

1-1 By: Nelson S.B. No. 73
1-2 (In the Senate - Filed November 10, 2008; February 10, 2009,
1-3 read first time and referred to Committee on Health and Human
1-4 Services; May 13, 2009, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 8, Nays 0;
1-6 May 13, 2009, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 73 By: Nelson

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the establishment of an adult stem cell research
1-11 program.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subtitle H, Title 3, Education Code, is amended
1-14 by adding Chapter 156 to read as follows:

1-15 CHAPTER 156. ADULT STEM CELL RESEARCH PROGRAM

1-16 Sec. 156.001. DEFINITIONS. In this chapter:

1-17 (1) "Adult stem cell" means an undifferentiated cell
1-18 that is:

1-19 (A) found among differentiated cells in tissues
1-20 or fluids; and

1-21 (B) able to renew itself and differentiate to
1-22 yield all or nearly all of the specialized cell types needed for
1-23 clinical applications.

1-24 (2) "Consortium" means the Texas Adult Stem Cell
1-25 Research Consortium.

1-26 (3) "Coordinating board" means the Texas Higher
1-27 Education Coordinating Board.

1-28 (4) "Institution of higher education" means an
1-29 institution of higher education as defined by Section 61.003 or a
1-30 private college or university that receives state funds.

1-31 (5) "Multi-institutional, multi-investigator
1-32 research project" means a research project conducted by two or more
1-33 cooperating members of the consortium involving one or more
1-34 researchers from each member of the consortium conducting the
1-35 research project.

1-36 (6) "Program" means the adult stem cell research
1-37 program established under this chapter.

1-38 (7) "Research oversight committee" means the Texas
1-39 Adult Stem Cell Research Oversight Committee.

1-40 Sec. 156.002. PURPOSE. The Texas Adult Stem Cell Research
1-41 Consortium is established to create and expedite innovation in the
1-42 area of adult stem cell research and to enhance the potential for a
1-43 medical or scientific breakthrough in treatment for diseases or
1-44 disorders.

1-45 Sec. 156.003. COMPOSITION OF RESEARCH OVERSIGHT COMMITTEE.

1-46 (a) The research oversight committee is composed of:

1-47 (1) two members representing the coordinating board,
1-48 each of whom is appointed by the commissioner of higher education;

1-49 (2) two members representing the Health and Human
1-50 Services Commission, each of whom is appointed by the executive
1-51 commissioner of the Health and Human Services Commission;

1-52 (3) one member who is an interested person appointed
1-53 by the governor; and

1-54 (4) seven professional members with special training
1-55 and interest in:

1-56 (A) adult stem cell research;

1-57 (B) clinical applications involving adult stem
1-58 cells; or

1-59 (C) commercialization of products or technology
1-60 involving adult stem cell research and treatments.

1-61 (b) The governor shall appoint five of the professional
1-62 members, two of whom must be selected from a list of candidates
1-63 prepared by the speaker of the house of representatives, and the

2-1 lieutenant governor shall appoint two of the professional members.
 2-2 (c) The governor shall designate a member of the research
 2-3 oversight committee as the presiding officer of the research
 2-4 oversight committee. The presiding officer serves in that capacity
 2-5 at the will of the governor.

2-6 (d) The members of the research oversight committee serve
 2-7 staggered six-year terms, with four members' terms expiring
 2-8 February 1 of each odd-numbered year. If a vacancy occurs on the
 2-9 research oversight committee, the appropriate appointing authority
 2-10 shall appoint, in the same manner as the original appointment,
 2-11 another person to serve for the remainder of the unexpired term.

2-12 (e) A research oversight committee member is not entitled to
 2-13 compensation but is entitled to reimbursement for necessary
 2-14 expenses, including travel expenses, incurred in performing the
 2-15 duties of a research oversight committee member.

2-16 Sec. 156.004. CONFLICT OF INTEREST. (a) In this section,
 2-17 "Texas trade association" means a cooperative and voluntarily
 2-18 joined association of business or professional competitors in this
 2-19 state designed to assist its members and its industry or profession
 2-20 in dealing with mutual business or professional problems and in
 2-21 promoting their common interest.

2-22 (b) A person may not be a member of the research oversight
 2-23 committee if:

2-24 (1) the person is an officer, employee, or paid
 2-25 consultant of a Texas trade association in the field of medicine; or

2-26 (2) the person's spouse is an officer, manager, or paid
 2-27 consultant of a Texas trade association in the field of medicine.

2-28 (c) A person may not be a member of the research oversight
 2-29 committee if the person is required to register as a lobbyist under
 2-30 Chapter 305, Government Code, because of the person's activities
 2-31 for compensation on behalf of a profession related to the operation
 2-32 of the research oversight committee.

2-33 Sec. 156.005. COMPOSITION OF CONSORTIUM. (a) The research
 2-34 oversight committee shall establish the Texas Adult Stem Cell
 2-35 Research Consortium.

2-36 (b) The consortium is composed of:

2-37 (1) participating institutions of higher education
 2-38 that:

2-39 (A) accept public money for adult stem cell
 2-40 research; or

2-41 (B) otherwise agree to participate in the
 2-42 consortium; and

2-43 (2) the following umbilical cord blood banks:

2-44 (A) the Texas Cord Blood Bank;

2-45 (B) the M. D. Anderson Cord Blood Bank; and

2-46 (C) any not-for-profit umbilical cord blood bank
 2-47 operating in this state that:

2-48 (i) stores umbilical cord blood for public
 2-49 use; and

2-50 (ii) agrees to participate in the
 2-51 consortium.

2-52 Sec. 156.006. ADVISORY COMMITTEE. (a) The research
 2-53 oversight committee shall establish an advisory committee to make
 2-54 recommendations based on prevailing international best practices
 2-55 in adult stem cell research to assist the research oversight
 2-56 committee in performing its duties.

2-57 (b) The advisory committee is composed of:

2-58 (1) a member representing each institution of higher
 2-59 education participating in the consortium, appointed by the
 2-60 president of the institution; and

2-61 (2) a member representing each umbilical cord blood
 2-62 bank participating in the consortium, appointed by the chief
 2-63 executive officer of the bank.

2-64 (c) A member of the advisory committee is not entitled to
 2-65 compensation and is not entitled to reimbursement for expenses.

2-66 (d) Chapter 2110, Government Code, does not apply to the
 2-67 advisory committee.

2-68 Sec. 156.007. ADMINISTRATION OF PROGRAM; GUIDELINES AND
 2-69 PROCEDURES. (a) The research oversight committee shall

3-1 administer the program to:

3-2 (1) make grants and loans on a competitive, peer
3-3 review basis to consortium participants for:

3-4 (A) multi-institutional, multi-investigator
3-5 research projects involving adult stem cells, including projects to
3-6 develop therapies, protocols, or medical procedures involving
3-7 adult stem cells; and

3-8 (B) the commercialization of products or
3-9 technology involving adult stem cell research and treatments;

3-10 (2) support consortium participants in all stages of
3-11 the process of developing treatments and cures based on adult stem
3-12 cell research, beginning with initial laboratory research through
3-13 successful clinical trials; and

3-14 (3) establish appropriate regulatory standards and
3-15 oversight bodies for adult stem cell research conducted by
3-16 consortium participants.

3-17 (b) The research oversight committee, in consultation with
3-18 the advisory committee, shall develop research priorities,
3-19 guidelines, and procedures for providing grants and loans for
3-20 specific research projects conducted by consortium participants.
3-21 The priorities, guidelines, and procedures must require the grants
3-22 and loans to be made:

3-23 (1) on a competitive, peer review basis; and

3-24 (2) only for multi-institutional, multi-investigator
3-25 research projects.

3-26 (c) Money awarded under this chapter may not be used for
3-27 research using stem cells obtained after an induced abortion.

3-28 (d) The research oversight committee shall follow the
3-29 recommendations of the advisory committee in performing its duties.
3-30 If the research oversight committee does not carry out a
3-31 recommendation of the advisory committee, the research oversight
3-32 committee shall provide a reason to the advisory committee in
3-33 writing and include the reason in its biennial report.

3-34 Sec. 156.008. FUNDING; SUPPORT. (a) The program may be
3-35 funded by:

3-36 (1) gifts, grants, or donations described by Section
3-37 156.009.

3-38 (b) The coordinating board shall provide administrative
3-39 support and resources necessary for the research oversight
3-40 committee to perform its duties under this chapter.

3-41 Sec. 156.009. GIFTS AND GRANTS. The consortium shall
3-42 solicit, and the research oversight committee may accept on behalf
3-43 of the consortium, a gift, grant, or donation made from any public
3-44 or private source for the purpose of promoting adult stem cell
3-45 commercialization or multi-institutional, multi-investigator
3-46 research projects.

3-47 Sec. 156.010. BIENNIAL REPORT. Not later than September 1
3-48 of each even-numbered year, the research oversight committee shall
3-49 submit a report of the research oversight committee's activities
3-50 and recommendations to the coordinating board and to the governor,
3-51 the lieutenant governor, the speaker of the house of
3-52 representatives, and the presiding officer of each legislative
3-53 standing committee or subcommittee with jurisdiction over higher
3-54 education.

3-55 SECTION 2. (a) As soon as possible after the effective
3-56 date of this Act, the governor, lieutenant governor, executive
3-57 commissioner of the Health and Human Services Commission, and
3-58 commissioner of higher education shall appoint members to the Texas
3-59 Adult Stem Cell Research Oversight Committee in accordance with
3-60 Chapter 156, Education Code, as added by this Act.

3-61 (b) In making initial appointments to the Texas Adult Stem
3-62 Cell Research Oversight Committee:

3-63 (1) the governor shall appoint:

3-64 (A) two members to serve a term expiring February
3-65 1, 2011, one member to serve a term expiring February 1, 2013, and
3-66 one member to serve a term expiring February 1, 2015; and

3-67 (B) from a list of candidates prepared by the
3-68 speaker of the house of representatives, one member to serve a term
3-69 expiring February 1, 2011, and one member to serve a term expiring

4-1 February 1, 2015;

4-2 (2) the lieutenant governor shall appoint one member
4-3 to serve a term expiring February 1, 2011, and one member to serve a
4-4 term expiring February 1, 2013;

4-5 (3) the executive commissioner of the Health and Human
4-6 Services Commission shall appoint one member to serve a term
4-7 expiring February 1, 2013, and one member to serve a term expiring
4-8 February 1, 2015; and

4-9 (4) the commissioner of higher education shall appoint
4-10 one member to serve a term expiring February 1, 2013, and one member
4-11 to serve a term expiring February 1, 2015.

4-12 SECTION 3. Not later than September 1, 2010, the Texas Adult
4-13 Stem Cell Research Oversight Committee shall submit the first
4-14 report of the committee's activities and recommendations as
4-15 required by Chapter 156, Education Code, as added by this Act.

4-16 SECTION 4. This Act takes effect September 1, 2009.

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