

BILL ANALYSIS

C.S.H.B. 2342
By: Zedler
State Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties report that human stem cell research is currently being conducted at universities across Texas, and they point to scholarly publications, testimony from university leaders and scientists, and invitations to legislators and their staff to tour university laboratories where this research is occurring as evidence of this activity. The parties note that stem cell research is supported by a variety of funding sources, including federal, state, and local funds, as well as funding from nonprofit and private for-profit entities. C.S.H.B. 2342 seeks to establish the Texas Adult Stem Cell Research Coordinating Board to further adult stem cell research through a variety of activities and to address the collection and use of adult stem cells.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2342 amends the Education Code to establish the Texas Adult Stem Cell Research Coordinating Board and to set the composition of the seven-member board, with members appointed by the lieutenant governor, the governor, and the speaker of the house of representatives. The bill sets out provisions for the governor's designation of the presiding officer, staggered service terms of board members, and the procedure for filling board vacancies. The bill excludes certain persons from board membership due to specified conflicts of interest and requires the appointments to be made as soon as practicable after the bill's effective date.

C.S.H.B. 2342 requires the board to establish the Texas Adult Stem Cell Research Consortium, composed of participating institutions of higher education and businesses that accept public money for adult stem cell research or otherwise agree to participate in the consortium. The bill requires the board to administer the adult stem cell research program to make certain grants and loans to consortium members, to support consortium members in all stages of the process of developing treatments and cures based on adult stem cell research, to establish appropriate regulatory standards and oversight bodies for adult stem cell research conducted by consortium members and the development of facilities for consortium members conducting adult stem cell research, and to assist consortium members in applying for grants or loans under the program. The bill requires the board to develop research priorities, guidelines, and procedures for providing grants and loans for specific research projects conducted by consortium members that are made on a competitive, peer review basis. The bill authorizes the program to be funded by gifts, grants, and donations. The bill 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.

C.S.H.B. 2342 requires the board to submit, not later than September 1 of each even-numbered year, a report of the board's activities and recommendations to the Texas Higher Education Coordinating Board, 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 and requires the board to submit its first report not later than September 1, 2014.

C.S.H.B. 2342 amends the Health and Safety Code to authorize the use of blood obtained by a blood bank for the collection of adult stem cells if the donor consents in writing to that use. The bill authorizes a hospital to use adult stem cells in a procedure if a physician providing services at the hospital determines that such use is appropriate and the patient consents in writing to the use.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2342 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

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

CHAPTER 156. ADULT STEM CELL RESEARCH PROGRAM

Sec. 156.001. DEFINITIONS.

Sec. 156.002. COMPOSITION OF RESEARCH COORDINATING BOARD.

(a) The Texas Adult Stem Cell Research Coordinating Board is composed of:

(1) two members representing the Texas Higher Education Coordinating Board, each of whom is appointed by the commissioner of higher education;

(2) two members representing the Health and Human Services Commission, each of whom is appointed by the executive commissioner of the commission;

(3) one member who is an interested person appointed by the lieutenant governor;

(4) seven professional members with special training and interest in:

(A) adult stem cell research;

(B) clinical applications involving adult stem cells; or

(C) commercialization of products or technology involving adult stem cell research and treatments; and

(5) members representing institutions of

HOUSE COMMITTEE SUBSTITUTE

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

CHAPTER 156. ADULT STEM CELL RESEARCH PROGRAM

Sec. 156.001. DEFINITIONS.

Sec. 156.002. COMPOSITION OF RESEARCH COORDINATING BOARD.

(a) The Texas Adult Stem Cell Research Coordinating Board is composed of seven members appointed as follows:

(1) three members who are interested persons, including at least one person who represents an institution of higher education, appointed by the governor;

(2) two members who are interested persons appointed by the lieutenant governor; and

(3) two members who are interested persons appointed by the speaker of the house of representatives.

higher education participating in the consortium, with one member appointed by the president of each institution.

(b) The governor shall appoint four of the professional members, and the lieutenant governor shall appoint three of the professional members.

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

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

Sec. 156.003. CONFLICT OF INTEREST.

(a) In this section, "Texas trade association" means a cooperative and voluntarily joined association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

(b) A person may not be a member of the research coordinating board if:

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

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

(c) A person may not be a member of the research coordinating board if the person is required to register as a lobbyist under Chapter 305, 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.

Sec. 156.005. ADMINISTRATION OF PROGRAM; GUIDELINES AND

(b) The governor shall designate as the presiding officer of the research coordinating board a board member appointed under Subsection (a)(1) who represents an institution of higher education. The presiding officer serves in that capacity at the will of the governor.

(c) The members of the research coordinating board serve staggered six-year terms. If a vacancy occurs on the board, the appropriate appointing authority shall appoint, in the same manner as the original appointment, another person to serve for the remainder of the unexpired term.

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(b) A person may not be a member of the research coordinating board if:

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

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

(3) the person is a member of the Texas Higher Education Coordinating Board.

(c) A person may not be a member of the research coordinating board if the person is required to register as a lobbyist under Chapter 305, 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.

Sec. 156.005. ADMINISTRATION OF PROGRAM; GUIDELINES AND PROCEDURES.

PROCEDURES.

Sec. 156.006. FUNDING. The program may be funded by:

- (1) legislative appropriations; or
- (2) gifts, grants, and donations described by Section 156.007.

Sec. 156.007. GIFTS, GRANTS, AND DONATIONS.

Sec. 156.008. BIENNIAL REPORT.

SECTION 2. Section 162.001, Health and Safety Code, is amended.

SECTION 3. Chapter 162, Health and Safety Code, is amended.

SECTION 4. Section 241.003, Health and Safety Code, is amended.

SECTION 5. Subchapter A, Chapter 241, Health and Safety Code, is amended.

SECTION 6. Not later than September 1, 2014, the Texas Adult Stem Cell Research Coordinating Board shall submit the first report of the board's activities and recommendations as required by Chapter 156, Education Code, as added by this Act.

No equivalent provision.

Sec. 156.006. FUNDING. The program may be funded by gifts, grants, and donations described by Section 156.007.

Sec. 156.007. GIFTS, GRANTS, AND DONATIONS.

Sec. 156.008. BIENNIAL REPORT.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.

SECTION 4. Same as introduced version.

SECTION 5. Same as introduced version.

No equivalent provision.

SECTION 6. (a) As soon as practicable after the effective date of this Act, the governor, lieutenant governor, and speaker of the house of representatives shall appoint members to the Texas Adult Stem Cell Research Coordinating Board, as required by Section 156.002, Education Code, as added by this Act, as follows:

- (1) the governor shall appoint one member to a term expiring February 1, 2015, one member to a term expiring February 1, 2017, and one member to a term expiring February 1, 2019;
- (2) the lieutenant governor shall appoint one member to a term expiring February 1, 2017, and one member to a term expiring February 1, 2019; and
- (3) the speaker of the house of representatives shall appoint one member to a term expiring February 1, 2017, and one member to a term expiring February 1, 2019.

(b) Not later than September 1, 2014, the Texas Adult Stem Cell Research Coordinating Board shall submit the first report of the board's activities and recommendations as required by Chapter 156, Education Code, as added by this Act.

SECTION 7. This Act takes effect September 1, 2013.

SECTION 7. Same as introduced version.