

By: Huffman, et al. S.B. No. 5
(Craddick, Thompson, Hunter, Bonnen, Curry, et al.)

Substitute the following for S.B. No. 5:

By: VanDeaver C.S.S.B. No. 5

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the creation of the Dementia Prevention and Research
3 Institute of Texas.

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

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

7 CHAPTER 101A. DEMENTIA PREVENTION AND RESEARCH INSTITUTE OF TEXAS

8 SUBCHAPTER A. GENERAL PROVISIONS

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

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

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

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

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

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

21 (1) create and expedite innovation in research on
22 dementia, Alzheimer's disease, Parkinson's disease, and related
23 disorders to improve the health of residents of this state, enhance
24 the potential for a medical or scientific breakthrough in research

1 on dementia, Alzheimer's disease, Parkinson's disease, and related
2 disorders, and enhance the research superiority of this state
3 regarding dementia, Alzheimer's disease, Parkinson's disease, and
4 related disorders; and

5 (2) attract, create, or expand research capabilities
6 of eligible institutions of higher education and other public or
7 private entities by awarding grants to promote a substantial
8 increase in research on dementia, Alzheimer's disease, Parkinson's
9 disease, and related disorders, strategies for prevention of
10 dementia, Alzheimer's disease, Parkinson's disease, and related
11 disorders, and the creation of exceptional jobs in this state.

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

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

20 SUBCHAPTER B. POWERS AND DUTIES OF INSTITUTE

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

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

26 (A) research, including translational and
27 clinical research, into the causes of, means of prevention of, and

1 treatment and rehabilitation for dementia, Alzheimer's disease,
2 Parkinson's disease, and related disorders;

3 (B) research, including translational research,
4 to develop therapies, protocols, medical pharmaceuticals, or
5 procedures for the substantial mitigation of the symptoms of
6 dementia, Alzheimer's disease, Parkinson's disease, and related
7 disorders;

8 (C) facilities, equipment, and other costs
9 related to research on dementia, Alzheimer's disease, Parkinson's
10 disease, and related disorders; and

11 (D) prevention programs and strategies to
12 mitigate the detrimental health impacts of dementia, Alzheimer's
13 disease, Parkinson's disease, and related disorders;

14 (2) may collaborate with relevant state agencies,
15 coordinating councils, and consortiums to enhance health care and
16 research for dementia, Alzheimer's disease, Parkinson's disease,
17 and related disorders;

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

21 (4) may employ necessary staff to provide to the
22 institute administrative support;

23 (5) may contract with another state agency to share
24 the cost of administrative services, including grant accounting,
25 grant monitoring, technical and document management of the grant
26 application review process, legal services, and compliance
27 services;

1 (6) shall monitor grant contracts authorized by this
2 chapter and ensure each grant recipient complies with the terms and
3 conditions of the contract;

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

7 (8) shall establish procedures to document compliance
8 by the institute, institute employees, and institute committee
9 members with all laws and rules governing the peer review process
10 and conflicts of interest.

11 Sec. 101A.052. CHIEF EXECUTIVE OFFICER; CHIEF COMPLIANCE
12 OFFICER; ADDITIONAL OFFICERS. (a) The oversight committee shall
13 hire a chief executive officer. The chief executive officer shall
14 perform the duties required by this chapter and the duties
15 designated by the oversight committee. The chief executive officer
16 must have a demonstrated ability to lead and develop academic,
17 commercial, and governmental partnerships and coalitions.

18 (b) The institute shall employ a chief compliance officer to
19 monitor compliance with this chapter and rules adopted under this
20 chapter and to report to the oversight committee incidents of
21 noncompliance.

22 (c) The chief executive officer may hire any other officer
23 position the chief executive officer determines necessary for the
24 institute's efficient operation.

25 Sec. 101A.053. ANNUAL PUBLIC REPORT; INTERNET POSTING. Not
26 later than January 31 of each year, the institute shall prepare and
27 submit to the governor, lieutenant governor, speaker of the house

1 of representatives, and standing committee of each house of the
2 legislature with primary jurisdiction over institute matters and
3 post on the institute's Internet website a report on:

4 (1) the institute's activities under this chapter;

5 (2) a list of recipients of grants awarded during the
6 preceding state fiscal year and the grant amount awarded to each
7 recipient;

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

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

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

15 (6) an estimate of the financial cost to this state of
16 dementia, Alzheimer's disease, Parkinson's disease, and related
17 disorders during the most recent state fiscal year for which data is
18 available;

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

22 (8) for the preceding state fiscal year:

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

25 (B) any unreported conflict of interest
26 confirmed by an investigation conducted under Section 101A.254,
27 including any institute actions regarding an unreported conflict of

1 interest and subsequent investigation; and

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

4 (9) the institute's future direction.

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

9 (b) The comptroller shall:

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

12 (2) make recommendations concerning the institute's
13 financial practices and performance.

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

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

20 (1) each grant application submitted to the institute,
21 including each application funded by the institute or withdrawn
22 after submission and the score the peer review committee assigns to
23 each reviewed application in accordance with rules adopted under
24 Section 101A.302;

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

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

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

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

7 (b) The institute shall keep each record described by
8 Subsection (a) until at least the 15th anniversary of the record's
9 date of issuance.

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

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

17 (b) The institute may not supplement the salary of any
18 institute employee or officer with a gift or grant the institute
19 receives.

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

23 Sec. 101A.058. COMPLIANCE PROGRAM; INVESTIGATIONS. (a)
24 The institute shall establish a compliance program operating under
25 the direction of the institute's chief compliance officer to
26 monitor compliance with this chapter and rules adopted under this
27 chapter and for use in reporting incidents of noncompliance to the

1 oversight committee.

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

6 (c) The chief compliance officer shall submit a written
7 report to the oversight committee confirming each grant application
8 recommendation included on the list the program integration
9 committee submits under Section 101A.302(a)(2) complies with the
10 oversight committee's rules regarding grant award procedures. The
11 report must contain all relevant information on:

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

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

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

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

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

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

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

26 (e) The chief compliance officer shall:

27 (1) monitor compliance with this section and the

1 status of any required report a grant recipient does not timely
2 submit to the institute; and

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

8 (f) The chief compliance officer shall establish procedures
9 for investigating allegations against oversight committee members,
10 institute employees or contractors, grant applicants, or grant
11 recipients for fraud, waste, or abuse of state resources. The
12 procedures must include:

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

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

19 SUBCHAPTER C. OVERSIGHT COMMITTEE

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

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

24 (1) three members appointed by the governor;

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

27 (3) three members appointed by the speaker of the

1 house of representatives.

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

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

7 (1) must each appoint at least one person who is a
8 physician or a scientist with extensive experience working with
9 dementia, Alzheimer's disease, Parkinson's disease, or related
10 disorders or in the field of public health; and

11 (2) should attempt to include persons affected by
12 dementia, Alzheimer's disease, Parkinson's disease, or related
13 disorders or family members or caregivers of patients with
14 dementia, Alzheimer's disease, Parkinson's disease, or related
15 disorders.

16 (e) A person may not be an oversight committee member if:

17 (1) the person or the person's spouse is employed by or
18 participates in the management of an entity receiving money from
19 the institute;

20 (2) the person or the person's spouse owns or controls,
21 directly or indirectly, an interest in an entity receiving money
22 from the institute;

23 (3) the person or the person's spouse uses or receives
24 a substantial amount of tangible goods, services, or money from the
25 institute, other than reimbursement authorized by this chapter for
26 oversight committee membership, attendance, or expenses; or

27 (4) the person is a member of the Cancer Prevention and

1 Research Institute of Texas Oversight Committee established under
2 Section 102.101.

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

5 (1) is ineligible for membership under Section
6 101A.101(e);

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

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

14 (b) The validity of an oversight committee action is not
15 affected by the fact that the action is taken when a ground for
16 removal of a committee member exists.

17 (c) If the chief executive officer has knowledge that a
18 potential ground for removal of a committee member exists, the
19 chief executive officer shall notify the presiding officer of the
20 oversight committee of the potential ground. The presiding officer
21 shall then notify the appointing authority and the attorney general
22 that a potential ground for removal exists. If the potential ground
23 for removal involves the presiding officer, the chief executive
24 officer shall notify the next highest ranking officer of the
25 oversight committee, who shall then notify the appointing authority
26 and the attorney general that a potential ground for removal
27 exists.

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

6 (b) If a vacancy occurs on the oversight committee, the
7 appropriate appointing authority shall appoint a successor in the
8 same manner as the original appointment to serve for the remainder
9 of the unexpired term. The appropriate appointing authority shall
10 appoint the successor not later than the 30th day after the date the
11 vacancy occurs.

12 Sec. 101A.104. OFFICERS. (a) The oversight committee
13 shall elect a presiding officer and assistant presiding officer
14 from among its members every two years. The oversight committee may
15 elect additional officers from among its members.

16 (b) The presiding officer and assistant presiding officer
17 may not serve in the position to which the officer was elected for
18 consecutive terms.

19 (c) The oversight committee shall:

20 (1) establish and approve duties and responsibilities
21 for committee officers; and

22 (2) develop and implement policies that distinguish
23 the responsibilities of the oversight committee and the committee's
24 officers from the responsibilities of the chief executive officer
25 and institute employees.

26 Sec. 101A.105. EXPENSES. An oversight committee member is
27 not entitled to compensation but is entitled to reimbursement for

1 actual and necessary expenses incurred in attending committee
2 meetings or performing other official duties authorized by the
3 presiding officer.

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

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

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

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

15 Sec. 101A.107. POWERS AND DUTIES. (a) The oversight
16 committee shall:

17 (1) hire a chief executive officer;

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

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

22 (b) The oversight committee shall adopt a code of conduct
23 applicable to each oversight committee member, program integration
24 committee member, peer review committee member, and institute
25 employee that includes provisions prohibiting the member,
26 employee, or member's or employee's spouse from:

27 (1) accepting or soliciting any gift, favor, or

1 service that could reasonably influence the member or employee in
2 the discharge of official duties or that the member, employee, or
3 spouse knows or should know is being offered with the intent to
4 influence the member's or employee's official conduct;

5 (2) accepting employment or engaging in any business
6 or professional activity that would reasonably require or induce
7 the member or employee to disclose confidential information
8 acquired in the member's or employee's official position;

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

12 (4) holding a personal investment or financial
13 interest that could reasonably create a substantial conflict
14 between the private interests and official duties of the member or
15 employee;

16 (5) intentionally or knowingly soliciting, accepting,
17 or agreeing to accept any benefit for exercising the member's
18 official powers or performing the member's or employee's official
19 duties in favor of another;

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

23 (7) submitting a grant application for funding by the
24 institute;

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

27 (9) serving on the board of directors of a grant

1 recipient.

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

4 Sec. 101A.109. FINANCIAL STATEMENT REQUIRED. Each
5 oversight committee member shall file with the chief compliance
6 officer a verified financial statement complying with Sections
7 572.022, 572.023, 572.024, 572.025, 572.0251, and 572.0252,
8 Government Code, as required of a state officer by Section 572.021
9 of that code.

10 SUBCHAPTER D. OTHER INSTITUTE COMMITTEES

11 Sec. 101A.151. PEER REVIEW COMMITTEE. (a) The oversight
12 committee shall establish a peer review committee. The chief
13 executive officer, with approval by a simple majority of the
14 oversight committee members, shall appoint as members to the peer
15 review committee:

16 (1) experts in fields related to dementia, Alzheimer's
17 disease, Parkinson's disease, or related disorders, including
18 research, health care, dementia, Alzheimer's disease, and
19 Parkinson's disease treatment and prevention, and other study
20 areas; and

21 (2) trained patient advocates who meet the
22 qualifications adopted under Subsection (c).

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

26 (c) The oversight committee shall adopt rules regarding the
27 qualifications required of a trained patient advocate for

1 membership on the peer review committee. The rules must require the
2 trained patient advocate to successfully complete science-based
3 training.

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

7 (e) The chief executive officer, in consultation with the
8 oversight committee, shall adopt a policy regarding honoraria and
9 document any change in the amount of honoraria paid to a peer review
10 committee member, including information explaining the basis for
11 that change.

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

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

17 Sec. 101A.152. PROGRAM INTEGRATION COMMITTEE. (a) The
18 institute shall establish a program integration committee to carry
19 out the duties assigned under this chapter.

20 (b) The program integration committee is composed of:

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

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

27 (3) the executive commissioner or the executive

1 commissioner's designee.

2 Sec. 101A.153. HIGHER EDUCATION ADVISORY COMMITTEE.

3 (a) The higher education advisory committee is composed of the
4 following members:

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

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

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

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

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

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

17 (7) one member appointed by the president of Baylor
18 College of Medicine; and

19 (8) one member appointed by the president of Rice
20 University.

21 (b) The higher education advisory committee shall advise
22 the oversight committee on issues, opportunities, the role of
23 higher education, and other subjects involving research on
24 dementia, Alzheimer's disease, Parkinson's disease, and related
25 disorders.

26 Sec. 101A.154. AD HOC ADVISORY COMMITTEE. (a) The
27 oversight committee, as necessary, may create additional ad hoc

1 advisory committees composed of experts to advise the oversight
2 committee on issues relating to prevention of or research on
3 dementia, Alzheimer's disease, Parkinson's disease, and related
4 disorders or other issues related to dementia, Alzheimer's disease,
5 Parkinson's disease, or related disorders.

6 (b) Ad hoc committee members serve for the terms the
7 oversight committee determines.

8 Sec. 101A.155. EXPENSES. Members of the higher education
9 advisory committee created under Section 101A.153 or an ad hoc
10 advisory committee created under Section 101A.154 serve without
11 compensation but are entitled to reimbursement for actual and
12 necessary expenses incurred in attending committee meetings or
13 performing other official duties authorized by the presiding
14 officer.

15 SUBCHAPTER E. DEMENTIA PREVENTION AND RESEARCH FUND

16 Sec. 101A.201. DEMENTIA PREVENTION AND RESEARCH FUND.

17 (a) In this subchapter, "fund" means the Dementia Prevention and
18 Research Fund established under Section 68, Article III, Texas
19 Constitution. The fund is a special fund in the treasury outside
20 the general revenue fund to be administered by the institute.

21 (b) The fund consists of:

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

24 (2) money the legislature appropriates, credits, or
25 transfers to the fund; and

26 (3) gifts and grants, including grants from the
27 federal government, and other donations received for the fund.

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

3 (1) the award of grants for research on or prevention
4 of dementia, Alzheimer's disease, Parkinson's disease, and related
5 disorders and research facilities in this state to conduct that
6 research;

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

10 (3) the operation of the institute.

11 Sec. 101A.202. AUTHORIZED USE OF GRANT MONEY; LIMITATIONS.

12 (a) A grant recipient awarded money from the fund may use the money
13 for research consistent with the purposes of this chapter and in
14 accordance with a contract between the grant recipient and the
15 institute.

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

19 (1) honoraria;

20 (2) travel;

21 (3) conference fees and expenses;

22 (4) consumable supplies;

23 (5) operating expenses;

24 (6) contracted research and development;

25 (7) capital equipment; and

26 (8) construction or renovation of state or private
27 facilities.

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

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

15 (e) Not more than 10 percent of the total amount of grant
16 money awarded under this chapter in a state fiscal year may be used
17 during that year for prevention projects and strategies to mitigate
18 the incidence of dementia, Alzheimer's disease, Parkinson's
19 disease, or related disorders.

20 SUBCHAPTER F. CONFLICTS OF INTEREST: DISCLOSURE; RECUSAL

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

27 (b) An oversight committee member, program integration

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

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

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

15 (2) serves as an elected or appointed officer of the
16 entity;

17 (3) is an employee of or is negotiating future
18 employment with the entity;

19 (4) represents the entity;

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

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

25 (7) is engaged or is actively planning to be engaged in
26 collaboration with a primary member of the entity's project team;

27 or

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

4 (A) are known to the professional community; and

5 (B) could be perceived as affecting objectivity.

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

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

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

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

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

21 (a) If an oversight committee member or program integration
22 committee member has a conflict of interest described by Section
23 101A.251 regarding an application before the member for review or
24 other action, the member:

25 (1) shall provide written notice to the chief
26 executive officer and the presiding officer of the oversight
27 committee or the next ranking member of the committee if the

1 presiding officer has the conflict of interest;

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

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

6 (4) may not access information regarding the matter to
7 be decided.

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

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

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

16 (3) may not access information regarding the matter to
17 be decided.

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

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

23 (2) shall recuse themselves from participating in the
24 review of the application; and

25 (3) may not access information regarding the matter to
26 be decided.

27 (d) An oversight committee member, program integration

1 committee member, peer review committee member, or institute
2 employee with a conflict of interest may seek a waiver as provided
3 by Section 101A.253.

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

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

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

24 (1) authorize the chief executive officer or an
25 oversight committee member to propose granting a waiver by
26 submitting to the oversight committee's presiding officer a written
27 statement about the conflict of interest, the exceptional

1 circumstance requiring the waiver, and any proposed limitations to
2 the waiver;

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

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

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

9 (5) require the institute to retain documentation of
10 each waiver granted.

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

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

25 (1) include in the request all facts regarding the
26 alleged conflict of interest; and

27 (2) submit the request not later than the 30th day

1 after the date the chief executive officer presents to the
2 oversight committee final funding recommendations for the affected
3 grant cycle.

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

7 (1) investigate the matter; and

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

10 (A) a statement of facts;

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

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

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

21 (e) After receiving the opinion and consulting with the
22 oversight committee's presiding officer, the chief executive
23 officer shall take action regarding the recusal of the individual
24 from any discussion of or access to information related to the
25 conflict of interest or other recommended action related to the
26 impropriety or self-dealing. If the alleged conflict of interest,
27 impropriety, or self-dealing is held by, or is an act of, the chief

1 executive officer, the presiding officer of the oversight committee
2 shall take actions regarding the recusal or other action.

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

11 (1) reconsideration of the application; or

12 (2) referral of the application to another peer review
13 committee for review.

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

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

22 (d) Unless specifically determined by the chief executive
23 officer or, if applicable, the presiding officer of the oversight
24 committee, or the oversight committee, the validity of an action
25 taken on a grant application is not affected by the fact that an
26 individual who failed to report a conflict of interest participated
27 in the action.

1 SUBCHAPTER G. PROCEDURE FOR AWARDING GRANTS

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

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

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

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

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

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

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

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

1 (C) to the extent possible, gives priority to
2 applications with proposals that:

3 (i) may lead to immediate or long-term
4 medical and scientific breakthroughs in the areas of prevention or
5 treatment for dementia, Alzheimer's disease, Parkinson's disease,
6 and related disorders;

7 (ii) strengthen and enhance fundamental
8 scientific research on dementia, Alzheimer's disease, Parkinson's
9 disease, and related disorders;

10 (iii) ensure a comprehensive coordinated
11 approach to research on dementia, Alzheimer's disease, Parkinson's
12 disease, and related disorders;

13 (iv) are interdisciplinary or
14 interinstitutional;

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

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

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

27 (viii) benefit the residents of this state,

1 including a demonstrable economic development benefit to this
2 state;

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

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

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

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

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

27 (e) The oversight committee may not award more than \$300

1 million in grants under this chapter in a state fiscal year.

2 (f) The oversight committee may not award a grant to an
3 applicant who has made a gift or grant to the institute, an
4 oversight committee member, or an institute employee on or after
5 January 1, 2026. This section does not apply to gifts, fees,
6 honoraria, or other items also excepted under Section 36.10, Penal
7 Code.

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

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

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

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

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

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

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

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

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

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

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

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

26 (6) specify the period in which the grant award must be
27 spent; and

1 (7) include the specific deliverables of the project
2 that is the subject of the grant proposal.

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

9 (1) allow an institution of higher education or a
10 private or independent institution of higher education, as those
11 terms are defined by Section 61.003, Education Code, a research
12 institute or center affiliated with the institution, or a
13 not-for-profit hospital system, to credit toward the recipient's
14 matching money the dollar amount equivalent to the difference
15 between the indirect cost rate negotiated by the federal government
16 for research grants awarded to the recipient and the indirect cost
17 rate authorized by Section 101A.202(c);

18 (2) specify that:

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

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

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

27 (3) specify that money for certification purposes may

1 include:

2 (A) federal money;

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

6 (C) this state's money;

7 (D) other states' money; and

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

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

12 (A) in-kind costs;

13 (B) volunteer services provided to the
14 recipient;

15 (C) noncash contributions;

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

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

21 (F) any other items the institute determines;

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

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

27 (7) require the recipient to maintain adequate

1 documentation supporting the source and use of the money required
2 by this subsection and to provide documentation to the institute on
3 request; and

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

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

9 (d) The oversight committee shall adopt rules to administer
10 this section.

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

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

1 (c) The oversight committee may authorize the institute to
2 execute a contract with one or more qualified third parties for
3 assistance with the management, accounting, and disposition of this
4 state's interest in securities, equities, royalties, income, and
5 other benefits realized from grant money awarded under this
6 chapter. The institute shall implement practices and procedures
7 for the management, accounting, and disposition of securities,
8 equities, royalties, income, and other benefits the institute
9 determines are in this state's best interest.

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

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

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

27 (b) The chief executive officer shall report at least

1 annually to the oversight committee on the progress and continued
2 merit of the projects awarded grants by the institute.

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

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

10 (1) a grant applicant's name and address;

11 (2) the amount of money requested in an applicant's
12 grant proposal;

13 (3) the type of research on dementia, Alzheimer's
14 disease, Parkinson's disease, or related disorders to be addressed
15 under a grant proposal; and

16 (4) any other information the institute designates
17 with the consent of a grant applicant.

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

23 (1) all information, other than the information
24 described under Subsection (a), contained in a grant application,
25 peer review evaluation, award contract, or progress report relating
26 to a product, device, or process, the application or use of the
27 product, device, or process, and all technological and scientific

1 information, including computer programs, developed wholly or
2 partly by the applicant or recipient, regardless of whether
3 patentable or capable of being registered under copyright or
4 trademark laws, that has a potential for being sold, traded, or
5 licensed for a fee; and

6 (2) the plans, specifications, blueprints, and
7 designs, including related proprietary information, of a
8 scientific research and development facility.

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

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

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

22 (3) other information collected or produced in a
23 compliance program investigation if releasing the information
24 would interfere with an ongoing compliance investigation.

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

27 (e) Information made confidential or excepted from public

1 disclosure by this section may be made available, on request and in
2 compliance with applicable laws and procedures, to the following:

3 (1) a law enforcement agency or prosecutor;

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

8 (3) a committee member or institute employee who is
9 responsible under institutional policy for a compliance program
10 investigation or for a review of a compliance program
11 investigation.

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

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

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

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

26 SECTION 3. Section 572.003(c), Government Code, is amended
27 to read as follows:

1 (c) The term means a member of:

2 (1) the Public Utility Commission of Texas;

3 (2) the Texas Commission on Environmental Quality;

4 (3) the Texas Alcoholic Beverage Commission;

5 (4) the Finance Commission of Texas;

6 (5) the Texas Facilities Commission;

7 (6) the Texas Board of Criminal Justice;

8 (7) the board of trustees of the Employees Retirement
9 System of Texas;

10 (8) the Texas Transportation Commission;

11 (9) the Texas Department of Insurance;

12 (10) the Parks and Wildlife Commission;

13 (11) the Public Safety Commission;

14 (12) the Texas Ethics Commission;

15 (13) the State Securities Board;

16 (14) the Texas Water Development Board;

17 (15) the governing board of a public senior college or
18 university as defined by Section [61.003](#), Education Code, or of The
19 University of Texas Southwestern Medical Center, The University of
20 Texas Medical Branch at Galveston, The University of Texas Health
21 Science Center at Houston, The University of Texas Health Science
22 Center at San Antonio, The University of Texas M. D. Anderson Cancer
23 Center, The University of Texas Health Science Center at Tyler,
24 University of North Texas Health Science Center at Fort Worth,
25 Texas Tech University Health Sciences Center, Texas State Technical
26 College--Harlingen, Texas State Technical College--Marshall, Texas
27 State Technical College--Sweetwater, or Texas State Technical

- 1 College--Waco;
- 2 (16) the Texas Higher Education Coordinating Board;
- 3 (17) the Texas Workforce Commission;
- 4 (18) the board of trustees of the Teacher Retirement
- 5 System of Texas;
- 6 (19) the Credit Union Commission;
- 7 (20) the School Land Board;
- 8 (21) the board of the Texas Department of Housing and
- 9 Community Affairs;
- 10 (22) the Texas Racing Commission;
- 11 (23) the State Board of Dental Examiners;
- 12 (24) the Texas Medical Board;
- 13 (25) the Board of Pardons and Paroles;
- 14 (26) the Texas State Board of Pharmacy;
- 15 (27) the Department of Information Resources
- 16 governing board;
- 17 (28) the board of the Texas Department of Motor
- 18 Vehicles;
- 19 (29) the Texas Real Estate Commission;
- 20 (30) the board of directors of the State Bar of Texas;
- 21 (31) the Bond Review Board;
- 22 (32) the Health and Human Services Commission;
- 23 (33) the Texas Funeral Service Commission;
- 24 (34) the board of directors of a river authority
- 25 created under the Texas Constitution or a statute of this state;
- 26 (35) the Texas Lottery Commission; [~~or~~]
- 27 (36) the Cancer Prevention and Research Institute of

1 Texas; or

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

4 SECTION 4. (a) Not later than December 31, 2025, the
5 appropriate appointing authority shall appoint the members to the
6 Dementia Prevention and Research Institute of Texas Oversight
7 Committee as required by Section 101A.101, Health and Safety Code,
8 as added by this Act. The oversight committee may not act until a
9 majority of the appointed members have taken office.

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

19 (c) Notwithstanding Section 101A.104, Health and Safety
20 Code, as added by this Act, the governor shall designate a member
21 the governor appoints under Subsection (b) of this section to serve
22 as the initial presiding officer of the Dementia Prevention and
23 Research Institute of Texas Oversight Committee.

24 (d) Not later than January 31, 2026, the Dementia Prevention
25 and Research Institute of Texas Oversight Committee established
26 under Section 101A.101, Health and Safety Code, as added by this
27 Act, shall hold its first meeting at a location determined by the

1 presiding officer of the Dementia Prevention and Research Institute
2 of Texas Oversight Committee designated under Subsection (c) of
3 this section.

4 SECTION 5. If the voters approve the constitutional
5 amendment proposed by the 89th Legislature, Regular Session, 2025,
6 providing for the establishment of the Dementia Prevention and
7 Research Institute of Texas, establishing the Dementia Prevention
8 and Research Fund to provide money for research on and prevention
9 and treatment of dementia, Alzheimer's disease, Parkinson's
10 disease, and related disorders in this state, and transferring to
11 that fund \$3 billion from state general revenue, the Dementia
12 Prevention and Research Institute of Texas established by Chapter
13 101A, Health and Safety Code, as added by this Act, is eligible for
14 funding to be deposited under the authority of Section 68, Article
15 III, Texas Constitution, for the institute to engage in any
16 activities serving the purposes of that constitutional provision.

17 SECTION 6. This Act takes effect December 1, 2025, but only
18 if the constitutional amendment proposed by the 89th Legislature,
19 Regular Session, 2025, providing for the establishment of the
20 Dementia Prevention and Research Institute of Texas, establishing
21 the Dementia Prevention and Research Fund to provide money for
22 research on and prevention and treatment of dementia, Alzheimer's
23 disease, Parkinson's disease, and related disorders in this state,
24 and transferring to that fund \$3 billion from state general revenue
25 is approved by the voters. If that amendment is not approved by the
26 voters, this Act has no effect.