By: Nelson, Patrick

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Research Consortium.

Education Coordinating Board.

S.B. No. 73

A BILL TO BE ENTITLED

| 1 | AN ACT |
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| 2 | relating to the establishment of an adult stem cell research |
| 3 | program and to certain reporting requirements with regard to |
| 4 | research involving human stem cells or human cloning. |
| 5 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: |
| 6 | SECTION 1. Subtitle H, Title 3, Education Code, is amended |
| 7 | by adding Chapter 156 to read as follows: |
| 8 | CHAPTER 156. ADULT STEM CELL RESEARCH PROGRAM |
| 9 | Sec. 156.001. DEFINITIONS. In this chapter: |
| 10 | (1) "Adult stem cell" means an undifferentiated cell |
| 11 | <pre>that is:</pre> |
| 12 | (A) found among differentiated cells in tissues |
| 13 | or fluids; and |
| 14 | (B) able to renew itself and differentiate to |
| 15 | yield all or nearly all of the specialized cell types needed for |
| 16 | clinical applications. |
| 17 | (2) "Advisory committee" means the advisory committee |
| 18 | appointed under Section 156.006. |
| 19 | (3) "Consortium" means the Texas Adult Stem Cell |

institution of higher education as defined by Section 61.003 or a

(4) "Coordinating board" means the Texas Higher

(5) "Institution of higher education" means an

private college or university that receives state funds. 1 2 (6) "Multi-institutional, multi-investigator 3 research project" means a research project conducted by two or more cooperating members of the consortium involving one or more 4 researchers from each member of the consortium conducting the 5 6 research project. 7 (7) <u>"Program" means the adult stem cell research</u> 8 program established under this chapter. (8) "Research oversight committee" means the Texas 9 Adult Stem Cell Research Oversight Committee. 10 11 Sec. 156.002. PURPOSE. The Texas Adult Stem Cell Research 12 Consortium is established to create and expedite innovation in the 13 area of adult stem cell research and to enhance the potential for a medical or scientific breakthrough in treatment for diseases or 14 15 disorders. 16 Sec. 156.003. COMPOSITION OF RESEARCH OVERSIGHT COMMITTEE. 17 (a) The research oversight committee is composed of: 18 (1) two members representing the coordinating board, each of whom is appointed by the commissioner of higher education; 19 20 (2) two members representing the Health and Human Services Commission, each of whom is appointed by the executive 21 commissioner of the Health and Human Services Commission; 22 23 (3) one member who is an interested person appointed 24 by the governor; and 25 (4) seven professional members with special training

(A) adult stem cell research;

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and interest in:

- 1 (B) clinical applications involving adult stem
- 2 <u>cells; or</u>
- 3 (C) commercialization of products or technology
- 4 involving adult stem cell research and treatments.
- 5 (b) The governor shall appoint five of the professional
- 6 members, two of whom must be selected from a list of candidates
- 7 prepared by the speaker of the house of representatives, and the
- 8 <u>lieutenant governor shall appoint two of the professional members.</u>
- 9 (c) The governor shall designate a member of the research
- 10 oversight committee as the presiding officer of the research
- 11 oversight committee. The presiding officer serves in that capacity
- 12 at the will of the governor.
- 13 (d) The members of the research oversight committee serve
- 14 staggered six-year terms, with four members' terms expiring
- 15 February 1 of each odd-numbered year. If a vacancy occurs on the
- 16 research oversight committee, the appropriate appointing authority
- 17 shall appoint, in the same manner as the original appointment,
- 18 another person to serve for the remainder of the unexpired term.
- 19 (e) A research oversight committee member is not entitled to
- 20 compensation but is entitled to reimbursement for necessary
- 21 expenses, including travel expenses, incurred in performing the
- 22 duties of a research oversight committee member.
- Sec. 156.004. CONFLICT OF INTEREST. (a) In this section,
- 24 "Texas trade association" means a cooperative and voluntarily
- 25 joined association of business or professional competitors in this
- 26 state designed to assist its members and its industry or profession
- 27 in dealing with mutual business or professional problems and in

- 1 promoting their common interest.
- 2 (b) A person may not be a member of the research oversight
- 3 committee if:
- 4 (1) the person is an officer, employee, or paid
- 5 consultant of a Texas trade association in the field of medicine; or
- 6 (2) the person's spouse is an officer, manager, or paid
- 7 consultant of a Texas trade association in the field of medicine.
- 8 (c) A person may not be a member of the research oversight
- 9 committee if the person is required to register as a lobbyist under
- 10 Chapter 305, Government Code, because of the person's activities
- 11 for compensation on behalf of a profession related to the operation
- 12 of the research oversight committee.
- Sec. 156.005. COMPOSITION OF CONSORTIUM. (a) The research
- 14 oversight committee shall establish the Texas Adult Stem Cell
- 15 Research Consortium.
- 16 (b) The consortium is composed of:
- 17 (1) participating institutions of higher education
- 18 that:
- 19 (A) accept public money for adult stem cell
- 20 research; or
- 21 (B) otherwise agree to participate in the
- 22 consortium;
- 23 (2) nonprofit entities that conduct adult stem cell
- 24 research in affiliation with an institution of higher education
- 25 and:
- 26 (A) accept public money for adult stem cell
- 27 research; or

| 1 | (B) otherwise agree to participate in the |
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| 2 | consortium; and |
| 3 | (3) the following umbilical cord blood banks: |
| 4 | (A) the Texas Cord Blood Bank; |
| 5 | (B) the M. D. Anderson Cord Blood Bank; and |
| 6 | (C) any not-for-profit umbilical cord blood bank |
| 7 | operating in this state that: |
| 8 | (i) stores umbilical cord blood for public |
| 9 | use; and |
| 10 | (ii) agrees to participate in the |
| 11 | consortium. |
| 12 | Sec. 156.006. ADVISORY COMMITTEE. (a) An advisory |
| 13 | committee is established to make recommendations based or |
| 14 | prevailing international best practices in adult stem cell research |
| 15 | to assist the research oversight committee in performing its |
| 16 | duties. The research oversight committee shall consult with the |
| 17 | advisory committee to develop grant and loan application procedures |
| 18 | for research proposals submitted by consortium participants. |
| 19 | (b) The advisory committee is composed of: |
| 20 | (1) a member representing each institution of higher |
| 21 | education participating in the consortium, appointed by the |
| 22 | <pre>president of the institution;</pre> |
| 23 | (2) a member representing each nonprofit entity |
| 24 | participating in the consortium, appointed by the director of the |
| 25 | nonprofit entity; and |
| 26 | (3) a member representing each umbilical cord blood |
| 27 | bank participating in the consortium, appointed by the chief |

- 1 executive officer of the bank.
- 2 <u>(c)</u> A member of the advisory committee is not entitled to
- 3 compensation and is not entitled to reimbursement for expenses.
- 4 (d) Chapter 2110, Government Code, does not apply to the
- 5 advisory committee.
- 6 Sec. 156.007. PEER REVIEW PROCEDURES AND CRITERIA.
- 7 (a) The advisory committee shall establish procedures and
- 8 criteria for peer review of applications for grants and loans for
- 9 proposed research projects consistent with national and
- 10 international standards, including the enhanced review criteria
- 11 for the evaluation of research applications received for potential
- 12 funding in fiscal year 2010 and the associated scoring procedures
- 13 used by the National Institutes of Health. The advisory committee
- 14 shall establish conflict of interest standards regarding peer
- 15 reviewers consistent with 42 C.F.R. Section 52h.5.
- 16 (b) The advisory committee shall select reviewers for the
- 17 peer review process based on a reviewer's training and experience
- 18 in relevant scientific, medical, or technical fields, taking into
- 19 account:
- 20 (1) the formal scientific or technical education
- 21 completed;
- 22 (2) relevant research engaged in by the person,
- 23 including whether the person was the principal researcher;
- 24 (3) any awards, honors, or other recognition received
- 25 from scientific, professional, and medical organizations; and
- 26 (4) the need to include experts from various areas of
- 27 specialization within relevant scientific, medical, or technical

- 1 fields.
- 2 (c) Notwithstanding Subsection (b), not more than 50
- 3 percent of the peer reviewers for an application may be residents of
- 4 this state.
- 5 (d) A peer reviewer is not an officer or employee of this
- 6 state.
- 7 Sec. 156.008. ADMINISTRATION OF PROGRAM; GUIDELINES AND
- 8 PROCEDURES. (a) The research oversight committee shall
- 9 administer the program to:
- 10 (1) make grants and loans on a competitive, peer
- 11 review basis to consortium participants for:
- 12 (A) multi-institutional, multi-investigator
- 13 research projects involving adult stem cells, including projects to
- 14 develop therapies, protocols, or medical procedures involving
- 15 adult stem cells; and
- 16 (B) the commercialization of products or
- 17 <u>technology involving adult stem cell research and treatments;</u>
- 18 (2) support consortium participants in all stages of
- 19 the process of developing treatments and cures based on adult stem
- 20 cell research, beginning with initial laboratory research through
- 21 successful clinical trials; and
- 22 (3) establish appropriate regulatory standards and
- 23 oversight bodies for adult stem cell research conducted by
- 24 consortium participants.
- 25 (b) The research oversight committee shall refer all grant
- 26 and loan applications to the advisory committee for competitive,
- 27 peer review evaluation of the medical, scientific, and technical

- 1 merits of the proposed research project. The advisory committee
- 2 shall, giving consideration to the substance and results of peer
- 3 review of individual research project proposals, recommend to the
- 4 research oversight committee acceptance or rejection of an
- 5 individual grant or loan application.
- 6 (c) Money awarded under this chapter may not be used for
- 7 research using stem cells obtained after an induced abortion.
- 8 <u>(d) The research oversight committee shall follow the</u>
- 9 recommendations of the advisory committee in performing its duties.
- 10 If the research oversight committee does not carry out a
- 11 recommendation of the advisory committee, the research oversight
- 12 committee shall provide a reason to the advisory committee in
- 13 writing not later than the 14th day after the date of the decision
- 14 and include the reason in its biennial report.
- 15 Sec. 156.009. FUNDING; SUPPORT. (a) The program may be
- 16 funded by:
- 17 (1) gifts, grants, or donations described by Section
- 18 156.010.
- 19 (b) The coordinating board shall provide administrative
- 20 support and resources necessary for the research oversight
- 21 committee to perform its duties under this chapter.
- Sec. 156.010. GIFTS AND GRANTS. The consortium shall
- 23 <u>solicit</u>, and the research oversight committee may accept on behalf
- 24 of the consortium, a gift, grant, or donation made from any public
- 25 or private source for the purpose of promoting adult stem cell
- 26 <u>commercialization</u> or <u>multi-institutional</u>, <u>multi-investigator</u>
- 27 research projects.

- 1 Sec. 156.011. BIENNIAL REPORT. Not later than September 1
- 2 of each even-numbered year, the research oversight committee shall
- 3 submit a report of the research oversight committee's activities
- 4 and recommendations to the coordinating board and to the governor,
- 5 the lieutenant governor, the speaker of the house of
- 6 representatives, and the presiding officer of each legislative
- 7 standing committee or subcommittee with jurisdiction over higher
- 8 education.
- 9 SECTION 2. Subtitle H, Title 2, Health and Safety Code, is
- 10 amended by adding Chapter 172 to read as follows:
- 11 CHAPTER 172. BIOMEDICAL RESEARCH
- Sec. 172.001. DEFINITION. In this chapter, "state agency"
- 13 means a department, commission, board, office, or other agency in
- 14 the executive branch of state government created by the state
- 15 constitution or a state statute, including an institution of higher
- 16 <u>education as defined by Section 61.003, Education Code.</u>
- Sec. 172.002. ANNUAL REPORT. (a) Not later than December
- 18 1 of each year, a state agency that conducts, funds, or supports
- 19 biomedical research shall submit to the governor, the Legislative
- 20 Budget Board, and the commissioner of state health services a
- 21 report, in the format established by the commissioner, on whether
- 22 the agency conducted, funded, or supported during the preceding
- 23 state fiscal year any research that involves human stem cells or
- 24 human cloning.
- 25 (b) A state agency that conducts, funds, or supports any
- 26 <u>research that involves human stem cells or human cloning must</u>
- 27 include in the report submitted under Subsection (a) information

- 1 <u>on:</u> 2
- (1) the type of research conducted, funded, or
- 3 supported by the state agency that involves:
- 4 (A) human stem cells; and
- 5 (B) human cloning, including therapeutic and
- 6 <u>reproductive cloning;</u>
- 7 (2) the process through which the human stem cells and
- 8 stem cell lines were derived, if applicable;
- 9 (3) the amount and source of state and federal money,
- 10 private grants, and other funding used to conduct, fund, or support
- 11 the research;
- 12 (4) the use of state facilities to conduct or support
- 13 the research; and
- 14 (5) the goals, progress, and results of the research.
- 15 (c) A state agency shall not include in the report:
- 16 (1) proprietary, competitive, and other information
- 17 that the agency is not required to publicly disclose under Chapter
- 18 552, Government Code; or
- 19 (2) the name, address, or other personal identifying
- 20 information of an individual conducting or otherwise participating
- 21 in research that is the subject of the report.
- SECTION 3. Not later than December 1, 2009, a state agency
- 23 that conducts, funds, or supports biomedical research shall submit
- 24 the initial report required under Chapter 172, Health and Safety
- 25 Code, as added by this Act.
- 26 SECTION 4. (a) As soon as possible after the effective
- 27 date of this Act, the governor, lieutenant governor, executive

- 1 commissioner of the Health and Human Services Commission, and
- 2 commissioner of higher education shall appoint members to the Texas
- 3 Adult Stem Cell Research Oversight Committee in accordance with
- 4 Chapter 156, Education Code, as added by this Act.
- 5 (b) In making initial appointments to the Texas Adult Stem
- 6 Cell Research Oversight Committee:
- 7 (1) the governor shall appoint:
- 8 (A) two members to serve a term expiring February
- 9 1, 2011, one member to serve a term expiring February 1, 2013, and
- 10 one member to serve a term expiring February 1, 2015; and
- 11 (B) from a list of candidates prepared by the
- 12 speaker of the house of representatives, one member to serve a term
- 13 expiring February 1, 2011, and one member to serve a term expiring
- 14 February 1, 2015;
- 15 (2) the lieutenant governor shall appoint one member
- 16 to serve a term expiring February 1, 2011, and one member to serve a
- 17 term expiring February 1, 2013;
- 18 (3) the executive commissioner of the Health and Human
- 19 Services Commission shall appoint one member to serve a term
- 20 expiring February 1, 2013, and one member to serve a term expiring
- 21 February 1, 2015; and
- 22 (4) the commissioner of higher education shall appoint
- 23 one member to serve a term expiring February 1, 2013, and one member
- 24 to serve a term expiring February 1, 2015.
- 25 SECTION 5. Not later than September 1, 2010, the Texas Adult
- 26 Stem Cell Research Oversight Committee shall submit the first
- 27 report of the committee's activities and recommendations as

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- 1 required by Chapter 156, Education Code, as added by this Act.
- 2 SECTION 6. This Act takes effect September 1, 2009.