By: Zedler H.B. No. 27

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to the research, collection, and use of adult stem cells.
3	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
4	SECTION 1. Subtitle H, Title 3, Education Code, is amended
5	by adding Chapter 156 to read as follows:
6	CHAPTER 156. ADULT STEM CELL RESEARCH PROGRAM
7	Sec. 156.001. DEFINITIONS. In this chapter:
8	(1) "Adult stem cell" means an undifferentiated cell
9	that is:
10	(A) found in differentiated tissue; and
11	(B) able to renew itself and differentiate to
12	yield all or nearly all of the specialized cell types of the tissue
13	from which the cell originated.
14	(2) "Biorepository" means a facility for the storage
15	of stem cells for future use.
16	(3) "Consortium" means the Texas Adult Stem Cell
17	Research Consortium.
18	(4) "Current good manufacturing practice" has the
19	meaning assigned by the United States Food and Drug Administration.
20	(5) "Institution of higher education" means an
21	institution of higher education as defined by Section 61.003 or a
22	private college or university that receives state funds.
23	(6) "Program" means the adult stem cell research
24	program established under this chapter.

- 1 (7) "Research board" means the Texas Adult Stem Cell
- 2 Research Board.
- 3 Sec. 156.002. COMPOSITION OF RESEARCH BOARD. (a) The Texas
- 4 Adult Stem Cell Research Board is <u>composed of seven members</u>
- 5 appointed as follows:
- 6 (1) one member of the Texas Higher Education
- 7 Coordinating Board, appointed by the governor;
- 8 (2) two members who are interested persons, appointed
- 9 by the governor;
- 10 (3) two members who are interested persons, appointed
- 11 by the <u>lieutenant governor; and</u>
- 12 (4) two members who are interested persons, appointed
- 13 by the speaker of the house of representatives.
- 14 (b) The governor shall designate as the presiding officer of
- 15 the research board a board member appointed under Subsection (a)(1)
- 16 or (2). The presiding officer serves in that capacity at the will
- 17 of the governor.
- 18 (c) The governor shall designate at least one member
- 19 appointed under Subsection (a)(1) or (2) as a stem cell expert, and
- 20 the speaker of the house of representatives shall designate at
- 21 least one member appointed under Subsection (a)(4) as a stem cell
- 22 advocate.
- 23 <u>(d) The members of the research board serve staggered</u>
- 24 six-year terms. If a vacancy occurs on the board, the appropriate
- 25 appointing authority shall appoint, in the same manner as the
- 26 original appointment, another person to serve for the remainder of
- 27 the unexpired term.

- 1 Sec. 156.003. CONFLICT OF INTEREST. (a) In this section,
- 2 "Texas trade association" means a cooperative and voluntarily
- 3 joined association of business or professional competitors in this
- 4 state designed to assist its members and its industry or profession
- 5 in dealing with mutual business or professional problems and in
- 6 promoting their common interest.
- 7 (b) A person may not be a member of the research board if:
- 8 <u>(1) the person is an officer, employee, or paid</u>
- 9 consultant of a Texas trade association in the field of medicine; or
- 10 (2) the person's spouse is an officer, manager, or paid
- 11 consultant of a Texas trade association in the field of medicine.
- 12 (c) A person may not be a member of the research board if the
- 13 person is required to register as a lobbyist under Chapter 305,
- 14 Government Code, because of the person's activities for
- 15 compensation on behalf of a profession related to the operation of
- 16 <u>the research board.</u>
- 17 Sec. 156.004. COMPOSITION OF CONSORTIUM. (a) The research
- 18 board shall establish the Texas Adult Stem Cell Research
- 19 Consortium.
- 20 (b) The consortium is composed of participating
- 21 institutions of higher education and businesses that:
- 22 (1) accept public money for adult stem cell research;
- 23 <u>or</u>
- 24 (2) otherwise agree to participate in the consortium.
- Sec. 156.005. ADMINISTRATION OF PROGRAM; GUIDELINES AND
- 26 PROCEDURES. (a) The research board shall administer the program
- 27 to:

1	(1) from state money appropriated to the research
2	board, make grants, investments, or loans to consortium members
3	<pre>for:</pre>
4	(A) adult stem cell research activities and
5	<pre>projects, including:</pre>
6	(i) pre-clinical trials and studies;
7	(ii) treatment protocol development;
8	(iii) state or federal regulatory
9	submissions, including investigational new drug applications
10	submitted to and approvals from the United States Food and Drug
11	Administration;
12	(iv) clinical trials conducted in
13	coordination with contract research organizations and data safety
14	monitoring boards;
15	(v) intellectual property development; and
16	(vi) pathways and processes to
17	commercialization and to address the collection, development,
18	current good manufacturing practice production, biorepository
19	storage, characterization, and use of adult stem cells;
20	(B) the development of facilities to be used
21	solely for adult stem cell research projects, biorepository
22	storage, and current good manufacturing practice for adult stem
23	cell manufacturing and related projects; and
24	(C) the commercialization of products or
25	technology involving adult stem cell research and treatments;
26	(2) support consortium members in all stages of the
27	process of developing safe and effective treatments and cures based

- 1 on adult stem cell research, beginning with initial laboratory
- 2 research through current good manufacturing practice and
- 3 successful clinical trials that are:
- 4 (A) registered with the United States Food and
- 5 Drug Administration; and
- 6 (B) approved by an institutional review board
- 7 that reviews human subjects research protocols under United States
- 8 Department of Health and Human Services guidelines;
- 9 (3) establish appropriate regulatory standards and
- 10 <u>oversight bodies for:</u>
- 11 (A) adult stem cell research conducted by
- 12 consortium members; and
- 13 (B) the development of facilities for consortium
- 14 members conducting adult stem cell research, performing
- 15 biorepository storage, and conforming to current good
- 16 manufacturing practice; and
- 17 (4) assist consortium members in applying for grants,
- 18 investments, or loans under the program.
- 19 (b) The research board shall develop research priorities,
- 20 guidelines, and procedures for providing grants, investments, and
- 21 <u>loans for specific research projects conducted by consortium</u>
- 22 members. The priorities, guidelines, and procedures must require
- 23 the grants, investments, and loans to be made on a competitive,
- 24 peer-review basis.
- Sec. 156.006. FUNDING. The program may be funded by gifts,
- grants, investments, and donations described by Section 156.007 and
- 27 by money appropriated by the state.

- 1 Sec. 156.007. GIFTS, GRANTS, AND DONATIONS. The consortium
- 2 shall solicit, and the research board may accept on behalf of the
- 3 consortium, a gift, grant, investment, or donation made from any
- 4 public or private source for the purpose of promoting adult stem
- 5 cell research or commercialization.
- 6 Sec. 156.008. BIENNIAL REPORT. Not later than September 1
- 7 of each even-numbered year, the research board shall submit a
- 8 report of the research board's activities and recommendations to
- 9 the Texas Higher Education Coordinating Board and to the governor,
- 10 the lieutenant governor, the speaker of the house of
- 11 representatives, and the presiding officer of each legislative
- 12 standing committee or subcommittee with jurisdiction over higher
- 13 education.
- 14 SECTION 2. Section 162.001, Health and Safety Code, is
- 15 amended by adding Subdivision (4) to read as follows:
- 16 (4) "Adult stem cell" means an undifferentiated cell
- 17 that is:
- 18 (A) found in differentiated tissue; and
- 19 (B) able to renew itself and differentiate to
- 20 yield all or nearly all of the specialized cell types of the tissue
- 21 from which the cell originated.
- SECTION 3. Chapter 162, Health and Safety Code, is amended
- 23 by adding Section 162.020 to read as follows:
- Sec. 162.020. ADULT STEM CELL COLLECTION. Blood obtained
- 25 by a blood bank may be used for the collection of adult stem cells if
- 26 the donor consents in writing to that use.
- 27 SECTION 4. Section 241.003, Health and Safety Code, is

- 1 amended by amending Subdivision (1) and adding Subdivision (1-a) to
- 2 read as follows:
- 3 (1) "Adult stem cell" has the meaning assigned by
- 4 <u>Secti</u>on 162.001.
- 5 (1-a) "Advanced practice nurse" means a registered
- 6 nurse recognized as an advanced practice nurse by the Texas Board of
- 7 Nursing.
- 8 SECTION 5. Subchapter A, Chapter 241, Health and Safety
- 9 Code, is amended by adding Section 241.010 to read as follows:
- Sec. 241.010. USE OF ADULT STEM CELLS. A hospital may use
- 11 adult stem cells in a procedure if:
- 12 (1) the stem cells meet current good manufacturing
- 13 practice standards of quality and safety set by the United States
- 14 Food and Drug Administration;
- (2) a physician providing services at the hospital
- 16 determines that the use of adult stem cells in the procedure is
- 17 appropriate;
- 18 (3) applicable state and federal regulations are
- 19 followed; and
- 20 (4) the patient consents in writing to the use.
- 21 SECTION 6. (a) As soon as practicable after the effective
- 22 date of this Act, the governor, lieutenant governor, and speaker of
- 23 the house of representatives shall appoint members to the Texas
- 24 Adult Stem Cell Research Board, as required by Section 156.002,
- 25 Education Code, as added by this Act, as follows:
- 26 (1) the governor shall appoint one member to a term
- 27 expiring February 1, 2015, one member to a term expiring February 1,

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- 1 2017, and one member to a term expiring February 1, 2019;
- 2 (2) the lieutenant governor shall appoint one member
- 3 to a term expiring February 1, 2017, and one member to a term
- 4 expiring February 1, 2019; and
- 5 (3) the speaker of the house of representatives shall
- 6 appoint one member to a term expiring February 1, 2017, and one
- 7 member to a term expiring February 1, 2019.
- 8 (b) Not later than September 1, 2014, the Texas Adult Stem
- 9 Cell Research Board shall submit the first report of the board's
- 10 activities and recommendations as required by Chapter 156,
- 11 Education Code, as added by this Act.
- 12 (c) Notwithstanding Section 156.005(a)(1), Education Code,
- 13 as added by this Act, the Texas Adult Stem Cell Research Board may
- 14 not make a grant, investment, or loan under that section until
- 15 September 1, 2015.
- 16 (d) Notwithstanding Section 156.006, Education Code, as
- 17 added by this Act, the Texas Adult Stem Cell Research Board may not
- 18 receive a legislative appropriation for the 2013-2014 or 2014-2015
- 19 state fiscal biennium.
- 20 (e) A gift, grant, investment, or donation received by the
- 21 Texas Adult Stem Cell Research Board before September 1, 2015, may
- 22 be spent only for administrative expenditures, board meetings, and
- 23 planning expenses.
- SECTION 7. This Act takes effect on the 91st day after the
- 25 last day of the legislative session.