

## **BILL ANALYSIS**

Senate Research Center

S.B. 73  
By: Nelson  
Health & Human Services  
3/9/2009  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Adult stem cells have been used to treat about 70 different diseases in almost 20,000 patients. Currently, 1.2 million Texans are afflicted with chronic disease that could potentially be treated with adult stem cell therapies.

Adult stem cells come from bone marrow, umbilical cord blood, or cells circulating in the blood. No embryos are harmed in extracting adult stem cells.

There are 30 sites throughout the state where adult stem cell research and therapies are being conducted, but no way of coordinating these activities. These sites include medical research centers, universities, and public cord blood banks.

As proposed, S.B. 73 creates the Adult Stem Cell Research Consortium, to allow universities and cord blood banks working on adult stem cell research to coordinate.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter H, Title 3, Education Code, by adding Chapter 156, as follows:

#### **CHAPTER 156. ADULT STEM CELL RESEARCH PROGRAM**

Sec. 156.001. DEFINITIONS. Defines "adult stem cell," "consortium," "institution of higher education," "program," and "research coordinating board."

Sec. 156.002. COMPOSITION OF RESEARCH COORDINATING BOARD. (a) Sets forth the composition of the Texas Adult Stem Cell Research Coordinating Board (board).

(b) Requires the governor to appoint three of the professional members, and the lieutenant governor and the speaker of the house of representatives to each appoint two of the professional members.

(c) Requires the governor to designate a member of the board who does not represent an institution of higher education as the presiding officer of the board. Provides that the presiding officer serves in that capacity at the will of the governor.

(d) Provides that the members of the board serve staggered six-year terms. Requires the appropriate appointing authority to appoint, in the same manner as the original appointment, another person to serve for the remainder of the unexpired term if a vacancy occurs on the board.

Sec. 156.003. CONFLICT OF INTEREST. (a) Defines "Texas trade association."

(b) Prohibits a person from being a member of the board if the person is an officer, employee, or paid consultant of a Texas trade association in the field of medicine, or the person's spouse is an officer, manager, or paid consultant of a Texas trade association in the field of medicine.

(c) Prohibits a person from being a member of the board if the person is required to register as a lobbyist under Chapter 305 (Registration of Lobbyists), Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the board.

Sec. 156.004. COMPOSITION OF CONSORTIUM. (a) Requires the board to establish the Texas Adult Stem Cell Research Consortium (consortium).

(b) Provides that the consortium is composed of participating institutions of higher education that accept public money for adult stem cell research or otherwise agree to participate in the consortium.

Sec. 156.005. ADMINISTRATION OF PROGRAM; GUIDELINES AND PROCEDURES. (a) Requires the board to administer the program to make grants and loans for consortium members for certain purposes; support consortium members in all stages of the process of developing treatments and cures based on adult stem cell research, beginning with initial laboratory research through successful clinical trials; establish appropriate regulatory standards and oversight bodies for certain purposes; and assist consortium members in applying for grants or loans under the program.

(b) Requires the board to develop research priorities, guidelines, and procedures for providing grants and loans for specific research projects conducted by consortium members. Requires that the priorities, guidelines, and procedures require the grants and loans to be made on a competitive, peer review basis.

Sec. 156.006. FUNDING. Authorizes the program to be funded by legislative appropriations or gifts, grants, and donations described by Section 156.007.

Sec. 156.007. GRANTS AND GIFTS. Requires the consortium to solicit, and authorizes the board to accept on behalf of the consortium, a gift, grant, or donation made from any public or private source for the purpose of promoting adult stem cell research or commercialization.

Sec. 156.008. BIENNIAL REPORT. Requires the board to submit a report of the board's activities and recommendations to the Texas Higher Education Coordinating Board and to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee or subcommittee with jurisdiction over higher education not later than September 1 of each even-numbered year.

SECTION 2. Requires the board to submit the first report of the board's activities and recommendations as required by Chapter 156, Education Code, as added by this Act, not later than September 1, 2010.

SECTION 3. Effective date: September 1, 2009.