

**House Bill 177**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION

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. In this chapter:

- (1) "Adult stem cell" means an undifferentiated cell that is:
  - (A) found in differentiated tissue; and
  - (B) able to renew itself and differentiate to yield all or nearly all of the specialized cell types of the tissue from which the cell originated.
- (2) "Consortium" means the Texas Adult Stem Cell Research Consortium.
- (3) "Institution of higher education" means an institution of higher education as defined by Section 61.003 or a private college or university that receives state funds.
- (4) "Program" means the adult stem cell research program established under this chapter.
- (5) "Research coordinating board" means the Texas Adult Stem Cell Research Coordinating Board.

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 and one person who is a representative of an advocacy organization representing patients, 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.

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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

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- (2) "Consortium" means the Texas Adult Stem Cell Research Consortium.
- (3) "Institution of higher education" means an institution of higher education as defined by Section 61.003 or a private college or university that receives state funds.
- (4) "Program" means the adult stem cell research program established under this chapter.
- (5) "Research coordinating board" means the Texas Adult Stem Cell Research Coordinating Board.

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 and one person who is a representative of an advocacy organization representing patients, appointed by the governor, with the advice and consent of the senate; [FA1]
- (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.

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(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.

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;

(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. (a) The

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(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.

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;

(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. (a) The

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research coordinating board shall establish the Texas Adult Stem Cell Research Consortium.

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

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

(2) otherwise agree to participate in the consortium.

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

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

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

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

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

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

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

(A) adult stem cell research conducted by consortium members; and

(B) the development of facilities for consortium members conducting adult stem cell research; and

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

(b) The research coordinating board shall develop research priorities, guidelines, and procedures for providing grants and loans for specific research projects conducted by consortium

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

(b) The research coordinating board shall develop research priorities, guidelines, and procedures for providing grants and loans for specific research projects conducted by consortium

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members. The priorities, guidelines, and procedures must require the grants and loans to be made on a competitive, peer review basis.

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

Sec. 156.007. GIFTS, GRANTS, AND DONATIONS. The consortium shall solicit, and the research coordinating board may 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.

Sec. 156.008. BIENNIAL REPORT. Not later than September 1 of each even-numbered year, the research coordinating board shall submit a report of the board's activities and recommendations to the Texas Higher Education Coordinating Board and to 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.

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

- (4) "Adult stem cell" means an undifferentiated cell that is:
- (A) found in differentiated tissue; and
- (B) able to renew itself and differentiate to yield all or nearly all of the specialized cell types of the tissue from which the cell originated.

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

Sec. 156.007. GIFTS, GRANTS, AND DONATIONS. The consortium shall solicit, and the research coordinating board may 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.

Sec. 156.008. BIENNIAL REPORT. Not later than September 1 of each even-numbered year, the research coordinating board shall submit a report of the board's activities and recommendations to the Texas Higher Education Coordinating Board and to 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.

SECTION 2. Same as House version.

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

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

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

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

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

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

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

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

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

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

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

(3) the requirements for stem cell use under Section 1003.002

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SECTION 3. Same as House version.

SECTION 4. Same as House version.

SECTION 5. Same as House version.

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are met:

(4) the manufacturing processes for the adult stem cells satisfy current good manufacturing practices adopted by the United States Food and Drug Administration; and  
(5) appropriate state and federal guidelines on the use of adult stem cells are followed.

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, 2017, one member to a term expiring February 1, 2019, and one member to a term expiring February 1, 2021;

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

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

(b) Not later than September 1, 2016, 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 6. Same as House version.

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

SECTION 7. Same as House version.