

SENATE AMENDMENTS

2nd Printing

By: Zedler, Flynn, Geren,
Anderson of McLennan, Zerwas, et al.

H.B. No. 177

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) "Consortium" means the Texas Adult Stem Cell
15 Research Consortium.

16 (3) "Institution of higher education" means an
17 institution of higher education as defined by Section 61.003 or a
18 private college or university that receives state funds.

19 (4) "Program" means the adult stem cell research
20 program established under this chapter.

21 (5) "Research coordinating board" means the Texas
22 Adult Stem Cell Research Coordinating Board.

23 Sec. 156.002. COMPOSITION OF RESEARCH COORDINATING BOARD.

24 (a) The Texas Adult Stem Cell Research Coordinating Board is

1 composed of seven members appointed as follows:

2 (1) three members who are interested persons,
3 including at least one person who represents an institution of
4 higher education and one person who is a representative of an
5 advocacy organization representing patients, appointed by the
6 governor;

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

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

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

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

21 Sec. 156.003. CONFLICT OF INTEREST. (a) In this section,
22 "Texas trade association" means a cooperative and voluntarily
23 joined association of business or professional competitors in this
24 state designed to assist its members and its industry or profession
25 in dealing with mutual business or professional problems and in
26 promoting their common interest.

27 (b) A person may not be a member of the research

1 coordinating board if:

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

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

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

8 (c) A person may not be a member of the research
9 coordinating board if the person is required to register as a
10 lobbyist under Chapter 305, Government Code, because of the
11 person's activities for compensation on behalf of a profession
12 related to the operation of the board.

13 Sec. 156.004. COMPOSITION OF CONSORTIUM. (a) The research
14 coordinating board shall establish the Texas Adult Stem Cell
15 Research Consortium.

16 (b) The consortium is composed of participating
17 institutions of higher education and businesses that:

18 (1) accept public money for adult stem cell research;

19 or

20 (2) otherwise agree to participate in the consortium.

21 Sec. 156.005. ADMINISTRATION OF PROGRAM; GUIDELINES AND
22 PROCEDURES. (a) The research coordinating board shall administer
23 the program to:

24 (1) make grants and loans to consortium members for:

25 (A) adult stem cell research projects, including
26 projects to develop therapies, protocols, or medical procedures
27 involving adult stem cells;

1 (B) the development of facilities to be used
2 solely for adult stem cell research projects; and

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

5 (2) support consortium members in all stages of the
6 process of developing treatments and cures based on adult stem cell
7 research, beginning with initial laboratory research through
8 successful clinical trials;

9 (3) establish appropriate regulatory standards and
10 oversight bodies for:

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; and

15 (4) assist consortium members in applying for grants
16 or loans under the program.

17 (b) The research coordinating board shall develop research
18 priorities, guidelines, and procedures for providing grants and
19 loans for specific research projects conducted by consortium
20 members. The priorities, guidelines, and procedures must require
21 the grants and loans to be made on a competitive, peer review basis.

22 Sec. 156.006. FUNDING. The program shall be funded by
23 gifts, grants, and donations described by Section 156.007. The
24 program may not be funded by legislative appropriations.

25 Sec. 156.007. GIFTS, GRANTS, AND DONATIONS. The consortium
26 shall solicit, and the research coordinating board may accept on
27 behalf of the consortium, a gift, grant, or donation made from any

1 public or private source for the purpose of promoting adult stem
2 cell research or commercialization.

3 Sec. 156.008. BIENNIAL REPORT. Not later than September 1
4 of each even-numbered year, the research coordinating board shall
5 submit a report of the board's activities and recommendations to
6 the Texas Higher Education Coordinating Board and to the governor,
7 the lieutenant governor, the speaker of the house of
8 representatives, and the presiding officer of each legislative
9 standing committee or subcommittee with jurisdiction over higher
10 education.

11 SECTION 2. Section 162.001, Health and Safety Code, is
12 amended by adding Subdivision (4) to read as follows:

13 (4) "Adult stem cell" means an undifferentiated cell
14 that is:

15 (A) found in differentiated tissue; and

16 (B) able to renew itself and differentiate to
17 yield all or nearly all of the specialized cell types of the tissue
18 from which the cell originated.

19 SECTION 3. Chapter 162, Health and Safety Code, is amended
20 by adding Section 162.020 to read as follows:

21 Sec. 162.020. ADULT STEM CELL COLLECTION. Blood obtained
22 by a blood bank may be used for the collection of adult stem cells if
23 the donor consents in writing to that use.

24 SECTION 4. The heading to Chapter 1003, Health and Safety
25 Code, is amended to read as follows:

26 CHAPTER 1003. [~~AUTOLOGOUS STEM CELL BANK FOR RECIPIENTS OF~~
27 ~~BLOOD AND TISSUE COMPONENTS WHO ARE THE LIVE HUMAN DONORS~~

1 ~~OF THE~~] ADULT STEM CELLS

2 SECTION 5. Chapter 1003, Health and Safety Code, is amended
3 by adding Sections 1003.002 and 1003.003 to read as follows:

4 Sec. 1003.002. GENERAL REQUIREMENTS FOR ADULT STEM CELL USE
5 IN HEALTH CARE. A person using adult stem cells in the provision of
6 health care:

7 (1) must use adult stem cells that are properly
8 manufactured and stored; and

9 (2) may only use adult stem cells in a clinical trial
10 approved by the United States Food and Drug Administration.

11 Sec. 1003.003. ADDITIONAL REQUIREMENTS FOR ADULT STEM CELL
12 USE IN HOSPITALS. A hospital may use adult stem cells in a
13 procedure if:

14 (1) a physician providing services at the hospital
15 determines that the use of adult stem cells in the procedure is
16 appropriate;

17 (2) the patient consents in writing to the use;

18 (3) the requirements for stem cell use under Section
19 1003.002 are met;

20 (4) the manufacturing processes for the adult stem
21 cells satisfy current good manufacturing practices adopted by the
22 United States Food and Drug Administration; and

23 (5) appropriate state and federal guidelines on the
24 use of adult stem cells are followed.

25 SECTION 6. (a) As soon as practicable after the effective
26 date of this Act, the governor, lieutenant governor, and speaker of
27 the house of representatives shall appoint members to the Texas

1 Adult Stem Cell Research Coordinating Board, as required by Section
2 156.002, Education Code, as added by this Act, as follows:

3 (1) the governor shall appoint one member to a term
4 expiring February 1, 2017, one member to a term expiring February 1,
5 2019, and one member to a term expiring February 1, 2021;

6 (2) the lieutenant governor shall appoint one member
7 to a term expiring February 1, 2019, and one member to a term
8 expiring February 1, 2021; and

9 (3) the speaker of the house of representatives shall
10 appoint one member to a term expiring February 1, 2019, and one
11 member to a term expiring February 1, 2021.

12 (b) Not later than September 1, 2016, the Texas Adult Stem
13 Cell Research Coordinating Board shall submit the first report of
14 the board's activities and recommendations as required by Chapter
15 156, Education Code, as added by this Act.

16 SECTION 7. This Act takes effect September 1, 2015.

FLOOR AMENDMENT NO. 1

BY: Chris Dutton

1 Amend H.B. No. 177 in SECTION 1 of the bill (senate
2 committee printing) in new Section 156.001, Education Code, on
3 page 1, line 47, between "governor" and ";", insert ", with the
4 advice and consent of the senate".

ADOPTED

MAY 24 2015

Debra Spaw
Secretary of the Senate

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 25, 2015

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB177 by Zedler (Relating to the research, collection, and use of adult stem cells.), **As Passed 2nd House**

<p>No fiscal implication to the State is anticipated, due to the bill's prohibition on the program being funded with legislative appropriations.</p>

The bill creates the Texas Adult Stem Cell Research Coordinating Board (Research Coordinating Board). Under provisions of the bill, the Research Coordinating Board would establish an adult stem cell research program and the Texas Adult Stem Cell Research Consortium (Consortium). The Consortium would be 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 Research Coordinating Board would administer the program to make grants and loans to consortium members for adult stem research projects, the development of facilities to be used solely for adult stem cell research projects and the commercialization of products or technology involving adult stem cell research and treatments. Under provisions of the bill, funding for the program can only be supported through gifts, grants and donations. The bill states that the program may not be funded by legislative appropriations. Since legislative appropriations cannot be used to support the program, there is no fiscal impact to the State.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

LBB Staff: UP, GO, NB, AG, DEH

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 19, 2015

TO: Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB177 by Zedler (Relating to the research, collection, and use of adult stem cells.), As
Engrossed

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LBB Staff: UP, NB, AG, DEH, GO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 23, 2015

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB177 by Zedler (Relating to the research, collection, and use of adult stem cells.),
Committee Report 1st House, Substituted

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LBB Staff: UP, AG, DEH, GO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 10, 2015

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB177 by Zedler (Relating to the research, collection, and use of adult stem cells.), **As Introduced**

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LBB Staff: UP, AG, DEH, GO