not
16 apply to an honorarium the member receives under this chapter.

17 (e) The chief executive officer, in consultation with the
18 oversight committee, shall adopt a policy regarding honoraria and
19 document any change in the amount of honoraria paid to a peer review
20 committee member, including information explaining the basis for
21 that change.

22 (f) A peer review committee member may not serve on the
23 board of directors or other governing board of an entity receiving a
24 grant from the institute.

25 (g) Peer review committee members serve for terms as
26 determined by the chief executive officer.

27 Sec. 101A.152. PROGRAM INTEGRATION COMMITTEE. (a) The

institute shall establish a program integration committee to carry out the duties assigned under this chapter.

(b) The program integration committee is composed of:

(1) the chief executive officer, who serves as the presiding officer of the program integration committee;

(2) three senior-level institute employees responsible for program policy and oversight, appointed by the chief executive officer with the approval of a majority of the oversight committee members; and

(3) the executive commissioner or the executive commissioner's designee.

Sec. 101A.153. HIGHER EDUCATION ADVISORY COMMITTEE. (a) The higher education advisory committee is composed of the following members:

(1) one member appointed by the chancellor of The University of Texas System;

(2) one member appointed by the chancellor of The Texas A&M University System;

(3) one member appointed by the chancellor of the Texas Tech University System;

(4) one member appointed by the chancellor of the University of Houston System;

(5) one member appointed by the chancellor of the Texas State University System;

(6) one member appointed by the chancellor of the University of North Texas System;

(7) one member appointed by the president of Baylor

1 College of Medicine; and

2 (8) one member appointed by the president of Rice
3 University.

4 (b) The higher education advisory committee shall advise
5 the oversight committee on issues, opportunities, the role of
6 higher education, and other subjects involving research on dementia
7 and related disorders.

8 Sec. 101A.154. AD HOC ADVISORY COMMITTEE. (a) The
9 oversight committee, as necessary, may create additional ad hoc
10 advisory committees composed of experts to advise the oversight
11 committee on issues relating to prevention of or research on
12 dementia and related disorders or other issues related to dementia
13 or related disorders.

14 (b) Ad hoc committee members serve for the terms the
15 oversight committee determines.

16 Sec. 101A.155. EXPENSES. Members of the higher education
17 advisory committee created under Section 101A.153 or an ad hoc
18 advisory committee created under Section 101A.154 serve without
19 compensation but are entitled to reimbursement for actual and
20 necessary expenses incurred in attending committee meetings or
21 performing other official duties authorized by the presiding
22 officer.

23 SUBCHAPTER E. DEMENTIA PREVENTION AND RESEARCH FUND

24 Sec. 101A.201. DEMENTIA PREVENTION AND RESEARCH FUND. (a)
25 In this subchapter, "fund" means the Dementia Prevention and
26 Research Fund established under Section 68, Article III, Texas
27 Constitution. The fund is a special fund in the treasury outside

1 the general revenue fund to be administered by the institute. The
2 institute may use money in the fund as authorized by this chapter
3 without further legislative appropriation.

4 (b) The fund consists of:

5 (1) money transferred to the fund under Section 68,
6 Article III, Texas Constitution;

7 (2) money the legislature appropriates, credits, or
8 transfers to the fund;

9 (3) gifts and grants, including grants from the
10 federal government, and other donations received for the fund;

11 (4) patent, royalty, and license fees and other income
12 received under a contract executed as provided by Section 101A.304;
13 and

14 (5) investment earnings and interest earned on amounts
15 credited to the fund.

16 (c) The fund may only be used for the purposes authorized
17 under Section 68, Article III, Texas Constitution, including:

18 (1) the award of grants for research on or prevention
19 of dementia and related disorders and research facilities in this
20 state to conduct that research;

21 (2) the purchase of, subject to the institute's
22 approval, research facilities by or for a state agency or grant
23 recipient; and

24 (3) the operation of the institute.

25 Sec. 101A.202. ROLE OF TEXAS TREASURY SAFEKEEPING TRUST
26 COMPANY. (a) In this section, "trust company" means the Texas
27 Treasury Safekeeping Trust Company.

1 (b) The trust company shall invest the fund in accordance
2 with this section.

3 (c) The trust company shall hold and invest the fund, and
4 any accounts established in the fund, for the institute taking into
5 consideration the authorized uses of money in the fund. The fund
6 may be invested with the state treasury pool and may be pooled with
7 other state assets for investment purposes.

8 (d) The overall objective for the investment of the fund is
9 to maintain sufficient liquidity to meet the needs of the fund while
10 striving to preserve the purchasing power of the fund over a full
11 economic cycle.

12 (e) The trust company has any power necessary to accomplish
13 the purposes of managing and investing the fund's assets. In
14 managing the fund's assets, through procedures and subject to
15 restrictions the trust company considers appropriate, the trust
16 company may acquire, exchange, sell, supervise, manage, or retain
17 any kind of investment that a prudent investor, exercising
18 reasonable care, skill, and caution, would acquire or retain in
19 light of the purposes, terms, distribution requirements, and other
20 circumstances of the fund then prevailing, taking into
21 consideration the investment of all the fund's assets rather than a
22 single investment.

23 (f) The expenses of managing the fund shall be paid from the
24 fund.

25 (g) The trust company annually shall provide to the
26 institute and the oversight committee a written report on the
27 investments of the fund.

1 (h) The trust company shall adopt an appropriate written
2 investment policy for the fund. The trust company shall present the
3 investment policy to the investment advisory board established
4 under Section 404.028, Government Code. The investment advisory
5 board shall submit to the trust company recommendations regarding
6 the policy.

7 (i) The institute annually shall provide to the trust
8 company a forecast of the cash flows into and out of the fund. The
9 institute shall provide updates to the forecasts as appropriate to
10 ensure the trust company is able to achieve the objective specified
11 by Subsection (d).

12 (j) The trust company shall disburse money from the fund as
13 the institute directs. The institute shall direct disbursements
14 from the fund on a semiannual schedule specified by the institute
15 and not more frequently than twice in any state fiscal year.

16 Sec. 101A.203. AUTHORIZED USE OF GRANT MONEY; LIMITATIONS.

17 (a) A grant recipient awarded money from the fund may use the money
18 for research consistent with the purposes of this chapter and in
19 accordance with a contract between the grant recipient and the
20 institute.

21 (b) Except as otherwise provided by this section, grant
22 money awarded under this chapter may be used for authorized
23 expenses, including:

24 (1) honoraria;

25 (2) travel;

26 (3) conference fees and expenses;

27 (4) consumable supplies;

1 (5) operating expenses;
2 (6) contracted research and development;
3 (7) capital equipment; and
4 (8) construction or renovation of state or private
5 facilities.

6 (c) A grant recipient awarded money under this chapter for
7 research on dementia or related disorders may not spend more than
8 five percent of the money for indirect costs. In this subsection,
9 "indirect costs" means business expenses not readily identified
10 with a particular grant, contract, project, function, or activity
11 that are necessary for the general operation of the organization or
12 the performance of the organization's activities.

13 (d) Not more than five percent of the total amount of grant
14 money awarded under this chapter in a state fiscal year may be used
15 during that year for facility purchase, construction, remodel, or
16 renovation purposes, and those expenditures must benefit research
17 on dementia or related disorders.

18 (e) Not more than 10 percent of the total amount of grant
19 money awarded under this chapter in a state fiscal year may be used
20 during that year for prevention projects and strategies to mitigate
21 the incidence of dementia or related disorders.

22 SUBCHAPTER F. CONFLICTS OF INTEREST: DISCLOSURE; RECUSAL

23 Sec. 101A.251. CONFLICT OF INTEREST. (a) The oversight
24 committee shall adopt conflict-of-interest rules, based on
25 standards applicable to members of scientific review committees of
26 the National Institutes of Health, to govern oversight committee
27 members, program integration committee members, peer review

1 committee members, and institute employees.

2 (b) An oversight committee member, program integration
3 committee member, peer review committee member, or institute
4 employee shall recuse the member or employee, as provided by
5 Section 101A.252(a), (b), or (c), as applicable, if the member or
6 employee, or a person who is related to the member or employee
7 within the second degree of affinity or consanguinity, has a
8 professional or financial interest in an entity awarded a grant or
9 applying for a grant from the institute.

10 (c) For purposes of Subsection (b), a person has a
11 professional interest in an entity awarded a grant or applying for a
12 grant from the institute if the person:

13 (1) is a member of the board of directors, another
14 governing board, or any committee of the entity, or of a foundation
15 or similar organization affiliated with the entity, during the same
16 grant cycle;

17 (2) serves as an elected or appointed officer of the
18 entity;

19 (3) is an employee of or is negotiating future
20 employment with the entity;

21 (4) represents the entity;

22 (5) is a professional associate of a primary member of
23 the entity's project team;

24 (6) is, or within the preceding six years has been, a
25 student, postdoctoral associate, or part of a laboratory research
26 group for a primary member of the entity's project team;

27 (7) is engaged or is actively planning to be engaged in

collaboration with a primary member of the entity's project team;
or

(8) has long-standing scientific differences or
disagreements with a primary member of the entity's project team,
and those differences or disagreements:

(A) are known to the professional community; and

(B) could be perceived as affecting objectivity.

(d) For purposes of Subsection (b), a person has a financial
interest in an entity awarded a grant or applying for a grant from
the institute if the person:

(1) directly or indirectly owns or controls an
ownership interest, including sharing in profits, proceeds, or
capital gains, in an entity awarded a grant or applying for a grant
from the institute; or

(2) could reasonably foresee that an action taken by
the oversight committee, the program integration committee, a peer
review committee, or the institute could result in a financial
benefit to the person.

(e) Nothing in this chapter limits the oversight
committee's authority to adopt additional conflict-of-interest
standards.

Sec. 101A.252. DISCLOSURE OF CONFLICT OF INTEREST; RECUSAL.

(a) If an oversight committee member or program integration
committee member has a conflict of interest described by Section
101A.251 regarding an application before the member for review or
other action, the member:

(1) shall provide written notice to the chief

1 executive officer and the presiding officer of the oversight
2 committee or the next ranking member of the committee if the
3 presiding officer has the conflict of interest;

4 (2) shall disclose the conflict of interest in an open
5 meeting of the oversight committee;

6 (3) shall recuse themselves from participating in the
7 review, discussion, deliberation, and vote on the application; and

8 (4) may not access information regarding the matter to
9 be decided.

10 (b) If a peer review committee member has a conflict of
11 interest described by Section 101A.251 regarding an application
12 before the member's committee for review or other action, the
13 member:

14 (1) shall provide written notice to the chief
15 executive officer of the conflict of interest;

16 (2) shall recuse themselves from participating in the
17 review, discussion, deliberation, and vote on the application; and

18 (3) may not access information regarding the matter to
19 be decided.

20 (c) If an institute employee has a conflict of interest
21 described by Section 101A.251 regarding an application before the
22 employee for review or other action, the employee:

23 (1) shall provide written notice to the chief
24 executive officer of the conflict of interest;

25 (2) shall recuse themselves from participating in the
26 review of the application; and

27 (3) may not access information regarding the matter to

1 be decided.

2 (d) An oversight committee member, program integration
3 committee member, peer review committee member, or institute
4 employee with a conflict of interest may seek a waiver as provided
5 by Section 101A.253.

6 (e) An oversight committee member, program integration
7 committee member, peer review committee member, or institute
8 employee who reports a potential conflict of interest or another
9 impropriety or self-dealing of the member or employee and who fully
10 complies with the recommendations of the institute's general
11 counsel and recusal requirements is considered in compliance with
12 the conflict-of-interest provisions of this chapter. The member or
13 employee is subject to other applicable laws, rules, requirements,
14 and prohibitions.

15 (f) An oversight committee member, program integration
16 committee member, peer review committee member, or institute
17 employee who intentionally violates this section is subject to
18 removal from further participation in the institute's grant review
19 process.

20 Sec. 101A.253. EXCEPTIONAL CIRCUMSTANCES REQUIRING
21 PARTICIPATION. The oversight committee shall adopt rules governing
22 the waiver of the conflict-of-interest requirements of this chapter
23 under exceptional circumstances for an oversight committee member,
24 program integration committee member, peer review committee
25 member, or institute employee. The rules must:

26 (1) authorize the chief executive officer or an
27 oversight committee member to propose granting a waiver by

1 submitting to the oversight committee's presiding officer a written
2 statement about the conflict of interest, the exceptional
3 circumstance requiring the waiver, and any proposed limitations to
4 the waiver;

5 (2) require a proposed waiver to be publicly reported
6 at an oversight committee meeting;

7 (3) require a majority vote of the oversight committee
8 members present and voting to grant a waiver;

9 (4) require any waiver granted to be included in the
10 annual report required by Section 101A.053; and

11 (5) require the institute to retain documentation of
12 each waiver granted.

13 Sec. 101A.254. INVESTIGATION OF UNREPORTED CONFLICTS OF
14 INTEREST. (a) An oversight committee member, program integration
15 committee member, peer review committee member, or institute
16 employee who becomes aware of an unreported potential conflict of
17 interest described by Section 101A.251 shall immediately notify the
18 chief executive officer of the potential conflict of interest. On
19 receipt of the notification, the chief executive officer shall
20 notify the institute's general counsel and the oversight
21 committee's presiding officer, who shall determine the nature and
22 extent of any unreported conflict.

23 (b) A grant applicant seeking an investigation regarding
24 whether a prohibited conflict of interest was not reported shall
25 file a written request with the chief executive officer. The
26 applicant must:

27 (1) include in the request all facts regarding the

1 alleged conflict of interest; and

2 (2) submit the request not later than the 30th day
3 after the date the chief executive officer presents to the
4 oversight committee final funding recommendations for the affected
5 grant cycle.

6 (c) On receipt of notification of an alleged conflict of
7 interest under Subsection (a) or (b), the institute's general
8 counsel shall:

9 (1) investigate the matter; and

10 (2) provide to the chief executive officer and the
11 oversight committee's presiding officer an opinion that includes:

12 (A) a statement of facts;

13 (B) a determination of whether a conflict of
14 interest or another impropriety or self-dealing exists; and

15 (C) if the opinion provides that a conflict of
16 interest or another impropriety or self-dealing exists,
17 recommendations for an appropriate course of action.

18 (d) If the conflict of interest, impropriety, or
19 self-dealing involves the oversight committee's presiding officer,
20 the institute's general counsel shall provide the opinion to the
21 next ranking oversight committee member who is not involved with
22 the conflict of interest, impropriety, or self-dealing.

23 (e) After receiving the opinion and consulting with the
24 oversight committee's presiding officer, the chief executive
25 officer shall take action regarding the recusal of the individual
26 from any discussion of or access to information related to the
27 conflict of interest or other recommended action related to the

1 impropriety or self-dealing. If the alleged conflict of interest,
2 impropriety, or self-dealing is held by, or is an act of, the chief
3 executive officer, the presiding officer of the oversight committee
4 shall take actions regarding the recusal or other action.

5 Sec. 101A.255. FINAL DETERMINATION OF UNREPORTED CONFLICT
6 OF INTEREST. (a) The chief executive officer or, if applicable,
7 the oversight committee's presiding officer shall make a
8 determination regarding the existence of an unreported conflict of
9 interest described by Section 101A.251 or other impropriety or
10 self-dealing. The determination must specify any actions to be
11 taken to address the conflict of interest, impropriety, or
12 self-dealing, including:

13 (1) reconsideration of the application; or
14 (2) referral of the application to another peer review
15 committee for review.

16 (b) The determination made under Subsection (a) is
17 considered final unless three or more oversight committee members
18 request that the issue be added to the agenda of the oversight
19 committee.

20 (c) The chief executive officer or, if applicable, the
21 oversight committee's presiding officer, shall provide to the grant
22 applicant requesting the investigation written notice of the final
23 determination, including any further actions to be taken.

24 (d) Unless specifically determined by the chief executive
25 officer or, if applicable, the presiding officer of the oversight
26 committee, or the oversight committee, the validity of an action
27 taken on a grant application is not affected by the fact that an

individual who failed to report a conflict of interest participated in the action.

SUBCHAPTER G. PROCEDURE FOR AWARDING GRANTS

Sec. 101A.301. PEER REVIEW PROCESS FOR GRANT AWARD. The institute shall establish a peer review process to evaluate and recommend all grants the oversight committee awards under this chapter.

Sec. 101A.302. GRANT AWARD RULES AND PROCEDURES. (a) The oversight committee shall adopt rules regarding the procedure for awarding grants to an applicant under this chapter. The rules must require:

(1) the peer review committee to score grant applications and make recommendations to the program integration committee and the oversight committee regarding the award of grants, including providing a prioritized list that:

(A) ranks the grant applications in the order the peer review committee determines applications should be funded; and

(B) includes information explaining each grant applicant's qualification under the peer review committee's standards for recommendation; and

(2) the program integration committee to submit to the oversight committee a list of grant applications the program integration committee by majority vote approved for recommendation that:

(A) includes documentation on the factors the program integration committee considered in making the recommendations;

1 (B) is substantially based on the list submitted
2 by the peer review committee under Subdivision (1); and

3 (C) to the extent possible, gives priority to
4 applications with proposals that:

5 (i) may lead to immediate or long-term
6 medical and scientific breakthroughs in the areas of prevention or
7 treatment for dementia and related disorders;

8 (ii) strengthen and enhance fundamental
9 scientific research on dementia and related disorders;

10 (iii) ensure a comprehensive coordinated
11 approach to research on dementia and related disorders;

12 (iv) are interdisciplinary or
13 interinstitutional;

14 (v) align with state priorities and needs,
15 including priorities and needs outlined in other state agency
16 strategic plans, or that address federal or other major research
17 sponsors' priorities in scientific or technological research in the
18 fields of dementia and related disorders;

19 (vi) are matched with money provided by a
20 private or nonprofit entity or institution of higher education;

21 (vii) are collaborative between any
22 combination of private and nonprofit entities, public or private
23 agencies or institutions in this state, and public or private
24 institutions outside this state;

25 (viii) benefit the residents of this state,
26 including a demonstrable economic development benefit to this
27 state;

1 (ix) enhance research superiority at
2 institutions of higher education in this state by creating new
3 research superiority, attracting existing research superiority
4 from institutions outside this state and other research entities,
5 or attracting from outside this state additional researchers and
6 resources; and

7 (x) expedite innovation and product
8 development, attract private sector entities to stimulate a
9 substantial increase in high-quality jobs, and increase higher
10 education applied science or technology research capabilities.

11 (b) A peer review committee member may not attempt to use
12 the committee member's official position to influence a decision to
13 approve or award a grant or contract to the committee member's
14 employer.

15 (c) A program integration committee member may not discuss a
16 grant applicant recommendation with an oversight committee member
17 unless the program integration committee has submitted the list
18 required under Subsection (a)(2).

19 (d) Two-thirds of the oversight committee members present
20 and voting must vote to approve each grant award recommendation of
21 the program integration committee. If the oversight committee does
22 not approve a grant award recommendation of the program integration
23 committee, a statement explaining the reasons the recommendation
24 was not followed must be included in the minutes of the meeting.

25 (e) The oversight committee may not award more than \$300
26 million in grants under this chapter in a state fiscal year.

27 (f) The oversight committee may not award a grant to an

applicant who has made a gift or grant to the institute, an oversight committee member, or an institute employee on or after January 1, 2026. This section does not apply to gifts, fees, honoraria, or other items also excepted under Section 36.10, Penal Code.

Sec. 101A.303. MULTIYEAR PROJECTS. (a) The oversight committee may approve the award of grant money for a multiyear project.

(b) The oversight committee shall specify the total amount of money approved to fund the multiyear project. For purposes of this chapter, the total amount is considered to have been awarded in the state fiscal year the peer review committee approved the project. The institute shall disburse only the money to be spent during that fiscal year. The institute shall disburse the remaining grant money as the money is needed in each subsequent state fiscal year.

Sec. 101A.304. CONTRACT TERMS. (a) Before disbursing grant money awarded under this chapter, the institute shall execute a written contract with the grant recipient. The contract shall:

(1) specify that except for awards to state agencies or public institutions of higher education, if all or any part of the grant amount is used to build a capital improvement:

(A) the state retains a lien or other interest in the capital improvement in proportion to the percentage of the grant amount used to pay for the capital improvement; and

(B) the grant recipient shall, if the capital improvement is sold:

1 (i) repay to this state the grant money used
2 to pay for the capital improvement, with interest at the rate and
3 according to the other terms provided by the contract; and

4 (ii) share with this state a proportionate
5 amount of any profit realized from the sale;

6 (2) specify that if the grant recipient has not used
7 awarded grant money for the purposes for which the grant was
8 intended, the recipient shall repay that grant amount and any
9 related interest applicable under the contract to this state at the
10 agreed rate and on the agreed terms;

11 (3) specify that if the grant recipient fails to meet
12 the terms and conditions of the contract, the institute may
13 terminate the contract using the written process prescribed in the
14 contract and require the recipient to repay the awarded grant money
15 and any related interest applicable under the contract to this
16 state at the agreed rate and on the agreed terms;

17 (4) include terms relating to intellectual property
18 rights consistent with the standards developed by the oversight
19 committee under Section 101A.305;

20 (5) require, in accordance with Subsection (b), the
21 grant recipient to dedicate an amount of matching money equal to
22 one-half of the amount of the grant awarded and specify the amount
23 of matching money to be dedicated;

24 (6) specify the period in which the grant award must be
25 spent; and

26 (7) include the specific deliverables of the project
27 that is the subject of the grant proposal.

1 (b) Before the institute may disburse grant money, the grant
2 recipient must certify the recipient has available an unexpended
3 amount of money equal to one-half of the grant amount dedicated to
4 the research specified in the grant proposal. The institute shall
5 adopt rules specifying a grant recipient's obligations under this
6 chapter. At a minimum, the rules must:

7 (1) allow an institution of higher education or a
8 private or independent institution of higher education, as those
9 terms are defined by Section 61.003, Education Code, a research
10 institute or center affiliated with the institution, or a
11 not-for-profit hospital system, to credit toward the recipient's
12 matching money the dollar amount equivalent to the difference
13 between the indirect cost rate negotiated by the federal government
14 for research grants awarded to the recipient and the indirect cost
15 rate authorized by Section 101A.203(c);

16 (2) specify that:

17 (A) the recipient of more than one grant award
18 under this chapter may provide matching money certification at an
19 institutional level;

20 (B) the recipient of a multiyear grant award may
21 yearly certify matching money; and

22 (C) grant money may not be disbursed to the
23 recipient until the annual certification of the matching money has
24 been approved;

25 (3) specify that money for certification purposes may
26 include:

27 (A) federal money;

1 (B) the fair market value of drug development
2 support provided to the recipient by the National Institutes of
3 Health or other similar programs;

4 (C) this state's money;

5 (D) other states' money; and

6 (E) nongovernmental money, including money from
7 private sources, foundation grants, gifts, and donations;

8 (4) specify that the following items may not be used
9 for certification purposes:

10 (A) in-kind costs;

11 (B) volunteer services provided to the
12 recipient;

13 (C) noncash contributions;

14 (D) the recipient's preexisting real estate,
15 including buildings, facilities, and land;

16 (E) deferred giving, including a charitable
17 remainder annuity trust, charitable remainder unitrust, or pooled
18 income fund; or

19 (F) any other items the institute determines;

20 (5) require the recipient's certification to be
21 included in the grant award contract;

22 (6) specify that the recipient's failure to provide
23 certification serves as grounds for terminating the grant award
24 contract;

25 (7) require the recipient to maintain adequate
26 documentation supporting the source and use of the money required
27 by this subsection and to provide documentation to the institute on

1 request; and

2 (8) require the institute to establish a procedure to
3 annually review the documentation supporting the source and use of
4 money reported in the required certification.

5 (c) The institute shall establish a policy on advance
6 payments to grant recipients.

7 (d) The oversight committee shall adopt rules to administer
8 this section.

9 Sec. 101A.305. PATENT ROYALTIES AND LICENSE REVENUES PAID
10 TO STATE. (a) The oversight committee shall establish standards
11 requiring all grant awards to be subject to an intellectual
12 property agreement that allows this state to collect royalties,
13 income, and other benefits, including interest or proceeds
14 resulting from securities and equity ownership, realized as a
15 result of projects undertaken with grant money awarded under this
16 chapter.

17 (b) In determining this state's interest in any
18 intellectual property rights, the oversight committee shall
19 balance the opportunity of this state to benefit from the patents,
20 royalties, licenses, and other benefits that result from basic
21 research, therapy development, and clinical trials with the need to
22 ensure that essential medical research is not unreasonably hindered
23 by the intellectual property agreement and that the agreement does
24 not unreasonably remove the incentive of the individual researcher,
25 research team, or institution.

26 (c) The oversight committee may authorize the institute to
27 execute a contract with one or more qualified third parties for

1 assistance with the management, accounting, and disposition of this
2 state's interest in securities, equities, royalties, income, and
3 other benefits realized from grant money awarded under this
4 chapter. The institute shall implement practices and procedures
5 for the management, accounting, and disposition of securities,
6 equities, royalties, income, and other benefits the institute
7 determines are in this state's best interest.

8 Sec. 101A.306. PREFERENCE FOR TEXAS SUPPLIERS. In a good
9 faith effort to achieve a goal of more than 50 percent of purchases
10 from suppliers in this state, the oversight committee shall
11 establish standards to ensure grant recipients purchase goods and
12 services from suppliers in this state to the extent reasonably
13 possible.

14 Sec. 101A.307. HISTORICALLY UNDERUTILIZED BUSINESSES. The
15 oversight committee shall establish standards to ensure grant
16 recipients purchase goods and services from historically
17 underutilized businesses as defined by Section [2161.001](#),
18 Government Code, and any other applicable state law.

19 Sec. 101A.308. GRANT COMPLIANCE AND PROGRESS EVALUATION.
20 (a) The institute shall require as a condition of a grant awarded
21 under this chapter that the grant recipient submit to regular
22 inspection reviews of the grant project by institute employees to
23 ensure compliance with the terms of the grant contract and ongoing
24 progress, including the scientific merit of the research.

25 (b) The chief executive officer shall report at least
26 annually to the oversight committee on the progress and continued
27 merit of the projects awarded grants by the institute.

1 Sec. 101A.309. MEDICAL AND RESEARCH ETHICS. A project
2 awarded a grant under this chapter must comply with all applicable
3 federal and state laws regarding the conduct of the research or a
4 prevention project.

5 Sec. 101A.310. PUBLIC INFORMATION; CONFIDENTIAL
6 INFORMATION. (a) The following information is public information
7 and may be disclosed under Chapter 552, Government Code:

- 8 (1) a grant applicant's name and address;
9 (2) the amount of money requested in an applicant's
10 grant proposal;
11 (3) the type of research on dementia or related
12 disorders to be addressed under a grant proposal; and
13 (4) any other information the institute designates
14 with the consent of a grant applicant.

15 (b) To protect the actual or potential value of information
16 submitted to the institute by an applicant for or recipient of a
17 grant under this chapter, the following information submitted by
18 the applicant or recipient is confidential and is not subject to
19 disclosure under Chapter 552, Government Code, or any other law:

- 20 (1) all information, other than the information
21 described under Subsection (a), contained in a grant application,
22 peer review evaluation, award contract, or progress report relating
23 to a product, device, or process, the application or use of the
24 product, device, or process, and all technological and scientific
25 information, including computer programs, developed wholly or
26 partly by the applicant or recipient, regardless of whether
27 patentable or capable of being registered under copyright or

1 trademark laws, that has a potential for being sold, traded, or
2 licensed for a fee; and

3 (2) the plans, specifications, blueprints, and
4 designs, including related proprietary information, of a
5 scientific research and development facility.

6 (c) The following information is confidential and not
7 subject to disclosure under Chapter 552, Government Code:

8 (1) information that directly or indirectly reveals
9 the identity of an individual who reports fraud, waste, or abuse of
10 state resources to the institute's compliance program office, seeks
11 guidance from the office, or participates in an investigation
12 conducted under the compliance program;

13 (2) information that directly or indirectly reveals
14 the identity of an individual who is alleged to have or may have
15 planned, initiated, or participated in activities specified in a
16 report submitted to the office if, after completing an
17 investigation, the office determines the report to be
18 unsubstantiated or without merit; and

19 (3) other information collected or produced in a
20 compliance program investigation if releasing the information
21 would interfere with an ongoing compliance investigation.

22 (d) Subsection (c) does not apply to information related to
23 an individual who consents to the information's disclosure.

24 (e) Information made confidential or excepted from public
25 disclosure by this section may be made available, on request and in
26 compliance with applicable laws and procedures, to the following:

27 (1) a law enforcement agency or prosecutor;

1 (2) a governmental agency responsible for
2 investigating the matter specified in a compliance report,
3 including the Texas Workforce Commission civil rights division or
4 the Equal Employment Opportunity Commission; or

5 (3) a committee member or institute employee who is
6 responsible under institutional policy for a compliance program
7 investigation or for a review of a compliance program
8 investigation.

9 (f) A disclosure under Subsection (e) is not a voluntary
10 disclosure for purposes of Section 552.007, Government Code.

11 (g) The institute shall post on the institute's Internet
12 website records that pertain specifically to any gift, grant, or
13 other consideration provided to the institute, an institute
14 employee, or an oversight committee member, in the employee's or
15 member's official capacity. The posted information must include
16 each donor's name and the amount and date of the donor's donation.

17 SECTION 2. Section 51.955(c), Education Code, is amended to
18 read as follows:

19 (c) Subsection (b)(1) does not apply to a research contract
20 between an institution of higher education and the Cancer
21 Prevention and Research Institute of Texas or Dementia Prevention
22 and Research Institute of Texas.

23 SECTION 3. Section 61.003(6), Education Code, is amended to
24 read as follows:

25 (6) "Other agency of higher education" means The
26 University of Texas System, System Administration; The University
27 of Texas at El Paso Museum; Texas Epidemic Public Health Institute

1 at The University of Texas Health Science Center at Houston; The
2 Texas A&M University System, Administrative and General Offices;
3 Texas A&M AgriLife Research; Texas A&M AgriLife Extension Service;
4 Rodent and Predatory Animal Control Service (a part of the Texas A&M
5 AgriLife Extension Service); Texas A&M Engineering Experiment
6 Station (including the Texas A&M Transportation Institute); Texas
7 A&M Engineering Extension Service; Texas A&M Forest Service; Texas
8 Division of Emergency Management; Texas Tech University Museum;
9 Texas State University System, System Administration; Sam Houston
10 Memorial Museum; Panhandle-Plains Historical Museum; Cotton
11 Research Committee of Texas; Texas Water Resources Institute; Texas
12 A&M Veterinary Medical Diagnostic Laboratory; Dementia Prevention
13 and Research Institute of Texas; and any other unit, division,
14 institution, or agency which shall be so designated by statute or
15 which may be established to operate as a component part of any
16 public senior college or university, or which may be so classified
17 as provided in this chapter.

18 SECTION 4. Section 572.003(c), Government Code, is amended
19 to read as follows:

20 (c) The term means a member of:

- 21 (1) the Public Utility Commission of Texas;
- 22 (2) the Texas Commission on Environmental Quality;
- 23 (3) the Texas Alcoholic Beverage Commission;
- 24 (4) the Finance Commission of Texas;
- 25 (5) the Texas Facilities Commission;
- 26 (6) the Texas Board of Criminal Justice;
- 27 (7) the board of trustees of the Employees Retirement

1 System of Texas;

2 (8) the Texas Transportation Commission;

3 (9) the Texas Department of Insurance;

4 (10) the Parks and Wildlife Commission;

5 (11) the Public Safety Commission;

6 (12) the Texas Ethics Commission;

7 (13) the State Securities Board;

8 (14) the Texas Water Development Board;

9 (15) the governing board of a public senior college or

10 university as defined by Section [61.003](#), Education Code, or of The

11 University of Texas Southwestern Medical Center, The University of

12 Texas Medical Branch at Galveston, The University of Texas Health

13 Science Center at Houston, The University of Texas Health Science

14 Center at San Antonio, The University of Texas M. D. Anderson Cancer

15 Center, The University of Texas Health Science Center at Tyler,

16 University of North Texas Health Science Center at Fort Worth,

17 Texas Tech University Health Sciences Center, Texas State Technical

18 College--Harlingen, Texas State Technical College--Marshall, Texas

19 State Technical College--Sweetwater, or Texas State Technical

20 College--Waco;

21 (16) the Texas Higher Education Coordinating Board;

22 (17) the Texas Workforce Commission;

23 (18) the board of trustees of the Teacher Retirement

24 System of Texas;

25 (19) the Credit Union Commission;

26 (20) the School Land Board;

27 (21) the board of the Texas Department of Housing and

Community Affairs;

(22) the Texas Racing Commission;

(23) the State Board of Dental Examiners;

(24) the Texas Medical Board;

(25) the Board of Pardons and Paroles;

(26) the Texas State Board of Pharmacy;

(27) the Department of Information Resources governing board;

(28) the board of the Texas Department of Motor Vehicles;

(29) the Texas Real Estate Commission;

(30) the board of directors of the State Bar of Texas;

(31) the Bond Review Board;

(32) the Health and Human Services Commission;

(33) the Texas Funeral Service Commission;

(34) the board of directors of a river authority created under the Texas Constitution or a statute of this state;

(35) the Texas Lottery Commission; ~~or~~

(36) the Cancer Prevention and Research Institute of Texas; or

(37) the Dementia Prevention and Research Institute of Texas.

SECTION 5. (a) Not later than December 31, 2025, the appropriate appointing authority shall appoint the members to the Dementia Prevention and Research Institute of Texas Oversight Committee as required by Section 101A.101, Health and Safety Code, as added by this Act. The oversight committee may not act until a

majority of the appointed members have taken office.

(b) Notwithstanding Section 101A.101, Health and Safety Code, as added by this Act, in making the initial appointments under that section, the governor, lieutenant governor, and speaker of the house of representatives shall, as applicable, designate one member of the Dementia Prevention and Research Institute of Texas Oversight Committee appointed by that person to serve a term expiring January 31, 2027, one member appointed by that person to serve a term expiring January 31, 2029, and one member appointed by that person to serve a term expiring January 31, 2031.

SECTION 6. If the voters approve the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, providing for the establishment of the Dementia Prevention and Research Institute of Texas, establishing the Dementia Prevention and Research Fund to provide money for research on and prevention and treatment of dementia and related disorders in this state, and transferring to that fund \$3 billion from state general revenue, the Dementia Prevention and Research Institute of Texas established by Chapter 101A, Health and Safety Code, as added by this Act, is eligible for funding to be deposited under the authority of Section 68, Article III, Texas Constitution, for the institute to engage in any activities serving the purposes of that constitutional provision.

SECTION 7. This Act takes effect December 1, 2025, but only if the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, providing for the establishment of the Dementia Prevention and Research Institute of Texas, establishing

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1 the Dementia Prevention and Research Fund to provide money for
2 research on and prevention and treatment of dementia and related
3 disorders in this state, and transferring to that fund \$3 billion
4 from state general revenue is approved by the voters. If that
5 amendment is not approved by the voters, this Act has no effect.