

By: Keffer

H.B. No. 14

A BILL TO BE ENTITLED

1 AN ACT

2 relating to creating the Cancer Research Institute of Texas and  
3 abolishing the Texas Cancer Council; granting authority to issue  
4 bonds.

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

6 SECTION 1. Section 86.003(b), Health and Safety Code, is  
7 amended to read as follows:

8 (b) The advisory council shall include at least one of each  
9 of the following:

10 (1) a representative of a statewide nonprofit  
11 organization that is an advocate for breast cancer patients;

12 (2) a representative of a statewide professional  
13 organization representing the full spectrum of physicians;

14 (3) a physician associated with an institution of  
15 higher education who specializes in the treatment of breast cancer;  
16 and

17 (4) a representative of the Cancer Research Institute  
18 of Texas [~~Cancer Council~~].

19 SECTION 2. Chapter 102, Health and Safety Code, is amended  
20 to read as follows:

21 CHAPTER 102. [~~TEXAS~~] CANCER RESEARCH INSTITUTE OF TEXAS [~~COUNCIL~~]

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 102.001. DEFINITIONS [~~DEFINITION~~]. In this chapter:

24 (1) "Institute" means the Cancer Research Institute of

1 Texas.

2 (2) "Oversight committee" means the Cancer Research  
3 Institute of Texas Oversight Committee.

4 (3) "Research committee" means the Cancer Research  
5 Institute of Texas Scientific Research Committee~~[, "council" means~~  
6 ~~the Texas Cancer Council]~~.

7 Sec. 102.002. PURPOSES ~~[TEXAS CANCER COUNCIL]~~. The ~~[Texas]~~  
8 Cancer Research Institute of Texas is established to:

9 (1) create and expedite innovation in the area of  
10 cancer research and in enhancing the potential for a medical or  
11 scientific breakthrough in the prevention of cancer and cures for  
12 cancer;

13 (2) attract, create, or expand research capabilities  
14 of public or private institutions of higher education and other  
15 public or private entities that will promote a substantial increase  
16 in cancer research and in the creation of high-quality new jobs in  
17 this state; and

18 (3) develop ~~[Council shall develop]~~ and ~~[work to]~~  
19 implement the Texas Cancer Plan.

20 Sec. 102.003. SUNSET PROVISION. The Cancer Research  
21 Institute of Texas ~~[Cancer Council]~~ is subject to Chapter 325,  
22 Government Code (Texas Sunset Act). Unless continued in existence  
23 as provided by that chapter, the institute ~~[council]~~ is abolished  
24 and this chapter expires September 1, 2021 ~~[2009]~~.

25 SUBCHAPTER B. POWERS AND DUTIES OF INSTITUTE

26 Sec. 102.051. POWERS AND DUTIES. (a) The institute may:

27 (1) make grants and loans to institutions of learning

1 and to advanced medical research facilities and collaborations in  
2 this state for:

3 (A) research into the causes of and cures for all  
4 forms of cancer in humans;

5 (B) facilities for use in research into the  
6 causes of and cures for cancer; and

7 (C) research to develop therapies, protocols,  
8 medical pharmaceuticals, or procedures that will result in, as  
9 speedily as possible, the cure for, or substantial mitigation of,  
10 all types of cancer in humans;

11 (2) support institutions of learning and advanced  
12 medical research facilities and collaborations in this state in all  
13 stages in the process of finding the causes of all types of cancer  
14 in humans and developing cures, from laboratory research to  
15 clinical trials and including programs to address the problem of  
16 access to advanced cancer treatment;

17 (3) establish the appropriate standards and oversight  
18 bodies to ensure the proper use of funds authorized under this  
19 chapter for cancer research and facilities development;

20 (4) employ an executive director;

21 (5) appoint advisory committees necessary to  
22 implement the Texas Cancer Plan and employ necessary staff to  
23 provide administrative support; and

24 (6) monitor contracts and agreements authorized by  
25 this chapter.

26 (b) The institute shall work to implement the Texas Cancer  
27 Plan and continually monitor and revise the Texas Cancer Plan as

1 necessary.

2 Sec. 102.052. ANNUAL PUBLIC REPORT. (a) The institute  
3 shall issue an annual public report outlining the institute's  
4 activities, grants awarded, grants in progress, research  
5 accomplishments, and future program directions. The report must  
6 include:

7 (1) the number and dollar amounts of research and  
8 facilities grants;

9 (2) identification of the grant recipients for the  
10 reported year;

11 (3) the institute's administrative expenses;

12 (4) an assessment of the availability of funding for  
13 cancer research from sources other than the institute;

14 (5) a summary of findings of research funded by the  
15 institute, including promising new research areas;

16 (6) an assessment of the relationship between the  
17 institute's grants and the overall strategy of its research  
18 program;

19 (7) a statement of the institute's strategic research  
20 and financial plans;

21 (8) an estimate of how much cancer has cost the state  
22 during the year, including the amounts spent by the state relating  
23 to cancer by the child health program, the Medicaid program, the  
24 Teacher Retirement System of Texas, and the Employees Retirement  
25 System of Texas; and

26 (9) a summary of any public comments provided at the  
27 oversight committee's annual meeting.

1       (b) The institute shall submit the annual public report to  
2 the governor and the legislature.

3       Sec. 102.053. INDEPENDENT FINANCIAL AUDIT FOR REVIEW BY  
4 COMPTROLLER. (a) The institute shall annually commission an  
5 independent financial audit of its activities from a certified  
6 public accounting firm. The institute shall provide the audit to  
7 the comptroller. The comptroller shall review and evaluate the  
8 audit and annually issue a public report of that review. The  
9 comptroller shall make recommendations concerning the institute's  
10 financial practices and performance.

11       (b) The oversight committee shall review the annual  
12 financial audit, the comptroller's report and evaluation of that  
13 audit, and the financial practices of the institute.

14       Sec. 102.054. GIFTS AND GRANTS. The institute may solicit  
15 and accept gifts and grants from any source for the purposes of this  
16 chapter.

17       Sec. 102.055. QUARTERLY MEETINGS. The oversight committee  
18 shall hold a public meeting at least once in each quarter of the  
19 calendar year, with appropriate notice and with a formal public  
20 comment period.

21                   SUBCHAPTER C. OVERSIGHT COMMITTEE

22       Sec. 102.101 [~~102.004~~]. COMPOSITION OF OVERSIGHT COMMITTEE  
23 [~~COUNCIL~~]. (a) The Cancer Research Institute of Texas Oversight  
24 Committee is the governing body of the institute.

25       (b) The oversight committee [~~council~~] is composed of the  
26 following 11 members:

- 27           (1) three members appointed by the governor [~~the~~

1 ~~chairman of the Texas Board of Health, or a representative~~  
2 ~~appointed by the chairman, who serves as an ex officio nonvoting~~  
3 ~~member];~~

4 (2) three members appointed by the governor from a  
5 list submitted by the lieutenant [~~one physician active in the~~  
6 ~~treatment of cancer, appointed by the]~~ governor;

7 (3) three members appointed by the governor from a  
8 list submitted by the speaker of the house of representatives [~~one~~  
9 ~~physician active in the treatment of cancer, appointed by the~~  
10 ~~lieutenant governor];~~

11 (4) the comptroller or the comptroller's designee [~~one~~  
12 ~~physician active in the treatment of cancer, appointed by the~~  
13 ~~speaker of the house of representatives]; and~~

14 (5) the state auditor or the state auditor's designee  
15 [~~one representative of a voluntary health organization interested~~  
16 ~~in cancer, appointed by the governor;~~

17 [~~(6) one representative of a voluntary health~~  
18 ~~organization interested in cancer, appointed by the lieutenant~~  
19 ~~governor;~~

20 [~~(7) one representative of a voluntary health~~  
21 ~~organization interested in cancer, appointed by the speaker of the~~  
22 ~~house of representatives;~~

23 [~~(8) one representative of a licensed health care~~  
24 ~~facility that treats a significant number of cancer patients,~~  
25 ~~appointed by the governor;~~

26 [~~(9) one representative of a licensed health care~~  
27 ~~facility that treats a significant number of cancer patients,~~

1 ~~appointed by the lieutenant governor;~~

2 ~~[(10) one representative of a licensed health care~~  
3 ~~facility that treats a significant number of cancer patients,~~  
4 ~~appointed by the speaker of the house of representatives;~~

5 ~~[(11) one member of the public, appointed by the~~  
6 ~~governor;~~

7 ~~[(12) one member of the public, appointed by the~~  
8 ~~lieutenant governor;~~

9 ~~[(13) one member of the public, appointed by the~~  
10 ~~speaker of the house of representatives;~~

11 ~~[(14) one licensed health care professional active in~~  
12 ~~the treatment or control of cancer, other than a physician,~~  
13 ~~appointed by the governor;~~

14 ~~[(15) one licensed health care professional active in~~  
15 ~~the treatment or control of cancer, other than a physician,~~  
16 ~~appointed by the lieutenant governor; and~~

17 ~~[(16) one licensed health care professional active in~~  
18 ~~the treatment or control of cancer, other than a physician,~~  
19 ~~appointed by the speaker of the house of representatives].~~

20 (c) The members of the oversight committee must represent  
21 the geographic and cultural diversity of the state.

22 (d) ~~[(b) In making appointments to the council, the~~  
23 ~~governor, lieutenant governor, and speaker of the house of~~  
24 ~~representatives should attempt to include cancer survivors and~~  
25 ~~family members of cancer patients if possible.~~

26 ~~[Sec. 102.0041. QUALIFICATIONS OF COUNCIL MEMBERS AND~~  
27 ~~EMPLOYEES. (a) In this section, "Texas trade association" means a~~

1 ~~cooperative and voluntarily joined association of business or~~  
2 ~~professional competitors in this state designed to assist its~~  
3 ~~members and its industry or profession in dealing with mutual~~  
4 ~~business or professional problems and in promoting their common~~  
5 ~~interest. The term does not include a voluntary health~~  
6 ~~organization.~~

7 ~~[(b)]~~ A person may not be a ~~[public]~~ member of the oversight  
8 committee ~~[council]~~ if the person or the person's spouse:

9 (1) is employed by or participates in the management  
10 of a business entity or other organization receiving money from the  
11 institute ~~[council]~~;

12 (2) owns or controls, directly or indirectly, more  
13 than a five ~~[10]~~ percent interest in a business entity or other  
14 organization receiving money from the institute ~~[council]~~; or

15 (3) uses or receives a substantial amount of tangible  
16 goods, services, or money from the institute ~~[council]~~, other than  
17 ~~[compensation or]~~ reimbursement authorized by this chapter ~~[law]~~  
18 for oversight committee ~~[council]~~ membership, attendance, or  
19 expenses.

20 ~~[(c)]~~ ~~A person may not be a member of the council and may not~~  
21 ~~be a council employee employed in a "bona fide executive,~~  
22 ~~administrative, or professional capacity," as that phrase is used~~  
23 ~~for purposes of establishing an exemption to the overtime~~  
24 ~~provisions of the federal Fair Labor Standards Act of 1938 (29~~  
25 ~~U.S.C. Section 201 et seq.) and its subsequent amendments if:~~

26 ~~[(1)]~~ ~~the person is an officer, employee, or paid~~  
27 ~~consultant of a Texas trade association in the field of cancer~~



1 control, or

2           ~~[(2) the person's spouse is an officer, manager, or~~  
3 ~~paid consultant of a Texas trade association in the field of cancer~~  
4 ~~control.~~

5           ~~[(d) A person may not be a member of the council or act as~~  
6 ~~the general counsel to the council or the council's staff if the~~  
7 ~~person is required to register as a lobbyist under Chapter 305,~~  
8 ~~Government Code, because of the person's activities for~~  
9 ~~compensation on behalf of a profession related to the operation of~~  
10 ~~the council.~~

11           ~~[(e) Appointments to the council shall be made without~~  
12 ~~regard to the race, color, disability, sex, religion, age, or~~  
13 ~~national origin of the appointees.]~~

14           Sec. 102.102. REMOVAL. (a) ~~[(f)]~~ It is a ground for  
15 removal from the oversight committee ~~[council]~~ that a member:

16           (1) ~~[does not have at the time of taking office the~~  
17 ~~qualifications required by Section 102.004,~~

18           ~~[(2) does not maintain during service on the council~~  
19 ~~the qualifications required by Section 102.004,~~

20           ~~[(3)]~~ is ineligible for membership under Section  
21 102.101(d) ~~[Subsections (b)-(d)]~~;

22           (2) ~~[(4)]~~ cannot, because of illness or disability,  
23 discharge the member's duties for a substantial part of the member's  
24 term; or

25           (3) ~~[(5)]~~ is absent from more than half of the  
26 regularly scheduled oversight committee ~~[council]~~ meetings that  
27 the member is eligible to attend during a calendar year without an

1 excuse approved by a majority vote of the committee [~~council~~].

2 (b) [~~(g)~~] The validity of an action of the oversight  
3 committee [~~council~~] is not affected by the fact that it is taken  
4 when a ground for removal of a committee [~~council~~] member exists.

5 (c) [~~(h)~~] If the executive director has knowledge that a  
6 potential ground for removal exists, the executive director shall  
7 notify the presiding officer of the oversight committee [~~council~~]  
8 of the potential ground. The presiding officer shall then notify  
9 the appointing authority and the attorney general that a potential  
10 ground for removal exists. If the potential ground for removal  
11 involves the presiding officer, the executive director shall notify  
12 the next highest ranking officer of the oversight committee  
13 [~~council~~], who shall then notify the appointing authority and the  
14 attorney general that a potential ground for removal exists.

15 Sec. 102.103 [~~102.005~~]. TERMS; VACANCY. (a) Oversight  
16 committee [~~Except for the ex officio member of the council,~~  
17 ~~council~~] members appointed by the governor serve [~~for~~] staggered  
18 two-year [~~six-year~~] terms, with the terms of four or five members  
19 expiring February 1 of each [~~even-numbered~~] year.

20 (b) An oversight committee member may not serve more than  
21 two terms.

22 (c) Not later than the 30th day after the date an oversight  
23 committee member's term expires, the governor shall appoint a  
24 replacement.

25 (d) If a vacancy occurs on the oversight committee, the  
26 governor [~~appropriate appointing authority~~] shall appoint a  
27 successor, in the same manner as the original appointment, [~~a~~

1 ~~person~~] to serve for the remainder of the unexpired term. The  
2 governor shall appoint the successor not later than the 30th day  
3 after the date the vacancy occurs.

4 Sec. 102.104 [~~102.006~~]. OFFICERS. The governor shall  
5 designate a member of the oversight committee [~~council, other than~~  
6 ~~the ex-officio member,~~] as the presiding officer of the oversight  
7 committee [~~council~~] to serve in that capacity at the pleasure of the  
8 governor.

9 Sec. 102.105 [~~102.007~~]. EXPENSES [~~COMPENSATION~~]. [~~(a)~~] A  
10 member of the oversight committee [~~council~~] is not entitled to  
11 compensation but is entitled to reimbursement for actual and  
12 necessary expenses incurred in attending meetings of the committee  
13 or performing other official [~~council~~] duties authorized by the  
14 presiding officer.

15 [~~(b) A member of the legislature shall be reimbursed from~~  
16 ~~the appropriate fund of the legislature. A representative of a~~  
17 ~~state agency shall be reimbursed from the funds of the agency the~~  
18 ~~person represents. Other members shall be reimbursed from council~~  
19 ~~funds.]~~

20 Sec. 102.106. CONFLICT OF INTEREST. The oversight  
21 committee shall adopt conflict-of-interest rules, based on  
22 standards applicable to members of scientific review committees of  
23 the National Institutes of Health, to govern members of the  
24 oversight committee.

25 SUBCHAPTER D. RESEARCH COMMITTEE

26 Sec. 102.151. SCIENTIFIC RESEARCH COMMITTEE. (a) The  
27 Cancer Research Institute of Texas Scientific Research Committee is

1 composed of the following 18 members:

2 (1) three voting members appointed by the governor;

3 (2) three voting members appointed by the governor  
4 from a list submitted by the lieutenant governor;

5 (3) three voting members appointed by the governor  
6 from a list submitted by the speaker of the house of  
7 representatives;

8 (4) two nonvoting members appointed by the governor  
9 representing private or independent institutions of higher  
10 education in this state that have demonstrated success and  
11 leadership in cancer research;

12 (5) two nonvoting ex officio members appointed by the  
13 chancellor of The University of Texas System to represent:

14 (A) The University of Texas Southwestern Medical  
15 Center at Dallas;

16 (B) The University of Texas Medical Branch at  
17 Galveston;

18 (C) The University of Texas Health Science Center  
19 at Houston;

20 (D) The University of Texas Health Science Center  
21 at San Antonio;

22 (E) The University of Texas Health Center at  
23 Tyler; or

24 (F) The University of Texas M. D. Anderson Cancer  
25 Center;

26 (6) one nonvoting ex officio member appointed by the  
27 chancellor of The Texas A&M University System to represent:

1                   (A) The Texas A&M University System Health  
2 Science Center; or

3                   (B) the teaching hospital for The Texas A&M  
4 Health Science Center College of Medicine;

5                   (7) one nonvoting ex officio member appointed by the  
6 chancellor of the Texas Tech University System to represent the  
7 Texas Tech University Health Sciences Center;

8                   (8) one nonvoting ex officio member appointed by the  
9 chancellor of the University of Houston System to represent the  
10 system;

11                   (9) one nonvoting ex officio member appointed by the  
12 chancellor of the Texas State University System to represent the  
13 system; and

14                   (10) one nonvoting ex officio member appointed by the  
15 chancellor of the University of North Texas System to represent the  
16 system.

17                   (b) Individuals appointed to the research committee may be  
18 residents of another state.

19                   (c) Voting members of the research committee appointed by  
20 the governor must include at least one person representing each of  
21 the following categories:

22                   (1) scientists and clinicians nationally recognized  
23 in the field of cancer research;

24                   (2) representatives from established nonprofit  
25 entities involved in cancer research or cancer advocacy, with a  
26 preference for a person who is a cancer patient or cancer survivor;

27                   (3) persons with knowledge and experience involving

1 research hospitals that have demonstrated national success and  
2 leadership in cancer research;

3 (4) representatives of a state agency with expertise  
4 in public health;

5 (5) recognized experts in medical ethics;

6 (6) corporations involved in pharmaceutical or other  
7 cancer-related research; and

8 (7) nationally recognized experts in the field of  
9 children's cancer.

10 Sec. 102.152. TERMS OF RESEARCH COMMITTEE MEMBERS. (a)  
11 Members of the research committee serve staggered two-year terms,  
12 with the terms of four or five voting members and one nonvoting  
13 member expiring on February 1 of each year.

14 (b) A member of the research committee may be reappointed to  
15 one additional consecutive term and one additional term following a  
16 minimum of two years in which the person did not serve on the  
17 research committee.

18 Sec. 102.153. EXPENSES. Members of the research committee  
19 serve without compensation but are entitled to reimbursement for  
20 actual and necessary expenses in attending meetings of the  
21 committee or performing other official duties authorized by the  
22 presiding officer.

23 SUBCHAPTER E. CANCER RESEARCH FUND

24 Sec. 102.201. CANCER RESEARCH FUND. (a) The cancer  
25 research fund is a dedicated account in the general revenue fund.

26 (b) The cancer research fund consists of:

27 (1) money received from the sale of bonds under

1 Section 102.202;

2 (2) patent, royalty, and license fees and other income  
3 received under a contract entered into as provided by Section  
4 102.255;

5 (3) appropriations of money to the fund by the  
6 legislature;

7 (4) gifts, grants, including grants from the federal  
8 government, and other donations received for the fund; and

9 (5) interest earned on the investment of money in the  
10 fund.

11 (c) The fund may be used only to pay for:

12 (1) grants and loans for cancer research and for  
13 cancer research facilities in this state to realize therapies,  
14 protocols, and medical procedures that will result in, as speedily  
15 as possible, the cure for, or substantial mitigation of, all forms  
16 of cancer in humans;

17 (2) the purchase, as authorized by the legislature by  
18 general law or the General Appropriations Act, of needed laboratory  
19 facilities by or on behalf of a state agency or grant recipient; and

20 (3) the operation of the institute.

21 Sec. 102.202. ISSUANCE OF GENERAL OBLIGATION BONDS FOR  
22 CANCER RESEARCH FUND. (a) The Texas Public Finance Authority may  
23 issue and sell general obligation bonds of the state as authorized  
24 by the Texas Constitution for the purpose of providing money to  
25 establish the cancer research fund. The authority may issue the  
26 bonds in several installments.

27 (b) The Texas Public Finance Authority may not issue and

1 sell general obligation bonds authorized by this section before  
2 September 1, 2009.

3 (c) The Texas Public Finance Authority may not issue and  
4 sell more than \$300 million in general obligation bonds authorized  
5 by this section in a state fiscal year.

6 (d) Proceeds of the bonds issued under this section shall be  
7 deposited in the cancer research fund.

8 Sec. 102.203. AUTHORIZED EXPENSES. (a) A person awarded  
9 money from the cancer research fund under this subchapter may use  
10 the money for research consistent with the purpose of this chapter  
11 and in accordance with a contract between the person and the  
12 institute.

13 (b) Except as otherwise provided by this section, money  
14 awarded under this subchapter may be used for authorized expenses,  
15 including honoraria, salaries and benefits, travel, conference  
16 fees and expenses, consumable supplies, other operating expenses,  
17 contracted research and development, capital equipment, and  
18 construction or renovation of state or private facilities.

19 (c) A person receiving money under this subchapter may not  
20 spend more than five percent of the money for administrative  
21 purposes.

22 (d) A person receiving money under this subchapter may not  
23 spend more than 10 percent of the money for facility construction  
24 purposes. Money may not be used for facility construction five  
25 years after the date the money is awarded.

26 Sec. 102.204. ADMINISTRATION OF FUND. The administration  
27 of the cancer research fund is considered to be a trustee program



1 within the office of the governor.

2 SUBCHAPTER F. PROCEDURE FOR MAKING AWARDS

3 Sec. 102.251. DUTIES OF SCIENTIFIC RESEARCH COMMITTEE. (a)

4 The research committee shall review grant and loan applications and  
5 make recommendations to the oversight committee regarding the award  
6 of research, therapy development, and clinical trial grants and  
7 loans.

8 (b) The ex officio members of the research committee may  
9 participate in the review and discussion of grant and loan  
10 applications but may not vote on recommendations to the oversight  
11 committee. In making recommendations to the oversight committee,  
12 the research committee shall give priority to proposals that:

13 (1) could lead to immediate or long-term medical and  
14 scientific breakthroughs in the area of cancer prevention or cures  
15 for cancer;

16 (2) strengthen and enhance fundamental science in  
17 cancer research;

18 (3) ensure a comprehensive coordinated approach to  
19 cancer research;

20 (4) are interdisciplinary or interinstitutional;

21 (5) address federal or other major research sponsors'  
22 priorities in emerging scientific or technology fields in the area  
23 of cancer prevention or cures for cancer;

24 (6) are matched with funds available by a private or  
25 nonprofit entity and institution or institutions of higher  
26 education;

27 (7) are collaborative between any combination of

1 private and nonprofit entities, public or private agencies or  
2 institutions in this state, and public or private institutions  
3 outside this state;

4 (8) have a demonstrable economic development benefit  
5 to this state;

6 (9) enhance research superiority at institutions of  
7 higher education in this state by creating new research  
8 superiority, attracting existing research superiority from  
9 institutions not located in this state and other research entities,  
10 or enhancing existing research superiority by attracting from  
11 outside this state additional researchers and resources; and

12 (10) expedite innovation and commercialization,  
13 attract, create, or expand private sector entities that will drive  
14 a substantial increase in high-quality jobs, and increase higher  
15 education applied science or technology research capabilities.

16 (c) A member of the research committee may not attempt to  
17 use the committee member's official position to influence a  
18 decision to approve or award a grant, loan, or contract to the  
19 committee member's employer.

20 Sec. 102.252. OVERRIDING RESEARCH COMMITTEE  
21 RECOMMENDATIONS. The oversight committee must follow the funding  
22 recommendations of the research committee unless two-thirds of the  
23 members of the oversight committee vote to disregard a  
24 recommendation.

25 Sec. 102.253. MAXIMUM AMOUNT OF ANNUAL AWARDS. The  
26 oversight committee may not award more than \$300 million in grants  
27 or loans under Subchapter E in a fiscal year.

1       Sec. 102.254. PERIOD FOR AWARDS. The oversight committee  
2 may not award money under Subchapter E before September 1, 2009, or  
3 after August 31, 2020.

4       Sec. 102.255. CONTRACT TERMS. (a) The oversight committee  
5 may negotiate on behalf of the state regarding awarding, by grant,  
6 money appropriated from the cancer research fund. The negotiation  
7 may include consideration of the grant recipient's financial  
8 contribution, if any, to the proposal.

9       (b) Before awarding a grant under Subchapter E, the  
10 committee shall enter into a written contract with the grant  
11 recipient. The contract may specify that:

12           (1) if all or any portion of the amount of the grant is  
13 used to build a capital improvement:

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

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

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

22                           (ii) share with the state a proportionate  
23 amount of any profit realized from the sale; and

24           (2) if, as of a date specified in the contract, the  
25 grant recipient has not used grant money awarded under Subchapter E  
26 for the purposes for which the grant was intended, the recipient  
27 shall repay that amount and any related interest applicable under

1 the contract to the state at the agreed rate and on the agreed  
2 terms.

3 (c) The contract must include terms relating to  
4 intellectual property rights consistent with the standards  
5 developed by the oversight committee under Section 102.256.

6 Sec. 102.256. PATENT ROYALTIES AND LICENSE REVENUES PAID TO  
7 STATE. (a) The oversight committee shall establish standards that  
8 require all grants and loan awards to be subject to an intellectual  
9 property agreement that allows the state to collect royalties,  
10 income, and other benefits realized as a result of projects  
11 undertaken with money awarded under Subchapter E.

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

21 Sec. 102.257. MULTIYEAR PROJECTS. The oversight committee  
22 may grant funds for a multiyear project. All the money needed to  
23 fund a multiyear project must be awarded in the state fiscal year  
24 that the project is approved by the research committee. The  
25 institute shall distribute only the money that will be expended  
26 during that fiscal year. The remaining money shall be maintained in  
27 an escrow account to be distributed by the institute in subsequent

1 years of the project.

2 Sec. 102.258. PREFERENCE FOR TEXAS SUPPLIERS. The  
3 oversight committee shall establish standards to ensure that grant  
4 recipients purchase goods and services from suppliers in this state  
5 to the extent reasonably possible, in a good faith effort to achieve  
6 a goal of more than 50 percent of such purchases from suppliers in  
7 this state.

8 Sec. 102.259. PEER REVIEW. The research committee shall  
9 require a peer review progress oversight review of each grant  
10 recipient to ensure compliance with the terms of the award and to  
11 ensure the scientific merit of the research. The research  
12 committee shall report to the oversight committee any  
13 recommendations for subsequent actions.

14 Sec. 102.260. MEDICAL ETHICS. Any research project that  
15 receives money under Subchapter E must:

16 (1) be conducted with full consideration for the  
17 ethical and medical implications of the research; and

18 (2) comply with all federal and state laws regarding  
19 the conduct of research.

20 ~~[Sec. 102.008. MEETINGS. (a) The council shall meet at the~~  
21 ~~call of the presiding officer.~~

22 ~~[(b) The council shall develop and implement policies that~~  
23 ~~provide the public with a reasonable opportunity to appear before~~  
24 ~~the council and to speak on any issue under the jurisdiction of the~~  
25 ~~council.~~

26 ~~[Sec. 102.009. POWERS AND DUTIES OF COUNCIL. (a) The~~  
27 ~~council shall:~~

1           ~~[(1) work to implement the Texas Cancer Plan;~~

2           ~~[(2) continually monitor and revise the Texas Cancer~~  
3 ~~Plan as necessary;~~

4           ~~[(3) promote the development and coordination of~~  
5 ~~effective and efficient statewide public and private policies,~~  
6 ~~programs, and services related to cancer; and~~

7           ~~[(4) encourage cooperative, comprehensive, and~~  
8 ~~complementary planning among the public, private, and volunteer~~  
9 ~~sectors involved in cancer research, prevention, detection, and~~  
10 ~~treatment.~~

11           ~~[(b) The council may:~~

12           ~~[(1) employ an executive director;~~

13           ~~[(2) appoint advisory committees necessary to~~  
14 ~~implement the Texas Cancer Plan and employ necessary staff to~~  
15 ~~provide administrative support;~~

16           ~~[(3) monitor contracts and agreements for cancer~~  
17 ~~programs authorized by this chapter;~~

18           ~~[(4) conduct necessary studies and surveys;~~

19           ~~[(5) accept, transfer, and spend funds made available~~  
20 ~~by the federal or state government or by any other public or private~~  
21 ~~source, subject to limitations and conditions prescribed by~~  
22 ~~legislative appropriation; and~~

23           ~~[(6) use the existing staff of an appointed official~~  
24 ~~or agency to assist the council in performing its duties under this~~  
25 ~~chapter.~~

26           ~~[(c) The Texas Cancer Council and/or its contracted~~  
27 ~~projects shall maintain for physicians a listing of available~~

1 ~~continuing medical education courses in pain treatment offered by~~  
2 ~~accredited Texas medical and osteopathic schools, hospitals,~~  
3 ~~health care facilities, or professional societies or associations~~  
4 ~~for physicians.~~

5 ~~[Sec. 102.010. GRANT PROGRAM. (a) If funds are available,~~  
6 ~~the council may establish a grant program to provide funds to public~~  
7 ~~or private persons to implement the Texas Cancer Plan.~~

8 ~~[(b) The council shall adopt rules governing the submission~~  
9 ~~and approval of grant requests and the cancellation of grants.~~

10 ~~[(c) To receive a grant, a person whose grant request is~~  
11 ~~approved must execute an interagency agreement or a contract with~~  
12 ~~the council. The contract must require the person receiving the~~  
13 ~~grant to perform the services as stated in the approved grant~~  
14 ~~request. The contract must contain appropriate provisions for~~  
15 ~~program and fiscal monitoring.~~

16 ~~[Sec. 102.011. STANDARDS OF CONDUCT. The executive~~  
17 ~~director or the executive director's designee shall provide to~~  
18 ~~members of the council and to council employees, as often as~~  
19 ~~necessary, information regarding the requirements for office or~~  
20 ~~employment under this chapter, including information regarding a~~  
21 ~~person's responsibilities under applicable laws relating to~~  
22 ~~standards of conduct for state officers or employees.~~

23 ~~[Sec. 102.012. CANCER RESOURCE FUND. (a) The cancer~~  
24 ~~resource fund is an account of the general revenue fund.~~

25 ~~[(b) The legislature may appropriate money deposited to the~~  
26 ~~credit of the cancer resource fund only to the council for cancer~~  
27 ~~prevention, cancer research, and medical care for cancer victims.~~

1           ~~[(c) The council shall develop a policy governing the award~~  
2 ~~of funds for clinical research that follows scientific peer review~~  
3 ~~and approval by the National Cancer Institute of the National~~  
4 ~~Institutes of Health or that follows other review procedures that~~  
5 ~~are designed to distribute those funds on the basis of scientific~~  
6 ~~merit.~~

7           ~~[(d) Interest earned from the investment of the cancer~~  
8 ~~resource fund shall be deposited to the credit of the fund.~~

9           ~~[Sec. 102.013. TRAINING. (a) A person who is appointed to~~  
10 ~~and qualifies for office as a member of the council may not vote,~~  
11 ~~deliberate, or be counted as a member in attendance at a meeting of~~  
12 ~~the council until the person completes a training program that~~  
13 ~~complies with this section.~~

14           ~~[(b) The training program must provide the person with~~  
15 ~~information regarding:~~

16                   ~~[(1) the legislation that created the council,~~

17                   ~~[(2) the programs operated by the council,~~

18                   ~~[(3) the role and functions of the council,~~

19                   ~~[(4) the rules of the council, with an emphasis on the~~  
20 ~~rules that relate to disciplinary and investigatory authority,~~

21                   ~~[(5) the current budget for the council,~~

22                   ~~[(6) the results of the most recent formal audit of the~~  
23 ~~council,~~

24                   ~~[(7) the requirements of:~~

25                           ~~[(A) the open meetings law, Chapter 551,~~  
26 ~~Government Code,~~

27                           ~~[(B) the public information law, Chapter 552,~~



1 ~~Government Code,~~

2 ~~[(C) the administrative procedure law, Chapter~~  
3 ~~2001, Government Code, and~~

4 ~~[(D) other laws relating to public officials,~~  
5 ~~including conflict of interest laws, and~~

6 ~~[(8) any applicable ethics policies adopted by the~~  
7 ~~council or the Texas Ethics Commission.~~

8 ~~[(c) A person appointed to the council is entitled to~~  
9 ~~reimbursement, as provided by the General Appropriations Act, for~~  
10 ~~the travel expenses incurred in attending the training program~~  
11 ~~regardless of whether the attendance at the program occurs before~~  
12 ~~or after the person qualifies for office.~~

13 ~~[Sec. 102.014. SEPARATION OF RESPONSIBILITIES. The council~~  
14 ~~shall develop and implement policies that clearly separate the~~  
15 ~~policymaking responsibilities of the council and the management~~  
16 ~~responsibilities of the executive director and the staff of the~~  
17 ~~council.~~

18 ~~[Sec. 102.015. COMPLAINTS. (a) The council shall maintain~~  
19 ~~a file on each written complaint filed with the council. The file~~  
20 ~~must include:~~

21 ~~[(1) the name of the person who filed the complaint,~~

22 ~~[(2) the date the complaint is received by the~~  
23 ~~council,~~

24 ~~[(3) the subject matter of the complaint,~~

25 ~~[(4) the name of each person contacted in relation to~~  
26 ~~the complaint,~~

27 ~~[(5) a summary of the results of the review or~~

1 ~~investigation of the complaint, and~~

2 ~~[(6) an explanation of the reason the file was closed,~~  
3 ~~if the council closed the file without taking action other than to~~  
4 ~~investigate the complaint.~~

5 ~~[(b) The council shall provide to the person filing the~~  
6 ~~complaint and to each person who is a subject of the complaint a~~  
7 ~~copy of the council's policies and procedures relating to complaint~~  
8 ~~investigation and resolution.~~

9 ~~[(c) The council, at least quarterly until final~~  
10 ~~disposition of the complaint, shall notify the person filing the~~  
11 ~~complaint and each person who is a subject of the complaint of the~~  
12 ~~status of the investigation unless the notice would jeopardize an~~  
13 ~~undercover investigation.~~

14 ~~[Sec. 102.016. EQUAL EMPLOYMENT OPPORTUNITY. (a) The~~  
15 ~~executive director or the executive director's designee shall~~  
16 ~~prepare and maintain a written policy statement that implements a~~  
17 ~~program of equal employment opportunity to ensure that all~~  
18 ~~personnel decisions are made without regard to race, color,~~  
19 ~~disability, sex, religion, age, or national origin.~~

20 ~~[(b) The policy statement must include:~~

21 ~~[(1) personnel policies, including policies relating~~  
22 ~~to recruitment, evaluation, selection, training, and promotion of~~  
23 ~~personnel, that show the intent of the council to avoid the unlawful~~  
24 ~~employment practices described by Chapter 21, Labor Code, and~~

25 ~~[(2) an analysis of the extent to which the~~  
26 ~~composition of the council's personnel is in accordance with state~~  
27 ~~and federal law and a description of reasonable methods to achieve~~

1 ~~compliance with state and federal law.~~

2 ~~[(c) The policy statement must:~~

3 ~~[(1) be updated annually,~~

4 ~~[(2) be reviewed by the state Commission on Human~~  
5 ~~Rights for compliance with Subsection (b)(1), and~~

6 ~~[(3) be filed with the governor's office.~~

7 ~~[Sec. 102.017. TEXANS CONQUER CANCER ACCOUNT. (a) The~~  
8 ~~Texans Conquer Cancer account is a separate account in the general~~  
9 ~~revenue fund. The account is composed of:~~

10 ~~[(1) money deposited to the credit of the account~~  
11 ~~under Section 502.2735, Transportation Code, and~~

12 ~~[(2) gifts, grants, and donations.~~

13 ~~[(b) The council administers the account. The council may~~  
14 ~~spend money credited to the account only to:~~

15 ~~[(1) make grants to nonprofit organizations that~~  
16 ~~provide support services for cancer patients and their families,~~  
17 ~~and~~

18 ~~[(2) defray the cost of administering the account.~~

19 ~~[(c) The council:~~

20 ~~[(1) may accept gifts, donations, and grants from any~~  
21 ~~source for the benefit of the account, and~~

22 ~~[(2) by rule shall establish guidelines for spending~~  
23 ~~money credited to the account.~~

24 ~~[Sec. 102.018. TEXANS CONQUER CANCER ADVISORY COMMITTEE.~~

25 ~~(a) The council shall appoint a seven-member Texans Conquer Cancer~~  
26 ~~advisory committee.~~

27 ~~[(b) The committee shall:~~

1           ~~[(1) assist the council in establishing guidelines for~~  
2 ~~the expenditure of money credited to the Texans Conquer Cancer~~  
3 ~~account; and~~

4           ~~[(2) review and make recommendations to the council on~~  
5 ~~applications submitted to the council for grants funded with money~~  
6 ~~credited to the Texans Conquer Cancer account.~~

7           ~~[(c) Members of the committee serve without compensation~~  
8 ~~and are not entitled to reimbursement for expenses. Each member~~  
9 ~~serves a term of four years, with the terms of three or four members~~  
10 ~~expiring on January 31 of each odd-numbered year.~~

11           ~~[(d) Section 2110.008, Government Code, does not apply to~~  
12 ~~the committee.]~~

13           SECTION 3. Section 504.017, Labor Code, is amended to read  
14 as follows:

15           Sec. 504.017. FEDERAL AND STATE FUNDED TRANSPORTATION  
16 ENTITIES. An entity is eligible to participate under Section  
17 504.016 or Chapter 791 or 2259, Government Code, if the entity  
18 provides transportation subsidized in whole or in part by and  
19 provided to clients of:

20           (1) the ~~[Texas]~~ Department of Assistive and  
21 Rehabilitative Services ~~[on Aging];~~

22           (2) the Department of State Health Services ~~[Texas~~  
23 ~~Commission on Alcohol and Drug Abuse];~~

24           (3) ~~[the Texas Commission for the Blind,~~

25           ~~[(4) the Texas Cancer Council,~~

26           ~~[(5) the Texas Commission for the Deaf and Hard of~~  
27 ~~Hearing,~~

1           ~~[(6)]~~ the Texas Department of Housing and Community  
2 Affairs;

3           (4) ~~[(7)]~~ the Health and ~~[Texas Department of]~~ Human  
4 Services Commission;

5           (5) ~~[(8)]~~ the ~~[Texas]~~ Department of Aging and  
6 Disability Services ~~[Mental Health and Mental Retardation]~~;

7           ~~[(9) the Texas Rehabilitation Commission]~~ or

8           (6) ~~[(10)]~~ the Texas Youth Commission.

9           SECTION 4. Section 504.620, Transportation Code, is amended  
10 to read as follows:

11           Sec. 504.620. TEXANS CONQUER CANCER LICENSE PLATES. (a)  
12 The department shall issue specialty license plates that include  
13 the words "Texans Conquer Cancer." The department shall design the  
14 license plates in consultation with the Cancer Research Institute  
15 of Texas ~~[Cancer Council]~~.

16           (b) After deduction of the department's administrative  
17 costs, the remainder of the fee for issuance of the license plates  
18 shall be deposited to the credit of the cancer research fund ~~[Texans~~  
19 ~~Conquer Cancer account]~~ established by Section 102.201 ~~[102.017]~~,  
20 Health and Safety Code.

21           SECTION 5. Section 86.011(c), Health and Safety Code, is  
22 repealed.

23           SECTION 6. (a) Not later than December 1, 2007, the  
24 governor shall appoint the members to the Cancer Research Institute  
25 of Texas Oversight Committee as required by Section 102.101, Health  
26 and Safety Code, as added by this Act. In making the initial  
27 appointments to the oversight committee, the governor shall

1 designate four members for terms expiring February 1, 2008, and  
2 five members for terms expiring February 1, 2009. The oversight  
3 committee may not take action until a majority of the appointed  
4 members have taken office.

5 (b) Not later than December 1, 2007, the governor and the  
6 other appointing authorities specified by Section 102.151, Health  
7 and Safety Code, as added by this Act, shall appoint the members to  
8 the Cancer Research Institute of Texas Scientific Research  
9 Committee as required by that section. In making the initial  
10 appointments to the research committee, the governor shall  
11 designate four voting members and one nonvoting member for terms  
12 expiring February 1, 2008, and five voting members and one  
13 nonvoting member for terms expiring February 1, 2009. The research  
14 committee may not take action until a majority of the appointed  
15 members have taken office.

16 SECTION 7. (a) On the date on which a majority of the  
17 initial appointed members of the Cancer Research Institute of Texas  
18 Oversight Committee have taken office, the Texas Cancer Council is  
19 abolished and all powers, duties, obligations, rights, contracts,  
20 leases, records, property, and unspent and unobligated  
21 appropriations and other funds of the Texas Cancer Council are  
22 transferred to the Cancer Research Institute of Texas.

23 (b) The abolishment of the Texas Cancer Council does not  
24 affect the validity of a right, privilege, or obligation accrued, a  
25 contract or acquisition made, any liability incurred, a permit or  
26 license issued, any penalty, forfeiture, or punishment assessed, a  
27 rule adopted, a proceeding, investigation, or remedy begun, a

1 decision made, or other action taken by or in connection with the  
2 Texas Cancer Council.

3 (c) All rules, policies, procedures, and decisions of the  
4 Texas Cancer Council are continued in effect as rules, policies,  
5 procedures, and decisions of the Cancer Research Institute of Texas  
6 until superseded by a rule or other appropriate action of the Cancer  
7 Research Institute of Texas.

8 (d) Any action or proceeding before the Texas Cancer Council  
9 is transferred without change in status to the Cancer Research  
10 Institute of Texas, and the Cancer Research Institute of Texas  
11 assumes, without a change in status, the position of the Texas  
12 Cancer Council in any action or proceeding to which the Texas Cancer  
13 Council is a party.

14 (e) The Cancer Research Institute of Texas is authorized to  
15 employ the same number of full-time equivalent employees as the  
16 Texas Cancer Council to exercise the powers and perform the duties  
17 transferred under this section. The executive director of the  
18 Texas Cancer Council serving on the effective date of this Act does  
19 not automatically become the executive director of the Cancer  
20 Research Institute of Texas. To become the executive director of  
21 the Cancer Research Institute of Texas, a person must apply for the  
22 position and the person's employment in that capacity must be  
23 approved by the oversight committee.

24 (f) An employee of the Texas Cancer Council employed on the  
25 effective date of this Act does not automatically become an  
26 employee of the Cancer Research Institute of Texas. To become an  
27 employee of the Cancer Research Institute of Texas, a person must

1 apply for a position at the Cancer Research Institute of Texas and  
2 the person's employment in that capacity must be approved by the  
3 executive director of the institute.

4 (g) A fund, foundation, or account administered by the Texas  
5 Cancer Council is not considered to be abolished and re-created by  
6 this Act but is considered to be transferred to the Cancer Research  
7 Institute of Texas.

8 (h) Until the date the Texas Cancer Council is abolished as  
9 provided by Subsection (a) of this section, the Texas Cancer  
10 Council shall continue to exercise the powers and perform the  
11 duties assigned to the Texas Cancer Council under the law as it  
12 existed immediately before the effective date of this Act or as  
13 modified by another Act of the 80th Legislature, Regular Session,  
14 2007, that becomes law, and the former law is continued in effect  
15 for that purpose.

16 SECTION 8. On or after the effective date of this Act, any  
17 amount remaining in or payable to the credit of the cancer resource  
18 fund under Section 102.012, Health and Safety Code, and the Texans  
19 Conquer Cancer account under Section 102.017, Health and Safety  
20 Code, as those sections existed before repeal by this Act, shall be  
21 transferred to the credit of the cancer research fund established  
22 under Section 102.201, Health and Safety Code, as added by this Act.

23 SECTION 9. This Act takes effect on the date on which the  
24 constitutional amendment proposed by the 80th Legislature, Regular  
25 Session, 2007, establishing the Cancer Research Institute of Texas  
26 is approved by the voters. If that amendment is not approved by the  
27 voters, this Act has no effect.