

1-1 By: Huffman S.B. No. 5
 1-2 (In the Senate - Filed February 20, 2025;
 1-3 February 24, 2025, read first time and referred to Committee on
 1-4 Finance; February 28, 2025, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 14, Nays 0;
 1-6 February 28, 2025, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16			X	
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			
1-22	X			
1-23	X			

1-24 COMMITTEE SUBSTITUTE FOR S.B. No. 5 By: Huffman

1-25 A BILL TO BE ENTITLED
 1-26 AN ACT

1-27 relating to the creation of the Dementia Prevention and Research
 1-28 Institute of Texas.

1-29 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-30 SECTION 1. Subtitle E, Title 2, Health and Safety Code, is
 1-31 amended by adding Chapter 101A to read as follows:

1-32 CHAPTER 101A. DEMENTIA PREVENTION AND RESEARCH INSTITUTE OF TEXAS

1-33 SUBCHAPTER A. GENERAL PROVISIONS

1-34 Sec. 101A.001. DEFINITIONS. In this chapter:

1-35 (1) "Institute" means the Dementia Prevention and
 1-36 Research Institute of Texas.

1-37 (2) "Oversight committee" means the Dementia
 1-38 Prevention and Research Institute of Texas Oversight Committee.

1-39 (3) "Peer review committee" means the Dementia
 1-40 Prevention and Research Institute of Texas Peer Review Committee.

1-41 (4) "Program integration committee" means the
 1-42 Dementia Prevention and Research Institute of Texas Program
 1-43 Integration Committee.

1-44 Sec. 101A.002. PURPOSES. The Dementia Prevention and
 1-45 Research Institute of Texas is established to:

1-46 (1) create and expedite innovation in research on
 1-47 dementia and related disorders to improve the health of residents
 1-48 of this state, enhance the potential for a medical or scientific
 1-49 breakthrough in research on dementia and related disorders, and
 1-50 enhance the research superiority of this state regarding dementia
 1-51 and related disorders; and

1-52 (2) attract, create, or expand research capabilities
 1-53 of eligible institutions of higher education and other public or
 1-54 private entities by awarding grants to promote a substantial
 1-55 increase in research on dementia and related disorders, strategies
 1-56 for prevention of dementia and related disorders, and the creation
 1-57 of exceptional jobs in this state.

1-58 Sec. 101A.003. SUNSET PROVISION. The Dementia Prevention
 1-59 and Research Institute of Texas is subject to Chapter 325,
 1-60 Government Code (Texas Sunset Act). Unless continued in existence

2-1 as provided by that chapter, the institute is abolished and this
 2-2 chapter expires September 1, 2035.

2-3 Sec. 101A.004. STATE AUDITOR. Nothing in this chapter
 2-4 limits the authority of the state auditor under Chapter 321,
 2-5 Government Code, or other law.

2-6 SUBCHAPTER B. POWERS AND DUTIES OF INSTITUTE

2-7 Sec. 101A.051. POWERS AND DUTIES. The institute:

2-8 (1) may award grants to institutions of learning,
 2-9 advanced medical research facilities, public or private persons,
 2-10 and collaboratives in this state to further the purposes of this
 2-11 chapter and Section 68, Article III, Texas Constitution, including:

2-12 (A) research, including translational and
 2-13 clinical research, into the causes of, means of prevention of, and
 2-14 treatment and rehabilitation for dementia and related disorders;

2-15 (B) research, including translational research,
 2-16 to develop therapies, protocols, medical pharmaceuticals, or
 2-17 procedures for the substantial mitigation of the symptoms of
 2-18 dementia and related disorders;

2-19 (C) facilities, equipment, and other costs
 2-20 related to research on dementia and related disorders; and

2-21 (D) prevention programs and strategies to
 2-22 mitigate the detrimental health impacts of dementia and related
 2-23 disorders;

2-24 (2) may collaborate with relevant state agencies,
 2-25 coordinating councils, and consortiums to enhance health care and
 2-26 research for dementia and related disorders;

2-27 (3) shall establish the appropriate standards and
 2-28 oversight bodies to ensure money authorized under this chapter is
 2-29 properly used for the purposes of this chapter;

2-30 (4) may employ necessary staff to provide to the
 2-31 institute administrative support;

2-32 (5) may contract with another state agency to share
 2-33 the cost of administrative services, including grant accounting,
 2-34 grant monitoring, technical and document management of the grant
 2-35 application review process, legal services, and compliance
 2-36 services;

2-37 (6) shall monitor grant contracts authorized by this
 2-38 chapter and ensure each grant recipient complies with the terms and
 2-39 conditions of the contract;

2-40 (7) shall ensure all grant proposals comply with this
 2-41 chapter and rules adopted under this chapter before the proposals
 2-42 are submitted to the oversight committee for approval; and

2-43 (8) shall establish procedures to document compliance
 2-44 by the institute, institute employees, and institute committee
 2-45 members with all laws and rules governing the peer review process
 2-46 and conflicts of interest.

2-47 Sec. 101A.052. CHIEF EXECUTIVE OFFICER; CHIEF COMPLIANCE
 2-48 OFFICER; ADDITIONAL OFFICERS. (a) The oversight committee shall
 2-49 hire a chief executive officer. The chief executive officer shall
 2-50 perform the duties required by this chapter and the duties
 2-51 designated by the oversight committee. The chief executive officer
 2-52 must have a demonstrated ability to lead and develop academic,
 2-53 commercial, and governmental partnerships and coalitions.

2-54 (b) The institute shall employ a chief compliance officer to
 2-55 monitor compliance with this chapter and rules adopted under this
 2-56 chapter and to report to the oversight committee incidents of
 2-57 noncompliance.

2-58 (c) The chief executive officer may hire any other officer
 2-59 position the chief executive officer determines necessary for the
 2-60 institute's efficient operation.

2-61 Sec. 101A.053. ANNUAL PUBLIC REPORT; INTERNET POSTING. Not
 2-62 later than January 31 of each year, the institute shall prepare and
 2-63 submit to the governor, lieutenant governor, speaker of the house
 2-64 of representatives, and standing committee of each house of the
 2-65 legislature with primary jurisdiction over institute matters and
 2-66 post on the institute's Internet website a report on:

2-67 (1) the institute's activities under this chapter;

2-68 (2) a list of recipients of grants awarded during the
 2-69 preceding state fiscal year and the grant amount awarded to each

3-1 recipient;
3-2 (3) any research accomplishments a grant recipient or
3-3 the recipient's partners achieved during the preceding state fiscal
3-4 year;
3-5 (4) an overview summary of the institute's most recent
3-6 audited financial statement;
3-7 (5) an assessment of the relationship between the
3-8 institute's grants and research program strategy;
3-9 (6) an estimate of the financial cost to this state of
3-10 dementia and related disorders during the most recent state fiscal
3-11 year for which data is available;
3-12 (7) a statement of the institute's compliance program
3-13 activities, including any proposed legislation or other
3-14 recommendations identified through the activities;
3-15 (8) for the preceding state fiscal year:
3-16 (A) a list of any conflict of interest requiring
3-17 recusal under this chapter or rules adopted under this chapter;
3-18 (B) any unreported conflict of interest
3-19 confirmed by an investigation conducted under Section 101A.254,
3-20 including any institute actions regarding an unreported conflict of
3-21 interest and subsequent investigation; and
3-22 (C) any waivers granted through the process
3-23 established under Section 101A.253; and
3-24 (9) the institute's future direction.

3-25 Sec. 101A.054. INDEPENDENT FINANCIAL AUDIT. (a) The
3-26 institute shall annually commission a certified public accounting
3-27 firm to perform an independent financial audit of its activities.
3-28 The institute shall provide the audit to the comptroller.
3-29 (b) The comptroller shall:
3-30 (1) review and evaluate the audit and annually issue a
3-31 public report of that review; and
3-32 (2) make recommendations concerning the institute's
3-33 financial practices and performance.
3-34 (c) The oversight committee shall review the annual
3-35 financial audit, the comptroller's public report and
3-36 recommendations, and the financial practices of the institute.

3-37 Sec. 101A.055. GRANT RECORDS; AUDIT OF ELECTRONIC GRANT
3-38 MANAGEMENT SYSTEM. (a) The institute shall maintain complete
3-39 records of:
3-40 (1) each grant application submitted to the institute,
3-41 including each application funded by the institute or withdrawn
3-42 after submission and the score the peer review committee assigns to
3-43 each reviewed application in accordance with rules adopted under
3-44 Section 101A.302;
3-45 (2) each grant recipient's financial reports,
3-46 including the amount of matching money dedicated to the research
3-47 specified for the grant award;
3-48 (3) each grant recipient's progress reports;
3-49 (4) the identity of each principal investor and owner
3-50 of each grant recipient as provided by institute rules to determine
3-51 any conflict of interest; and
3-52 (5) the institute's review of the grant recipient's
3-53 financial reports and progress reports.
3-54 (b) The institute shall keep each record described by
3-55 Subsection (a) until at least the 15th anniversary of the record's
3-56 date of issuance.
3-57 (c) The institute shall have prepared periodic audits of any
3-58 electronic grant management system used to maintain records of
3-59 grant applications and grant awards. The institute shall timely
3-60 address each weakness identified in an audit of the system.

3-61 Sec. 101A.056. GIFTS AND GRANTS. (a) The institute may
3-62 solicit and accept gifts and grants from any source for the purposes
3-63 of this chapter.
3-64 (b) The institute may not supplement the salary of any
3-65 institute employee or officer with a gift or grant the institute
3-66 receives.

3-67 Sec. 101A.057. PROHIBITED OFFICE LOCATION. An institute
3-68 employee may not have an office located in a facility owned by an
3-69 entity receiving or applying to receive money from the institute.

4-1 Sec. 101A.058. COMPLIANCE PROGRAM; INVESTIGATIONS. (a)
 4-2 The institute shall establish a compliance program operating under
 4-3 the direction of the institute's chief compliance officer to
 4-4 monitor compliance with this chapter and rules adopted under this
 4-5 chapter and for use in reporting incidents of noncompliance to the
 4-6 oversight committee.

4-7 (b) The chief compliance officer or the officer's designee
 4-8 shall attend and observe meetings of the peer review committee and
 4-9 the program integration committee to ensure compliance with this
 4-10 chapter and rules adopted under this chapter.

4-11 (c) The chief compliance officer shall submit a written
 4-12 report to the oversight committee confirming each grant application
 4-13 recommendation included on the list the program integration
 4-14 committee submits under Section 101A.302(a)(2) complies with the
 4-15 oversight committee's rules regarding grant award procedures. The
 4-16 report must contain all relevant information on:

4-17 (1) the peer review process for the grant application;
 4-18 (2) the score the peer review committee assigns to the
 4-19 application;

4-20 (3) adherence to the conflict-of-interest
 4-21 notification and recusal process; and

4-22 (4) confirmation that a recommended grant applicant
 4-23 did not make any gift or grant prohibited by Section 101A.302(f).

4-24 (d) To ensure each grant recipient complies with reporting
 4-25 requirements included in the grant contract and the rules adopted
 4-26 under this chapter, the institute shall implement a system to:

4-27 (1) track the dates on which grant recipient reports
 4-28 are due and are received by the institute; and

4-29 (2) monitor the status of any required report a grant
 4-30 recipient does not timely submit to the institute.

4-31 (e) The chief compliance officer shall:

4-32 (1) monitor compliance with this section and the
 4-33 status of any required report a grant recipient does not timely
 4-34 submit to the institute; and

4-35 (2) notify the institute's general counsel and the
 4-36 oversight committee of a grant recipient who has not complied with
 4-37 the grant contract reporting requirements to allow the institute to
 4-38 suspend or terminate the contract as the institute determines
 4-39 appropriate.

4-40 (f) The chief compliance officer shall establish procedures
 4-41 for investigating allegations against oversight committee members,
 4-42 institute employees or contractors, grant applicants, or grant
 4-43 recipients for fraud, waste, or abuse of state resources. The
 4-44 procedures must include:

4-45 (1) private access to the compliance program office,
 4-46 such as a telephone hotline; and

4-47 (2) to the extent possible, preservation of the
 4-48 confidentiality of communications and the anonymity of a person who
 4-49 submits a compliance report related to fraud, waste, or abuse or
 4-50 participates in a compliance investigation.

4-51 SUBCHAPTER C. OVERSIGHT COMMITTEE

4-52 Sec. 101A.101. COMPOSITION OF OVERSIGHT COMMITTEE. (a)
 4-53 The oversight committee is the institute's governing body.

4-54 (b) The oversight committee is composed of the following
 4-55 nine members:

4-56 (1) three members appointed by the governor;

4-57 (2) three members appointed by the lieutenant
 4-58 governor; and

4-59 (3) three members appointed by the speaker of the
 4-60 house of representatives.

4-61 (c) The oversight committee members must represent this
 4-62 state's geographic and cultural diversity.

4-63 (d) In making appointments to the oversight committee, the
 4-64 governor, lieutenant governor, and speaker of the house of
 4-65 representatives:

4-66 (1) must each appoint at least one person who is a
 4-67 physician or a scientist with extensive experience working with
 4-68 dementia or related disorders or in the field of public health; and

4-69 (2) should attempt to include persons affected by

5-1 dementia or related disorders or family members or caregivers of
 5-2 patients with dementia or related disorders.

5-3 (e) A person may not be an oversight committee member if:

5-4 (1) the person or the person's spouse is employed by or
 5-5 participates in the management of an entity receiving money from
 5-6 the institute;

5-7 (2) the person or the person's spouse owns or controls,
 5-8 directly or indirectly, an interest in an entity receiving money
 5-9 from the institute;

5-10 (3) the person or the person's spouse uses or receives
 5-11 a substantial amount of tangible goods, services, or money from the
 5-12 institute, other than reimbursement authorized by this chapter for
 5-13 oversight committee membership, attendance, or expenses; or

5-14 (4) the person is a member of the Cancer Prevention and
 5-15 Research Institute of Texas Oversight Committee established under
 5-16 Section 102.101.

5-17 Sec. 101A.102. REMOVAL. (a) It is a ground for removal
 5-18 from the oversight committee that a member:

5-19 (1) is ineligible for membership under Section
 5-20 101A.101(e);

5-21 (2) cannot, because of illness or disability,
 5-22 discharge the member's duties for a substantial part of the member's
 5-23 term; or

5-24 (3) is absent from more than half of the regularly
 5-25 scheduled oversight committee meetings the member is eligible to
 5-26 attend during a calendar year without an excuse approved by a
 5-27 majority vote of the committee.

5-28 (b) The validity of an oversight committee action is not
 5-29 affected by the fact that the action is taken when a ground for
 5-30 removal of a committee member exists.

5-31 (c) If the chief executive officer has knowledge that a
 5-32 potential ground for removal of a committee member exists, the
 5-33 chief executive officer shall notify the presiding officer of the
 5-34 oversight committee of the potential ground. The presiding officer
 5-35 shall then notify the appointing authority and the attorney general
 5-36 that a potential ground for removal exists. If the potential ground
 5-37 for removal involves the presiding officer, the chief executive
 5-38 officer shall notify the next highest ranking officer of the
 5-39 oversight committee, who shall then notify the appointing authority
 5-40 and the attorney general that a potential ground for removal
 5-41 exists.

5-42 Sec. 101A.103. TERMS; VACANCY. (a) Oversight committee
 5-43 members appointed by the governor, lieutenant governor, and speaker
 5-44 of the house serve at the pleasure of the appointing authority for
 5-45 staggered six-year terms, with the terms of three members expiring
 5-46 on January 31 of each odd-numbered year.

5-47 (b) If a vacancy occurs on the oversight committee, the
 5-48 appropriate appointing authority shall appoint a successor in the
 5-49 same manner as the original appointment to serve for the remainder
 5-50 of the unexpired term. The appropriate appointing authority shall
 5-51 appoint the successor not later than the 30th day after the date the
 5-52 vacancy occurs.

5-53 Sec. 101A.104. OFFICERS. (a) The oversight committee
 5-54 shall elect a presiding officer and assistant presiding officer
 5-55 from among its members every two years. The oversight committee may
 5-56 elect additional officers from among its members.

5-57 (b) The presiding officer and assistant presiding officer
 5-58 may not serve in the position to which the officer was elected for
 5-59 consecutive terms.

5-60 (c) The oversight committee shall:

5-61 (1) establish and approve duties and responsibilities
 5-62 for committee officers; and

5-63 (2) develop and implement policies that distinguish
 5-64 the responsibilities of the oversight committee and the committee's
 5-65 officers from the responsibilities of the chief executive officer
 5-66 and institute employees.

5-67 Sec. 101A.105. EXPENSES. An oversight committee member is
 5-68 not entitled to compensation but is entitled to reimbursement for
 5-69 actual and necessary expenses incurred in attending committee

6-1 meetings or performing other official duties authorized by the
 6-2 presiding officer.

6-3 Sec. 101A.106. MEETINGS. (a) The oversight committee
 6-4 shall hold at least one public meeting each quarter of the calendar
 6-5 year, with appropriate notice and a formal public comment period.

6-6 (b) The oversight committee may conduct a closed meeting in
 6-7 accordance with Subchapter E, Chapter 551, Government Code, to
 6-8 discuss issues related to:

6-9 (1) managing, acquiring, or selling securities or
 6-10 other revenue-sharing obligations realized under the standards
 6-11 established as required by Section 101A.305; and

6-12 (2) an ongoing compliance investigation into issues
 6-13 related to fraud, waste, or abuse of state resources.

6-14 Sec. 101A.107. POWERS AND DUTIES. (a) The oversight
 6-15 committee shall:

6-16 (1) hire a chief executive officer;

6-17 (2) annually set priorities for each grant program
 6-18 established under this chapter; and

6-19 (3) consider the priorities set under Subdivision (2)
 6-20 in awarding grants under this chapter.

6-21 (b) The oversight committee shall adopt a code of conduct
 6-22 applicable to each oversight committee member, program integration
 6-23 committee member, peer review committee member, and institute
 6-24 employee that includes provisions prohibiting the member,
 6-25 employee, or member's or employee's spouse from:

6-26 (1) accepting or soliciting any gift, favor, or
 6-27 service that could reasonably influence the member or employee in
 6-28 the discharge of official duties or that the member, employee, or
 6-29 spouse knows or should know is being offered with the intent to
 6-30 influence the member's or employee's official conduct;

6-31 (2) accepting employment or engaging in any business
 6-32 or professional activity that would reasonably require or induce
 6-33 the member or employee to disclose confidential information
 6-34 acquired in the member's or employee's official position;

6-35 (3) accepting other employment or compensation that
 6-36 could reasonably impair the member's or employee's independent
 6-37 judgment in the performance of official duties;

6-38 (4) holding a personal investment or financial
 6-39 interest that could reasonably create a substantial conflict
 6-40 between the private interests and official duties of the member or
 6-41 employee;

6-42 (5) intentionally or knowingly soliciting, accepting,
 6-43 or agreeing to accept any benefit for exercising the member's
 6-44 official powers or performing the member's or employee's official
 6-45 duties in favor of another;

6-46 (6) directly or indirectly leasing to an entity that
 6-47 receives a grant from the institute any property, capital
 6-48 equipment, employee, or service;

6-49 (7) submitting a grant application for funding by the
 6-50 institute;

6-51 (8) serving on the board of directors of an
 6-52 organization established with a grant from the institute; or

6-53 (9) serving on the board of directors of a grant
 6-54 recipient.

6-55 Sec. 101A.108. RULEMAKING AUTHORITY. The oversight
 6-56 committee may adopt rules to administer this chapter.

6-57 Sec. 101A.109. FINANCIAL STATEMENT REQUIRED. Each
 6-58 oversight committee member shall file with the chief compliance
 6-59 officer a verified financial statement complying with Sections
 6-60 572.022, 572.023, 572.024, 572.025, 572.0251, and 572.0252,
 6-61 Government Code, as required of a state officer by Section 572.021
 6-62 of that code.

6-63 SUBCHAPTER D. OTHER INSTITUTE COMMITTEES

6-64 Sec. 101A.151. PEER REVIEW COMMITTEE. (a) The oversight
 6-65 committee shall establish a peer review committee. The chief
 6-66 executive officer, with approval by a simple majority of the
 6-67 oversight committee members, shall appoint as members to the peer
 6-68 review committee:

6-69 (1) experts in fields related to dementia or related

7-1 disorders, including research, health care, dementia treatment and
 7-2 prevention, and other study areas; and

7-3 (2) trained patient advocates who meet the
 7-4 qualifications adopted under Subsection (c).

7-5 (b) The oversight committee shall adopt a written policy on
 7-6 in-state or out-of-state residency requirements for peer review
 7-7 committee members.

7-8 (c) The oversight committee shall adopt rules regarding the
 7-9 qualifications required of a trained patient advocate for
 7-10 membership on the peer review committee. The rules must require the
 7-11 trained patient advocate to successfully complete science-based
 7-12 training.

7-13 (d) A peer review committee member may receive an
 7-14 honorarium. Subchapter B, Chapter 2254, Government Code, does not
 7-15 apply to an honorarium the member receives under this chapter.

7-16 (e) The chief executive officer, in consultation with the
 7-17 oversight committee, shall adopt a policy regarding honoraria and
 7-18 document any change in the amount of honoraria paid to a peer review
 7-19 committee member, including information explaining the basis for
 7-20 that change.

7-21 (f) A peer review committee member may not serve on the
 7-22 board of directors or other governing board of an entity receiving a
 7-23 grant from the institute.

7-24 (g) Peer review committee members serve for terms as
 7-25 determined by the chief executive officer.

7-26 Sec. 101A.152. PROGRAM INTEGRATION COMMITTEE. (a) The
 7-27 institute shall establish a program integration committee to carry
 7-28 out the duties assigned under this chapter.

7-29 (b) The program integration committee is composed of:

7-30 (1) the chief executive officer, who serves as the
 7-31 presiding officer of the program integration committee;

7-32 (2) three senior-level institute employees
 7-33 responsible for program policy and oversight, appointed by the
 7-34 chief executive officer with the approval of a majority of the
 7-35 oversight committee members; and

7-36 (3) the executive commissioner or the executive
 7-37 commissioner's designee.

7-38 Sec. 101A.153. HIGHER EDUCATION ADVISORY COMMITTEE.
 7-39 (a) The higher education advisory committee is composed of the
 7-40 following members:

7-41 (1) one member appointed by the chancellor of The
 7-42 University of Texas System;

7-43 (2) one member appointed by the chancellor of The
 7-44 Texas A&M University System;

7-45 (3) one member appointed by the chancellor of the
 7-46 Texas Tech University System;

7-47 (4) one member appointed by the chancellor of the
 7-48 University of Houston System;

7-49 (5) one member appointed by the chancellor of the
 7-50 Texas State University System;

7-51 (6) one member appointed by the chancellor of the
 7-52 University of North Texas System;

7-53 (7) one member appointed by the president of Baylor
 7-54 College of Medicine; and

7-55 (8) one member appointed by the president of Rice
 7-56 University.

7-57 (b) The higher education advisory committee shall advise
 7-58 the oversight committee on issues, opportunities, the role of
 7-59 higher education, and other subjects involving research on dementia
 7-60 and related disorders.

7-61 Sec. 101A.154. AD HOC ADVISORY COMMITTEE. (a) The
 7-62 oversight committee, as necessary, may create additional ad hoc
 7-63 advisory committees composed of experts to advise the oversight
 7-64 committee on issues relating to prevention of or research on
 7-65 dementia and related disorders or other issues related to dementia
 7-66 or related disorders.

7-67 (b) Ad hoc committee members serve for the terms the
 7-68 oversight committee determines.

7-69 Sec. 101A.155. EXPENSES. Members of the higher education

8-1 advisory committee created under Section 101A.153 or an ad hoc
 8-2 advisory committee created under Section 101A.154 serve without
 8-3 compensation but are entitled to reimbursement for actual and
 8-4 necessary expenses incurred in attending committee meetings or
 8-5 performing other official duties authorized by the presiding
 8-6 officer.

8-7 SUBCHAPTER E. DEMENTIA PREVENTION AND RESEARCH FUND

8-8 Sec. 101A.201. DEMENTIA PREVENTION AND RESEARCH FUND.

8-9 (a) In this subchapter, "fund" means the Dementia Prevention and
 8-10 Research Fund established under Section 68, Article III, Texas
 8-11 Constitution. The fund is a special fund in the treasury outside
 8-12 the general revenue fund to be administered by the institute.

8-13 (b) The fund consists of:

8-14 (1) money transferred to the fund under Section 68,
 8-15 Article III, Texas Constitution;

8-16 (2) money the legislature appropriates, credits, or
 8-17 transfers to the fund; and

8-18 (3) gifts and grants, including grants from the
 8-19 federal government, and other donations received for the fund.

8-20 (c) The fund may only be used for the purposes authorized
 8-21 under Section 68, Article III, Texas Constitution, including:

8-22 (1) the award of grants for research on or prevention
 8-23 of dementia and related disorders and research facilities in this
 8-24 state to conduct that research;

8-25 (2) the purchase of, subject to the institute's
 8-26 approval, research facilities by or for a state agency or grant
 8-27 recipient; and

8-28 (3) the operation of the institute.

8-29 Sec. 101A.202. AUTHORIZED USE OF GRANT MONEY; LIMITATIONS.

8-30 (a) A grant recipient awarded money from the fund may use the money
 8-31 for research consistent with the purposes of this chapter and in
 8-32 accordance with a contract between the grant recipient and the
 8-33 institute.

8-34 (b) Except as otherwise provided by this section, grant
 8-35 money awarded under this chapter may be used for authorized
 8-36 expenses, including:

8-37 (1) honoraria;

8-38 (2) travel;

8-39 (3) conference fees and expenses;

8-40 (4) consumable supplies;

8-41 (5) operating expenses;

8-42 (6) contracted research and development;

8-43 (7) capital equipment; and

8-44 (8) construction or renovation of state or private
 8-45 facilities.

8-46 (c) A grant recipient awarded money under this chapter for
 8-47 research on dementia or related disorders may not spend more than
 8-48 five percent of the money for indirect costs. In this subsection,
 8-49 "indirect costs" means business expenses not readily identified
 8-50 with a particular grant, contract, project, function, or activity
 8-51 that are necessary for the general operation of the organization or
 8-52 the performance of the organization's activities.

8-53 (d) Not more than five percent of the total amount of grant
 8-54 money awarded under this chapter in a state fiscal year may be used
 8-55 during that year for facility purchase, construction, remodel, or
 8-56 renovation purposes, and those expenditures must benefit research
 8-57 on dementia or related disorders.

8-58 (e) Not more than 10 percent of the total amount of grant
 8-59 money awarded under this chapter in a state fiscal year may be used
 8-60 during that year for prevention projects and strategies to mitigate
 8-61 the incidence of dementia or related disorders.

8-62 SUBCHAPTER F. CONFLICTS OF INTEREST; DISCLOSURE; RECUSAL

8-63 Sec. 101A.251. CONFLICT OF INTEREST. (a) The oversight

8-64 committee shall adopt conflict-of-interest rules, based on
 8-65 standards applicable to members of scientific review committees of
 8-66 the National Institutes of Health, to govern oversight committee
 8-67 members, program integration committee members, peer review
 8-68 committee members, and institute employees.

8-69 (b) An oversight committee member, program integration

9-1 committee member, peer review committee member, or institute
 9-2 employee shall recuse the member or employee, as provided by
 9-3 Section 101A.252(a), (b), or (c), as applicable, if the member or
 9-4 employee, or a person who is related to the member or employee
 9-5 within the second degree of affinity or consanguinity, has a
 9-6 professional or financial interest in an entity awarded a grant or
 9-7 applying for a grant from the institute.

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

9-11 (1) is a member of the board of directors, another
 9-12 governing board, or any committee of the entity, or of a foundation
 9-13 or similar organization affiliated with the entity, during the same
 9-14 grant cycle;

9-15 (2) serves as an elected or appointed officer of the
 9-16 entity;

9-17 (3) is an employee of or is negotiating future
 9-18 employment with the entity;

9-19 (4) represents the entity;

9-20 (5) is a professional associate of a primary member of
 9-21 the entity's project team;

9-22 (6) is, or within the preceding six years has been, a
 9-23 student, postdoctoral associate, or part of a laboratory research
 9-24 group for a primary member of the entity's project team;

9-25 (7) is engaged or is actively planning to be engaged in
 9-26 collaboration with a primary member of the entity's project team;
 9-27 or

9-28 (8) has long-standing scientific differences or
 9-29 disagreements with a primary member of the entity's project team,
 9-30 and those differences or disagreements:

9-31 (A) are known to the professional community; and

9-32 (B) could be perceived as affecting objectivity.

9-33 (d) For purposes of Subsection (b), a person has a financial
 9-34 interest in an entity awarded a grant or applying for a grant from
 9-35 the institute if the person:

9-36 (1) directly or indirectly owns or controls an
 9-37 ownership interest, including sharing in profits, proceeds, or
 9-38 capital gains, in an entity awarded a grant or applying for a grant
 9-39 from the institute; or

9-40 (2) could reasonably foresee that an action taken by
 9-41 the oversight committee, the program integration committee, a peer
 9-42 review committee, or the institute could result in a financial
 9-43 benefit to the person.

9-44 (e) Nothing in this chapter limits the oversight
 9-45 committee's authority to adopt additional conflict-of-interest
 9-46 standards.

9-47 Sec. 101A.252. DISCLOSURE OF CONFLICT OF INTEREST; RECUSAL.

9-48 (a) If an oversight committee member or program integration
 9-49 committee member has a conflict of interest described by Section
 9-50 101A.251 regarding an application before the member for review or
 9-51 other action, the member:

9-52 (1) shall provide written notice to the chief
 9-53 executive officer and the presiding officer of the oversight
 9-54 committee or the next ranking member of the committee if the
 9-55 presiding officer has the conflict of interest;

9-56 (2) shall disclose the conflict of interest in an open
 9-57 meeting of the oversight committee;

9-58 (3) shall recuse themselves from participating in the
 9-59 review, discussion, deliberation, and vote on the application; and

9-60 (4) may not access information regarding the matter to
 9-61 be decided.

9-62 (b) If a peer review committee member has a conflict of
 9-63 interest described by Section 101A.251 regarding an application
 9-64 before the member's committee for review or other action, the
 9-65 member:

9-66 (1) shall provide written notice to the chief
 9-67 executive officer of the conflict of interest;

9-68 (2) shall recuse themselves from participating in the
 9-69 review, discussion, deliberation, and vote on the application; and

10-1 (3) may not access information regarding the matter to
 10-2 be decided.

10-3 (c) If an institute employee has a conflict of interest
 10-4 described by Section 101A.251 regarding an application before the
 10-5 employee for review or other action, the employee:

10-6 (1) shall provide written notice to the chief
 10-7 executive officer of the conflict of interest;

10-8 (2) shall recuse themselves from participating in the
 10-9 review of the application; and

10-10 (3) may not access information regarding the matter to
 10-11 be decided.

10-12 (d) An oversight committee member, program integration
 10-13 committee member, peer review committee member, or institute
 10-14 employee with a conflict of interest may seek a waiver as provided
 10-15 by Section 101A.253.

10-16 (e) An oversight committee member, program integration
 10-17 committee member, peer review committee member, or institute
 10-18 employee who reports a potential conflict of interest or another
 10-19 impropriety or self-dealing of the member or employee and who fully
 10-20 complies with the recommendations of the institute's general
 10-21 counsel and recusal requirements is considered in compliance with
 10-22 the conflict-of-interest provisions of this chapter. The member or
 10-23 employee is subject to other applicable laws, rules, requirements,
 10-24 and prohibitions.

10-25 (f) An oversight committee member, program integration
 10-26 committee member, peer review committee member, or institute
 10-27 employee who intentionally violates this section is subject to
 10-28 removal from further participation in the institute's grant review
 10-29 process.

10-30 Sec. 101A.253. EXCEPTIONAL CIRCUMSTANCES REQUIRING
 10-31 PARTICIPATION. The oversight committee shall adopt rules governing
 10-32 the waiver of the conflict-of-interest requirements of this chapter
 10-33 under exceptional circumstances for an oversight committee member,
 10-34 program integration committee member, peer review committee
 10-35 member, or institute employee. The rules must:

10-36 (1) authorize the chief executive officer or an
 10-37 oversight committee member to propose granting a waiver by
 10-38 submitting to the oversight committee's presiding officer a written
 10-39 statement about the conflict of interest, the exceptional
 10-40 circumstance requiring the waiver, and any proposed limitations to
 10-41 the waiver;

10-42 (2) require a proposed waiver to be publicly reported
 10-43 at an oversight committee meeting;

10-44 (3) require a majority vote of the oversight committee
 10-45 members present and voting to grant a waiver;

10-46 (4) require any waiver granted to be included in the
 10-47 annual report required by Section 101A.053; and

10-48 (5) require the institute to retain documentation of
 10-49 each waiver granted.

10-50 Sec. 101A.254. INVESTIGATION OF UNREPORTED CONFLICTS OF
 10-51 INTEREST. (a) An oversight committee member, program integration
 10-52 committee member, peer review committee member, or institute
 10-53 employee who becomes aware of an unreported potential conflict of
 10-54 interest described by Section 101A.251 shall immediately notify the
 10-55 chief executive officer of the potential conflict of interest. On
 10-56 receipt of the notification, the chief executive officer shall
 10-57 notify the institute's general counsel and the oversight
 10-58 committee's presiding officer, who shall determine the nature and
 10-59 extent of any unreported conflict.

10-60 (b) A grant applicant seeking an investigation regarding
 10-61 whether a prohibited conflict of interest was not reported shall
 10-62 file a written request with the chief executive officer. The
 10-63 applicant must:

10-64 (1) include in the request all facts regarding the
 10-65 alleged conflict of interest; and

10-66 (2) submit the request not later than the 30th day
 10-67 after the date the chief executive officer presents to the
 10-68 oversight committee final funding recommendations for the affected
 10-69 grant cycle.

11-1 (c) On receipt of notification of an alleged conflict of
 11-2 interest under Subsection (a) or (b), the institute's general
 11-3 counsel shall:

11-4 (1) investigate the matter; and
 11-5 (2) provide to the chief executive officer and the
 11-6 oversight committee's presiding officer an opinion that includes:

11-7 (A) a statement of facts;
 11-8 (B) a determination of whether a conflict of
 11-9 interest or another impropriety or self-dealing exists; and

11-10 (C) if the opinion provides that a conflict of
 11-11 interest or another impropriety or self-dealing exists,
 11-12 recommendations for an appropriate course of action.

11-13 (d) If the conflict of interest, impropriety, or
 11-14 self-dealing involves the oversight committee's presiding officer,
 11-15 the institute's general counsel shall provide the opinion to the
 11-16 next ranking oversight committee member who is not involved with
 11-17 the conflict of interest, impropriety, or self-dealing.

11-18 (e) After receiving the opinion and consulting with the
 11-19 oversight committee's presiding officer, the chief executive
 11-20 officer shall take action regarding the recusal of the individual
 11-21 from any discussion of or access to information related to the
 11-22 conflict of interest or other recommended action related to the
 11-23 impropriety or self-dealing. If the alleged conflict of interest,
 11-24 impropriety, or self-dealing is held by, or is an act of, the chief
 11-25 executive officer, the presiding officer of the oversight committee
 11-26 shall take actions regarding the recusal or other action.

11-27 Sec. 101A.255. FINAL DETERMINATION OF UNREPORTED CONFLICT
 11-28 OF INTEREST. (a) The chief executive officer or, if applicable,
 11-29 the oversight committee's presiding officer shall make a
 11-30 determination regarding the existence of an unreported conflict of
 11-31 interest described by Section 101A.251 or other impropriety or
 11-32 self-dealing. The determination must specify any actions to be
 11-33 taken to address the conflict of interest, impropriety, or
 11-34 self-dealing, including:

11-35 (1) reconsideration of the application; or
 11-36 (2) referral of the application to another peer review
 11-37 committee for review.

11-38 (b) The determination made under Subsection (a) is
 11-39 considered final unless three or more oversight committee members
 11-40 request that the issue be added to the agenda of the oversight
 11-41 committee.

11-42 (c) The chief executive officer or, if applicable, the
 11-43 oversight committee's presiding officer, shall provide to the grant
 11-44 applicant requesting the investigation written notice of the final
 11-45 determination, including any further actions to be taken.

11-46 (d) Unless specifically determined by the chief executive
 11-47 officer or, if applicable, the presiding officer of the oversight
 11-48 committee, or the oversight committee, the validity of an action
 11-49 taken on a grant application is not affected by the fact that an
 11-50 individual who failed to report a conflict of interest participated
 11-51 in the action.

11-52 SUBCHAPTER G. PROCEDURE FOR AWARDING GRANTS

11-53 Sec. 101A.301. PEER REVIEW PROCESS FOR GRANT AWARD. The
 11-54 institute shall establish a peer review process to evaluate and
 11-55 recommend all grants the oversight committee awards under this
 11-56 chapter.

11-57 Sec. 101A.302. GRANT AWARD RULES AND PROCEDURES. (a) The
 11-58 oversight committee shall adopt rules regarding the procedure for
 11-59 awarding grants to an applicant under this chapter. The rules must
 11-60 require:

11-61 (1) the peer review committee to score grant
 11-62 applications and make recommendations to the program integration
 11-63 committee and the oversight committee regarding the award of
 11-64 grants, including providing a prioritized list that:

11-65 (A) ranks the grant applications in the order the
 11-66 peer review committee determines applications should be funded; and

11-67 (B) includes information explaining each grant
 11-68 applicant's qualification under the peer review committee's
 11-69 standards for recommendation; and

12-1 (2) the program integration committee to submit to the
 12-2 oversight committee a list of grant applications the program
 12-3 integration committee by majority vote approved for recommendation
 12-4 that:

12-5 (A) includes documentation on the factors the
 12-6 program integration committee considered in making the
 12-7 recommendations;

12-8 (B) is substantially based on the list submitted
 12-9 by the peer review committee under Subdivision (1); and

12-10 (C) to the extent possible, gives priority to
 12-11 applications with proposals that:

12-12 (i) may lead to immediate or long-term
 12-13 medical and scientific breakthroughs in the areas of prevention or
 12-14 treatment for dementia and related disorders;

12-15 (ii) strengthen and enhance fundamental
 12-16 scientific research on dementia and related disorders;

12-17 (iii) ensure a comprehensive coordinated
 12-18 approach to research on dementia and related disorders;

12-19 (iv) are interdisciplinary or
 12-20 interinstitutional;

12-21 (v) align with state priorities and needs,
 12-22 including priorities and needs outlined in other state agency
 12-23 strategic plans, or that address federal or other major research
 12-24 sponsors' priorities in scientific or technological research in the
 12-25 fields of dementia and related disorders;

12-26 (vi) are matched with money provided by a
 12-27 private or nonprofit entity or institution of higher education;

12-28 (vii) are collaborative between any
 12-29 combination of private and nonprofit entities, public or private
 12-30 agencies or institutions in this state, and public or private
 12-31 institutions outside this state;

12-32 (viii) benefit the residents of this state,
 12-33 including a demonstrable economic development benefit to this
 12-34 state;

12-35 (ix) enhance research superiority at
 12-36 institutions of higher education in this state by creating new
 12-37 research superiority, attracting existing research superiority
 12-38 from institutions outside this state and other research entities,
 12-39 or attracting from outside this state additional researchers and
 12-40 resources; and

12-41 (x) expedite innovation and product
 12-42 development, attract private sector entities to stimulate a
 12-43 substantial increase in high-quality jobs, and increase higher
 12-44 education applied science or technology research capabilities.

12-45 (b) A peer review committee member may not attempt to use
 12-46 the committee member's official position to influence a decision to
 12-47 approve or award a grant or contract to the committee member's
 12-48 employer.

12-49 (c) A program integration committee member may not discuss a
 12-50 grant applicant recommendation with an oversight committee member
 12-51 unless the program integration committee has submitted the list
 12-52 required under Subsection (a)(2).

12-53 (d) Two-thirds of the oversight committee members present
 12-54 and voting must vote to approve each grant award recommendation of
 12-55 the program integration committee. If the oversight committee does
 12-56 not approve a grant award recommendation of the program integration
 12-57 committee, a statement explaining the reasons the recommendation
 12-58 was not followed must be included in the minutes of the meeting.

12-59 (e) The oversight committee may not award more than \$300
 12-60 million in grants under this chapter in a state fiscal year.

12-61 (f) The oversight committee may not award a grant to an
 12-62 applicant who has made a gift or grant to the institute, an
 12-63 oversight committee member, or an institute employee on or after
 12-64 January 1, 2026. This section does not apply to gifts, fees,
 12-65 honoraria, or other items also excepted under Section 36.10, Penal
 12-66 Code.

12-67 Sec. 101A.303. MULTIYEAR PROJECTS. (a) The oversight
 12-68 committee may approve the award of grant money for a multiyear
 12-69 project.

13-1 (b) The oversight committee shall specify the total amount
 13-2 of money approved to fund the multiyear project. For purposes of
 13-3 this chapter, the total amount is considered to have been awarded in
 13-4 the state fiscal year the peer review committee approved the
 13-5 project. The institute shall disburse only the money to be spent
 13-6 during that fiscal year. The institute shall disburse the
 13-7 remaining grant money as the money is needed in each subsequent
 13-8 state fiscal year.

13-9 Sec. 101A.304. CONTRACT TERMS. (a) Before disbursing
 13-10 grant money awarded under this chapter, the institute shall execute
 13-11 a written contract with the grant recipient. The contract shall:

13-12 (1) specify that except for awards to state agencies
 13-13 or public institutions of higher education, if all or any part of
 13-14 the grant amount is used to build a capital improvement:

13-15 (A) the state retains a lien or other interest in
 13-16 the capital improvement in proportion to the percentage of the
 13-17 grant amount used to pay for the capital improvement; and

13-18 (B) the grant recipient shall, if the capital
 13-19 improvement is sold:

13-20 (i) repay to this state the grant money used
 13-21 to pay for the capital improvement, with interest at the rate and
 13-22 according to the other terms provided by the contract; and

13-23 (ii) share with this state a proportionate
 13-24 amount of any profit realized from the sale;

13-25 (2) specify that if the grant recipient has not used
 13-26 awarded grant money for the purposes for which the grant was
 13-27 intended, the recipient shall repay that grant amount and any
 13-28 related interest applicable under the contract to this state at the
 13-29 agreed rate and on the agreed terms;

13-30 (3) specify that if the grant recipient fails to meet
 13-31 the terms and conditions of the contract, the institute may
 13-32 terminate the contract using the written process prescribed in the
 13-33 contract and require the recipient to repay the awarded grant money
 13-34 and any related interest applicable under the contract to this
 13-35 state at the agreed rate and on the agreed terms;

13-36 (4) include terms relating to intellectual property
 13-37 rights consistent with the standards developed by the oversight
 13-38 committee under Section 101A.305;

13-39 (5) require, in accordance with Subsection (b), the
 13-40 grant recipient to dedicate an amount of matching money equal to
 13-41 one-half of the amount of the grant awarded and specify the amount
 13-42 of matching money to be dedicated;

13-43 (6) specify the period in which the grant award must be
 13-44 spent; and

13-45 (7) include the specific deliverables of the project
 13-46 that is the subject of the grant proposal.

13-47 (b) Before the institute may disburse grant money, the grant
 13-48 recipient must certify the recipient has available an unexpended
 13-49 amount of money equal to one-half of the grant amount dedicated to
 13-50 the research specified in the grant proposal. The institute shall
 13-51 adopt rules specifying a grant recipient's obligations under this
 13-52 chapter. At a minimum, the rules must:

13-53 (1) allow an institution of higher education or a
 13-54 private or independent institution of higher education, as those
 13-55 terms are defined by Section 61.003, Education Code, a research
 13-56 institute or center affiliated with the institution, or a
 13-57 not-for-profit hospital system, to credit toward the recipient's
 13-58 matching money the dollar amount equivalent to the difference
 13-59 between the indirect cost rate negotiated by the federal government
 13-60 for research grants awarded to the recipient and the indirect cost
 13-61 rate authorized by Section 101A.202(c);

13-62 (2) specify that:
 13-63 (A) the recipient of more than one grant award
 13-64 under this chapter may provide matching money certification at an
 13-65 institutional level;

13-66 (B) the recipient of a multiyear grant award may
 13-67 yearly certify matching money; and

13-68 (C) grant money may not be disbursed to the
 13-69 recipient until the annual certification of the matching money has

14-1 been approved;
14-2 (3) specify that money for certification purposes may
14-3 include:
14-4 (A) federal money;
14-5 (B) the fair market value of drug development
14-6 support provided to the recipient by the National Institutes of
14-7 Health or other similar programs;
14-8 (C) this state's money;
14-9 (D) other states' money; and
14-10 (E) nongovernmental money, including money from
14-11 private sources, foundation grants, gifts, and donations;
14-12 (4) specify that the following items may not be used
14-13 for certification purposes:
14-14 (A) in-kind costs;
14-15 (B) volunteer services provided to the
14-16 recipient;
14-17 (C) noncash contributions;
14-18 (D) the recipient's preexisting real estate,
14-19 including buildings, facilities, and land;
14-20 (E) deferred giving, including a charitable
14-21 remainder annuity trust, charitable remainder unitrust, or pooled
14-22 income fund; or
14-23 (F) any other items the institute determines;
14-24 (5) require the recipient's certification to be
14-25 included in the grant award contract;
14-26 (6) specify that the recipient's failure to provide
14-27 certification serves as grounds for terminating the grant award
14-28 contract;
14-29 (7) require the recipient to maintain adequate
14-30 documentation supporting the source and use of the money required
14-31 by this subsection and to provide documentation to the institute on
14-32 request; and
14-33 (8) require the institute to establish a procedure to
14-34 annually review the documentation supporting the source and use of
14-35 money reported in the required certification.
14-36 (c) The institute shall establish a policy on advance
14-37 payments to grant recipients.
14-38 (d) The oversight committee shall adopt rules to administer
14-39 this section.
14-40 Sec. 101A.305. PATENT ROYALTIES AND LICENSE REVENUES PAID
14-41 TO STATE. (a) The oversight committee shall establish standards
14-42 requiring all grant awards to be subject to an intellectual
14-43 property agreement that allows this state to collect royalties,
14-44 income, and other benefits, including interest or proceeds
14-45 resulting from securities and equity ownership, realized as a
14-46 result of projects undertaken with grant money awarded under this
14-47 chapter.
14-48 (b) In determining this state's interest in any
14-49 intellectual property rights, the oversight committee shall
14-50 balance the opportunity of this state to benefit from the patents,
14-51 royalties, licenses, and other benefits that result from basic
14-52 research, therapy development, and clinical trials with the need to
14-53 ensure that essential medical research is not unreasonably hindered
14-54 by the intellectual property agreement and that the agreement does
14-55 not unreasonably remove the incentive of the individual researcher,
14-56 research team, or institution.
14-57 (c) The oversight committee may authorize the institute to
14-58 execute a contract with one or more qualified third parties for
14-59 assistance with the management, accounting, and disposition of this
14-60 state's interest in securities, equities, royalties, income, and
14-61 other benefits realized from grant money awarded under this
14-62 chapter. The institute shall implement practices and procedures
14-63 for the management, accounting, and disposition of securities,
14-64 equities, royalties, income, and other benefits the institute
14-65 determines are in this state's best interest.
14-66 Sec. 101A.306. PREFERENCE FOR TEXAS SUPPLIERS. In a good
14-67 faith effort to achieve a goal of more than 50 percent of purchases
14-68 from suppliers in this state, the oversight committee shall
14-69 establish standards to ensure grant recipients purchase goods and

15-1 services from suppliers in this state to the extent reasonably
 15-2 possible.

15-3 Sec. 101A.307. HISTORICALLY UNDERUTILIZED BUSINESSES. The
 15-4 oversight committee shall establish standards to ensure grant
 15-5 recipients purchase goods and services from historically
 15-6 underutilized businesses as defined by Section 2161.001,
 15-7 Government Code, and any other applicable state law.

15-8 Sec. 101A.308. GRANT COMPLIANCE AND PROGRESS EVALUATION.

15-9 (a) The institute shall require as a condition of a grant awarded
 15-10 under this chapter that the grant recipient submit to regular
 15-11 inspection reviews of the grant project by institute employees to
 15-12 ensure compliance with the terms of the grant contract and ongoing
 15-13 progress, including the scientific merit of the research.

15-14 (b) The chief executive officer shall report at least
 15-15 annually to the oversight committee on the progress and continued
 15-16 merit of the projects awarded grants by the institute.

15-17 Sec. 101A.309. MEDICAL AND RESEARCH ETHICS. A project
 15-18 awarded a grant under this chapter must comply with all applicable
 15-19 federal and state laws regarding the conduct of the research or a
 15-20 prevention project.

15-21 Sec. 101A.310. PUBLIC INFORMATION; CONFIDENTIAL
 15-22 INFORMATION. (a) The following information is public information
 15-23 and may be disclosed under Chapter 552, Government Code:

15-24 (1) a grant applicant's name and address;

15-25 (2) the amount of money requested in an applicant's
 15-26 grant proposal;

15-27 (3) the type of research on dementia or related
 15-28 disorders to be addressed under a grant proposal; and

15-29 (4) any other information the institute designates
 15-30 with the consent of a grant applicant.

15-31 (b) To protect the actual or potential value of information
 15-32 submitted to the institute by an applicant for or recipient of a
 15-33 grant under this chapter, the following information submitted by
 15-34 the applicant or recipient is confidential and is not subject to
 15-35 disclosure under Chapter 552, Government Code, or any other law:

15-36 (1) all information, other than the information
 15-37 described under Subsection (a), contained in a grant application,
 15-38 peer review evaluation, award contract, or progress report relating
 15-39 to a product, device, or process, the application or use of the
 15-40 product, device, or process, and all technological and scientific
 15-41 information, including computer programs, developed wholly or
 15-42 partly by the applicant or recipient, regardless of whether
 15-43 patentable or capable of being registered under copyright or
 15-44 trademark laws, that has a potential for being sold, traded, or
 15-45 licensed for a fee; and

15-46 (2) the plans, specifications, blueprints, and
 15-47 designs, including related proprietary information, of a
 15-48 scientific research and development facility.

15-49 (c) The following information is confidential and not
 15-50 subject to disclosure under Chapter 552, Government Code:

15-51 (1) information that directly or indirectly reveals
 15-52 the identity of an individual who reports fraud, waste, or abuse of
 15-53 state resources to the institute's compliance program office, seeks
 15-54 guidance from the office, or participates in an investigation
 15-55 conducted under the compliance program;

15-56 (2) information that directly or indirectly reveals
 15-57 the identity of an individual who is alleged to have or may have
 15-58 planned, initiated, or participated in activities specified in a
 15-59 report submitted to the office if, after completing an
 15-60 investigation, the office determines the report to be
 15-61 unsubstantiated or without merit; and

15-62 (3) other information collected or produced in a
 15-63 compliance program investigation if releasing the information
 15-64 would interfere with an ongoing compliance investigation.

15-65 (d) Subsection (c) does not apply to information related to
 15-66 an individual who consents to the information's disclosure.

15-67 (e) Information made confidential or excepted from public
 15-68 disclosure by this section may be made available, on request and in
 15-69 compliance with applicable laws and procedures, to the following:

16-1 (1) a law enforcement agency or prosecutor;
 16-2 (2) a governmental agency responsible for
 16-3 investigating the matter specified in a compliance report,
 16-4 including the Texas Workforce Commission civil rights division or
 16-5 the Equal Employment Opportunity Commission; or

16-6 (3) a committee member or institute employee who is
 16-7 responsible under institutional policy for a compliance program
 16-8 investigation or for a review of a compliance program
 16-9 investigation.

16-10 (f) A disclosure under Subsection (e) is not a voluntary
 16-11 disclosure for purposes of Section 552.007, Government Code.

16-12 (g) The institute shall post on the institute's Internet
 16-13 website records that pertain specifically to any gift, grant, or
 16-14 other consideration provided to the institute, an institute
 16-15 employee, or an oversight committee member, in the employee's or
 16-16 member's official capacity. The posted information must include
 16-17 each donor's name and the amount and date of the donor's donation.

16-18 SECTION 2. Section 51.955(c), Education Code, is amended to
 16-19 read as follows:

16-20 (c) Subsection (b)(1) does not apply to a research contract
 16-21 between an institution of higher education and the Cancer
 16-22 Prevention and Research Institute of Texas or Dementia Prevention
 16-23 and Research Institute of Texas.

16-24 SECTION 3. Section 572.003(c), Government Code, is amended
 16-25 to read as follows:

16-26 (c) The term means a member of:
 16-27 (1) the Public Utility Commission of Texas;
 16-28 (2) the Texas Commission on Environmental Quality;
 16-29 (3) the Texas Alcoholic Beverage Commission;
 16-30 (4) the Finance Commission of Texas;
 16-31 (5) the Texas Facilities Commission;
 16-32 (6) the Texas Board of Criminal Justice;
 16-33 (7) the board of trustees of the Employees Retirement
 16-34 System of Texas;

16-35 (8) the Texas Transportation Commission;
 16-36 (9) the Texas Department of Insurance;
 16-37 (10) the Parks and Wildlife Commission;
 16-38 (11) the Public Safety Commission;
 16-39 (12) the Texas Ethics Commission;
 16-40 (13) the State Securities Board;
 16-41 (14) the Texas Water Development Board;
 16-42 (15) the governing board of a public senior college or
 16-43 university as defined by Section 61.003, Education Code, or of The
 16-44 University of Texas Southwestern Medical Center, The University of
 16-45 Texas Medical Branch at Galveston, The University of Texas Health
 16-46 Science Center at Houston, The University of Texas Health Science
 16-47 Center at San Antonio, The University of Texas M. D. Anderson Cancer
 16-48 Center, The University of Texas Health Science Center at Tyler,
 16-49 University of North Texas Health Science Center at Fort Worth,
 16-50 Texas Tech University Health Sciences Center, Texas State Technical
 16-51 College--Harlingen, Texas State Technical College--Marshall, Texas
 16-52 State Technical College--Sweetwater, or Texas State Technical
 16-53 College--Waco;

16-54 (16) the Texas Higher Education Coordinating Board;
 16-55 (17) the Texas Workforce Commission;
 16-56 (18) the board of trustees of the Teacher Retirement
 16-57 System of Texas;

16-58 (19) the Credit Union Commission;
 16-59 (20) the School Land Board;
 16-60 (21) the board of the Texas Department of Housing and
 16-61 Community Affairs;

16-62 (22) the Texas Racing Commission;
 16-63 (23) the State Board of Dental Examiners;
 16-64 (24) the Texas Medical Board;
 16-65 (25) the Board of Pardons and Paroles;
 16-66 (26) the Texas State Board of Pharmacy;
 16-67 (27) the Department of Information Resources
 16-68 governing board;

16-69 (28) the board of the Texas Department of Motor

- 17-1 Vehicles;
- 17-2 (29) the Texas Real Estate Commission;
- 17-3 (30) the board of directors of the State Bar of Texas;
- 17-4 (31) the Bond Review Board;
- 17-5 (32) the Health and Human Services Commission;
- 17-6 (33) the Texas Funeral Service Commission;
- 17-7 (34) the board of directors of a river authority
- 17-8 created under the Texas Constitution or a statute of this state;
- 17-9 (35) the Texas Lottery Commission; ~~[or]~~
- 17-10 (36) the Cancer Prevention and Research Institute of
- 17-11 Texas; or
- 17-12 (37) the Dementia Prevention and Research Institute of
- 17-13 Texas.

17-14 SECTION 4. (a) Not later than December 31, 2025, the
 17-15 appropriate appointing authority shall appoint the members to the
 17-16 Dementia Prevention and Research Institute of Texas Oversight
 17-17 Committee as required by Section 101A.101, Health and Safety Code,
 17-18 as added by this Act. The oversight committee may not act until a
 17-19 majority of the appointed members have taken office.

17-20 (b) Notwithstanding Section 101A.101, Health and Safety
 17-21 Code, as added by this Act, in making the initial appointments under
 17-22 that section, the governor, lieutenant governor, and speaker of the
 17-23 house of representatives shall, as applicable, designate one member
 17-24 of the Dementia Prevention and Research Institute of Texas
 17-25 Oversight Committee appointed by that person to serve a term
 17-26 expiring January 31, 2027, one member appointed by that person to
 17-27 serve a term expiring January 31, 2029, and one member appointed by
 17-28 that person to serve a term expiring January 31, 2031.

17-29 (c) Notwithstanding Section 101A.104, Health and Safety
 17-30 Code, as added by this Act, the governor shall designate a member
 17-31 the governor appoints under Subsection (b) of this section to serve
 17-32 as the initial presiding officer of the Dementia Prevention and
 17-33 Research Institute of Texas Oversight Committee.

17-34 (d) Not later than January 31, 2026, the Dementia Prevention
 17-35 and Research Institute of Texas Oversight Committee established
 17-36 under Section 101A.101, Health and Safety Code, as added by this
 17-37 Act, shall hold its first meeting at a location determined by the
 17-38 presiding officer of the Dementia Prevention and Research Institute
 17-39 of Texas Oversight Committee designated under Subsection (c) of
 17-40 this section.

17-41 SECTION 5. If the voters approve the constitutional
 17-42 amendment proposed by the 89th Legislature, Regular Session, 2025,
 17-43 providing for the establishment of the Dementia Prevention and
 17-44 Research Institute of Texas, establishing the Dementia Prevention
 17-45 and Research Fund to provide money for research on and prevention
 17-46 and treatment of dementia and related disorders in this state, and
 17-47 transferring to that fund \$3 billion from state general revenue,
 17-48 the Dementia Prevention and Research Institute of Texas established
 17-49 by Chapter 101A, Health and Safety Code, as added by this Act, is
 17-50 eligible for funding to be deposited under the authority of Section
 17-51 68, Article III, Texas Constitution, for the institute to engage in
 17-52 any activities serving the purposes of that constitutional
 17-53 provision.

17-54 SECTION 6. This Act takes effect December 1, 2025, but only
 17-55 if the constitutional amendment proposed by the 89th Legislature,
 17-56 Regular Session, 2025, providing for the establishment of the
 17-57 Dementia Prevention and Research Institute of Texas, establishing
 17-58 the Dementia Prevention and Research Fund to provide money for
 17-59 research on and prevention and treatment of dementia and related
 17-60 disorders in this state, and transferring to that fund \$3 billion
 17-61 from state general revenue is approved by the voters. If that
 17-62 amendment is not approved by the voters, this Act has no effect.

17-63 * * * * *