87R1318 JG-D

By:  Menéndez S.B. No. 264

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND); authorizing the issuance of bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Subtitle D, Title 2, Health and Safety Code, is amended by adding Chapter 90 to read as follows:

CHAPTER 90. TEXAS RESEARCH CONSORTIUM TO CURE INFECTIOUS DISEASES (TRANSCEND)

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 90.001.  DEFINITIONS. In this chapter:

(1)  "Consortium" means the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND).

(2)  "Disease" means a disorder of structure or function in a human that produces specific signs or symptoms or affects a specific location in the human body and that has the potential of being prevented by a vaccine or otherwise treated or cured.

(3)  "Oversight committee" means the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) Oversight Committee.

(4)  "Scientific committee" means the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) Scientific Committee.

Sec. 90.002.  PURPOSE. The Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) is established to:

(1)  accelerate advancements in infectious disease diagnosis, treatment, prevention, and cures;

(2)  facilitate innovative research and development to prepare for and address public health crises caused by infectious diseases;

(3)  recruit, retain, and invest in leading infectious disease experts to research and develop diagnostics, therapies, and vaccines for infectious diseases;

(4)  establish a centralized research location through which the consortium will operate and facilitate collaborative research on infectious diseases and related disorders and the development of treatments and cures for infectious diseases; and

(5)  communicate the consortium's mission to the public.

Sec. 90.003.  SUNSET PROVISION. The Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) is subject to Chapter 325, Government Code (Texas Sunset Act), but is not abolished under that chapter. The consortium shall be reviewed during the period in which state agencies scheduled to be abolished in 2035, and every 12 years after that year, are reviewed.

SUBCHAPTER B. POWERS AND DUTIES OF CONSORTIUM

Sec. 90.051.  POWERS AND DUTIES. The consortium:

(1)  may award grants to persons for the purpose of:

(A)  conducting collaborative research on infectious diseases and associated conditions and innovative methods to prepare for infectious disease outbreaks;

(B)  developing treatments and cures, including vaccines, for diseases and associated conditions;

(C)  developing education initiatives and conducting outreach to engage and inform the public on infectious diseases and associated conditions; and

(D)  developing initiatives to prepare for and rapidly respond to infectious disease outbreaks and public health crises;

(2)  shall establish a centralized research location through which the consortium will operate and facilitate collaborative research on infectious diseases and related disorders and the development of treatments and cures for infectious diseases;

(3)  shall establish appropriate standards and oversight bodies to ensure money authorized under this chapter is properly used for infectious disease research and preparation and development of infectious disease treatments and cures;

(4)  shall develop collaborative research opportunities in accordance with Subchapter F;

(5)  may employ necessary staff to provide administrative support;

(6)  shall continuously monitor contracts or agreements entered into under this chapter to ensure that each grant recipient or person conducting research under Subchapter F complies with the terms and conditions of the contract or agreement;

(7)  shall ensure that all grant applications comply with this chapter and rules adopted under this chapter before the applications are submitted to the scientific committee for consideration and approval; and

(8)  shall establish procedures to document that the consortium, the consortium's employees, and other consortium members appointed or hired under this chapter comply with any laws and rules governing conflicts of interest.

Sec. 90.052.  CHIEF EXECUTIVE OFFICER; CHIEF COMPLIANCE OFFICER; ADDITIONAL OFFICERS. (a) The oversight committee shall hire a chief executive officer. The chief executive officer shall perform the duties required under this chapter or designated by the oversight committee. The chief executive officer must have a demonstrated ability to lead and develop academic, commercial, and public or private partnerships and coalitions.

(b)  The consortium shall employ a chief compliance officer to monitor compliance with this chapter and rules adopted under this chapter and report incidents of noncompliance to the oversight committee. The chief compliance officer shall:

(1)  ensure that all grant applications comply with this chapter and rules adopted under this chapter before the applications are submitted to the scientific committee for consideration and approval;

(2)  attend and observe meetings of the scientific committee to ensure compliance with this chapter and rules adopted under this chapter; and

(3)  perform other duties assigned under this chapter or by the oversight committee.

(c)  The chief executive officer may propose and the oversight committee may approve the hiring of additional officers. An officer hired under this subsection shall report directly to the chief executive officer.

Sec. 90.053.  CONSORTIUM PRINCIPAL OFFICE. (a) The consortium shall establish its principal office at a facility in this state that:

(1)  is a world-recognized leader in infectious disease research and vaccine development;

(2)  is central to all parts of this state, including areas with high-risk populations most vulnerable to infectious diseases;

(3)  has exclusive jurisdiction over a laboratory facility with a federal biosafety level of BSL-4, as designated by the Centers for Disease Control and Prevention; and

(4)  has access to a sufficient number of suitable specimens for vaccine testing efficacy and safety.

(b)  The consortium's principal office is the consortium's central research location through which the consortium operates and facilitates collaborative research under this chapter.

(c)  The consortium shall adopt appropriate procedures and safeguards to ensure:

(1)  the consortium and the facility described by Subsection (a) are governed and operated independently of each other; and

(2)  the facility described by Subsection (a) receives no unfair advantage in grants awarded under this chapter.

Sec. 90.054.  ANNUAL REPORT; INTERNET POSTING. Not later than January 31 of each year, the consortium shall prepare and submit to the governor, the lieutenant governor, and each member of the legislature and post on the consortium's Internet website a written report that includes:

(1)  the number of grants awarded during the preceding state fiscal year;

(2)  a list of grant recipients for the preceding state fiscal year, including the dollar amount of the grant awarded to each recipient;

(3)  the consortium's administrative expenses for the preceding state fiscal year;

(4)  an assessment on the availability of money for conducting research authorized under this chapter from sources other than the consortium;

(5)  a summary of findings during the preceding state fiscal year from research projects funded by the consortium, including any promising new research areas;

(6)  an assessment of the relationship between the research projects funded by the consortium during the preceding state fiscal year and the overall strategy of the consortium's research goals;

(7)  a statement of the consortium's strategic research and financial plans for the next state fiscal year;

(8)  an estimate of the amount of money the state spent during the preceding state fiscal year to treat individuals with infectious diseases, including the amount spent to treat individuals with diseases through the child health plan program, Medicaid, the Teacher Retirement System of Texas, and the Employees Retirement System of Texas; and

(9)  a statement of the consortium's compliance program activities during the preceding state fiscal year, including any proposed legislative or other recommendations identified through those activities.

Sec. 90.055.  INDEPENDENT FINANCIAL AUDIT FOR REVIEW BY COMPTROLLER. (a) The consortium shall annually commission an independent financial audit of the consortium's activities from a certified public accounting firm.

(b)  The consortium shall provide the audit to the comptroller and, as soon as practicable after receiving the audit, the comptroller shall:

(1)  review and evaluate the audit and issue a public report of that review and evaluation; and

(2)  make recommendations to the consortium regarding the financial practices of the consortium.

(c)  The oversight committee shall review the audit and the comptroller's report and recommendations. As applicable, the oversight committee shall seek to modify the consortium's financial practices based on the audit, report, and recommendations.

Sec. 90.056.  GRANT RECORDS. (a) The consortium shall maintain complete records of:

(1)  the review of each grant application submitted to the consortium, including the score assigned to each grant application reviewed, regardless of whether the grant application is approved by the scientific committee or withdrawn after submission to the scientific committee;

(2)  each grant recipient's financial reports, including dedicated matching money provided by the recipient for the specified research project;

(3)  progress reports for each research project awarded money under this chapter;

(4)  the consortium's policies and procedures for determining any conflicts of interest and identifying each principal investor and owner of each grant recipient as provided by consortium rules; and

(5)  the consortium's review of the grant recipient's financial and progress reports.

(b)  The consortium shall have periodic audits conducted of any electronic grant management system used to maintain records under this section of grant applications and grants awarded. The consortium shall address in a timely manner each issue identified in an audit of the system.

Sec. 90.057.  GIFTS AND GRANTS. The consortium may solicit and accept gifts and grants from any source to carry out the purposes of this chapter.

SUBCHAPTER C. OVERSIGHT COMMITTEE

Sec. 90.101.  COMPOSITION OF OVERSIGHT COMMITTEE; ELIGIBILITY OF MEMBERS. (a) The oversight committee is the governing body of the consortium.

(b)  The oversight committee is composed of:

(1)  the following nine voting members:

(A)  three members appointed by the governor;

(B)  three members appointed by the lieutenant governor; and

(C)  three members appointed by the governor from a list provided to the governor by the speaker of the house of representatives; and

(2)  an ex officio nonvoting member, the chief executive officer of the facility described by Section 90.053(a).

(c)  The voting members of the oversight committee must represent the geographic and cultural diversity of this state.

(d)  In making appointments or recommendations for appointments to the oversight committee, the governor, lieutenant governor, and speaker of the house of representatives must each appoint or recommend, as applicable, at least one person who is a physician or a scientist with extensive experience in epidemiology, vaccines, or public health.

(e)  A person may not be a voting member of the oversight committee if the person or the person's spouse:

(1)  is employed by or participates in the management of a business entity or other organization receiving money from the consortium;

(2)  owns or controls, directly or indirectly, an interest in a business entity or other organization receiving money from the consortium; or

(3)  uses or receives a substantial amount of tangible goods, services, or money from the consortium, other than reimbursement authorized by this chapter for oversight committee membership, attendance, or expenses.

Sec. 90.102.  TERMS; VACANCY; REMOVAL. (a) Oversight committee members serve at the pleasure of the appointing authority for staggered four-year terms, with the terms of four or five voting members expiring January 31 of each even-numbered year.

(b)  Not later than the 30th day after the date an oversight committee member's term expires, the appropriate appointing authority shall appoint a replacement in the same manner as the original appointment.

(c)  If a vacancy occurs on the oversight committee, the appropriate appointing authority shall appoint a successor in the same manner as the original appointment to serve for the remainder of the unexpired term. The appropriate appointing authority shall appoint the successor not later than the 30th day after the date the vacancy occurs.

(d)  It is a ground for removal from the oversight committee that a member:

(1)  is ineligible for membership under Section 90.101;

(2)  cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term; or

(3)  is absent from more than half of the regularly scheduled oversight committee meetings that the member is eligible to attend during a calendar year without an excuse approved by a majority vote of the oversight committee.

Sec. 90.103.  OFFICERS. (a) The oversight committee shall elect a presiding officer and assistant presiding officer from among its voting members every two years. The oversight committee may elect additional officers from among its voting members.

(b)  The presiding officer and assistant presiding officer may not serve in the position to which the officer was elected for two consecutive terms.

(c)  The oversight committee shall:

(1)  establish and approve duties and responsibilities for officers of the committee; and

(2)  develop and implement policies that distinguish the responsibilities of the oversight committee and the committee's officers from the responsibilities of the chief executive officer and the employees of the consortium.

Sec. 90.104.  EXPENSES. A member of the oversight committee is not entitled to compensation but is entitled to reimbursement for actual and necessary expenses incurred in attending meetings of the committee or performing other official duties authorized by the presiding officer.

Sec. 90.105.  CONFLICT OF INTEREST; DISCLOSURE AND RECUSAL. (a) The oversight committee shall adopt conflict-of-interest rules, based on standards adopted by the National Institutes of Health, to govern members of the oversight committee, members of the scientific committee, and consortium employees.

(b)  Nothing in this chapter limits the authority of the oversight committee to adopt additional conflict-of-interest rules and standards.

(c)  If an oversight committee member or scientific committee member has a conflict of interest based on standards adopted under this section regarding a grant application that comes before the member for review or other action, the member shall:

(1)  provide to the chief executive officer and the presiding officer of the oversight committee, or if the presiding officer has the conflict, the next ranking member of the oversight committee, written notice of the conflict of interest;

(2)  disclose the conflict of interest in an open meeting of the oversight committee; and

(3)  recuse himself or herself from participating in the review, discussion, deliberation, and vote on the grant application and from accessing information regarding the matter to be decided.

Sec. 90.106.  RULEMAKING AUTHORITY. The oversight committee may adopt rules necessary to administer this chapter.

Sec. 90.107.  CODE OF CONDUCT. The oversight committee shall adopt a code of conduct applicable to each member of the oversight committee, member of the scientific committee, and consortium employee.

Sec. 90.108.  FINANCIAL STATEMENT REQUIRED. Each member of the oversight committee shall file with the chief compliance officer a verified financial statement complying with Sections 572.022 through 572.0252, Government Code, as required of a state officer by Section 572.021, Government Code.

SUBCHAPTER D. FUNDING

Sec. 90.151.  INFECTIOUS DISEASE RESEARCH FUND. (a) The infectious disease research fund is a dedicated account in the general revenue fund.

(b)  The fund consists of:

(1)  the proceeds from the issuance of bonds authorized by Section 69, Article III, Texas Constitution, and any additional appropriations of money to the fund by the legislature;

(2)  gifts and grants, including grants from the federal government, received for the fund; and

(3)  interest, dividends, and other income earned on the investment of money in the fund.

(c)  Money in the fund may only be used for:

(1)  awarding grants authorized under this chapter;

(2)  purchasing, subject to approval by the oversight committee, research and laboratory facilities by or on behalf of a grant recipient;

(3)  operating the consortium; and

(4)  debt service on bonds issued as authorized by Section 69, Article III, Texas Constitution.

Sec. 90.152.  ISSUANCE OF GENERAL OBLIGATION BONDS. (a) The consortium may request the Texas Public Finance Authority to issue and sell general obligation bonds of the state as authorized by Section 69, Article III, Texas Constitution.

(b)  The Texas Public Finance Authority may not issue and sell more than $300 million in general obligation bonds authorized by this section in a state fiscal year.

(b-1)  The Texas Public Finance Authority may not issue and sell more than $300 million in general obligation bonds authorized by this section before January 1, 2023. This subsection expires September 1, 2023.

(c)  The consortium shall determine, and include in its request for issuing bonds, the amount, exclusive of costs of issuance, of the bonds to be issued and the preferred time for issuing the bonds.

(d)  The Texas Public Finance Authority shall issue the bonds in accordance with and subject to Chapter 1232, Government Code, and Texas Public Finance Authority rules. The bonds may be issued in installments.

(e)  Proceeds of the bonds issued under this section shall be deposited in separate funds or accounts in the state treasury, as prescribed by the proceedings authorizing the bonds.

(f)  The proceeds of the bonds may be used only to:

(1)  make grants authorized by Section 69, Article III, Texas Constitution;

(2)  purchase research facilities approved by the consortium;

(3)  pay costs of operating the consortium; or

(4)  pay costs of issuing the bonds and related bond administration costs of the Texas Public Finance Authority.

Sec. 90.153.  AUTHORIZED USE OF FUNDS. (a) A grant recipient awarded money from the infectious disease research fund established under Section 90.151 may use the money for research consistent with the purposes of this chapter and in accordance with a contract between the grant recipient and the consortium.

(b)  Money awarded under this chapter may be used for authorized expenses, including honoraria, salaries and benefits, travel, conference fees and expenses, consumable supplies, other operating expenses, contracted research and development, capital equipment, and construction or renovation of state or private facilities.

SUBCHAPTER E. SCIENTIFIC COMMITTEE AND GRANT AWARD PROCEDURES

Sec. 90.201.  SCIENTIFIC COMMITTEE. (a) The consortium shall establish a scientific committee. The committee is composed of seven or nine members appointed by the oversight committee. The members must:

(1)  reside in this state; and

(2)  have expertise in the field of infectious diseases or another field considered appropriate by the oversight committee.

(b)  The scientific committee shall elect a presiding officer and assistant presiding officer from among its members every two years. The scientific committee may elect additional officers from among its members.

(c)  Scientific committee members serve at the pleasure of the oversight committee.

(d)  The scientific committee may establish one or more advisory committees to assist the scientific committee in performing its duties under this chapter. A member of an advisory committee established under this subsection:

(1)  may reside in or outside of this state;

(2)  must have appropriate expertise to carry out the purposes for which the advisory committee was established; and

(3)  serves at the pleasure of the scientific committee.

Sec. 90.202.  GRANT APPLICATION REVIEW AND SELECTION. (a) The scientific committee shall receive, score, and select grant applications to fund based on the procedures and criteria described by this section. The oversight committee shall contract with and award grants to each grant applicant selected by the scientific committee.

(b)  The scientific committee shall establish procedures and criteria for reviewing grant applications and awarding grants under this chapter. The procedures must require the scientific committee to score and select grant applications to fund by developing a prioritized list that:

(1)  ranks the grant applications in the order the scientific committee determines the research projects proposed by the applications should be funded; and

(2)  includes information explaining the reasons each grant application on the list meets the scientific committee's standards for funding.

(c)  The scientific committee must consider the grant applicant's capability in:

(1)  conducting research on infectious diseases and associated conditions;

(2)  developing treatments and cures, including vaccines, for infectious diseases and associated conditions that are marketable to the public;

(3)  conducting outreach to engage and inform the public on the applicant's research results and best practices for treatment of infectious diseases and associated conditions;

(4)  developing innovative methods to prepare for infectious disease outbreaks; and

(5)  developing educational initiatives on the prevention of and treatment for infectious diseases and associated conditions.

(d)  The chief compliance officer shall compare each grant applicant to a list of donors from any nonprofit organization established to provide support to the consortium before the application is submitted to the scientific committee for review and selection and again before any contract is executed or grant is awarded to the applicant.

(e)  The consortium may not award a grant to an applicant who has made a gift or grant to the consortium or a nonprofit organization established to provide support to the consortium.

Sec. 90.203.  MAXIMUM AMOUNT OF ANNUAL AWARDS. The consortium may not award more than $300 million in grants under this chapter in a state fiscal year.

Sec. 90.204.  PERIOD FOR AWARDS. The consortium may not award a grant under this chapter after August 31, 2034.

Sec. 90.205.  CONTRACT TERMS. (a) The oversight committee shall negotiate on behalf of the state regarding a grant awarded under this chapter.

(b)  Before awarding money to a grant recipient selected by the scientific committee, the oversight committee shall enter into a written contract with the grant recipient. The contract may specify that:

(1)  if all or any portion of the amount of the grant is used to build a capital improvement:

(A)  the state retains a lien or other interest in the capital improvement in proportion to the percentage of the grant amount used to pay for the capital improvement; and

(B)  the grant recipient shall, if the capital improvement is sold:

(i)  repay to this state the grant money used to pay for the capital improvement, with interest at the rate and according to the other terms provided by the contract; and

(ii)  share with this state a proportionate amount of any profit realized from the sale;

(2)  if the grant recipient has not used grant money awarded under this chapter for the purposes for which the grant was intended, the recipient shall repay that amount and any related interest applicable under the contract to this state at the agreed rate and on the agreed terms; and

(3)  if the grant recipient fails to meet the terms and conditions of the contract, the consortium may terminate the contract using the written process prescribed in the contract and require the recipient to repay the grant money awarded under this chapter and any related interest applicable under the contract to this state at the agreed rate and on the agreed terms.

(c)  The contract must:

(1)  require, in accordance with Subsection (d), the grant recipient to dedicate an amount of matching funds equal to one-half of the amount of the research grant awarded; and

(2)  specify:

(A)  the amount of matching funds to be dedicated under Subdivision (1);

(B)  the period in which the grant award must be spent;

(C)  the name of the research project to which matching funds are to be dedicated; and

(D)  the specific deliverables of the project that is the subject of the grant proposal.

(d)  Before the oversight committee may award for infectious disease research any grant of any proceeds of the bonds issued under this chapter, the recipient of the grant must certify that the recipient has an amount of funds equal to one-half of the grant and dedicate those funds to the research that is the subject of the grant request. The consortium shall adopt rules specifying the manner in which a grant recipient fulfills obligations under this subsection.

Sec. 90.206.  GRANT EVALUATION. (a) The oversight committee shall require as a condition of a grant award that the grant recipient submit to regular inspection reviews by consortium staff of the research project for which the award was made, including progress oversight reviews, to ensure compliance with the terms of the award and to ensure the scientific merit of the research.

(b)  The chief executive officer shall determine the review process under this section. The chief executive officer may suspend or terminate in accordance with Subsection (f) grants made that fail to meet contractual obligations.

(c)  The chief executive officer shall report at least annually to the oversight committee on the progress and continued merit of each research project funded by a grant under this chapter.

(d)  The consortium shall establish and implement reporting requirements to ensure that each grant recipient complies with the terms and conditions of the grant contract, including verification of the amounts of matching funds dedicated to the research project that is the subject of the grant award to the grant recipient.

(e)  The consortium shall implement a system to:

(1)  track the dates on which reports under Subsection (d) are due and received by the consortium; and

(2)  monitor the status of any required report that is not timely submitted to the consortium.

(f)  The chief compliance officer shall monitor compliance with this section and at least annually inquire into and monitor the status of any required report that is not timely submitted to the consortium by a grant recipient. The chief compliance officer shall notify the general counsel for the consortium and the oversight committee of a grant recipient that has not maintained compliance with the reporting requirements or matching funds provisions of the grant contract to allow the consortium to begin suspension or termination of the grant contract under Subsection (b). This subsection does not limit other remedies available under the grant contract.

Sec. 90.207.  COMPLIANCE PROGRAM. (a) In this section, "compliance program" means a process to assess and ensure compliance by the oversight committee members, scientific committee members, and consortium employees with applicable laws, rules, and policies, including matters of:

(1)  ethics and standards of conduct;

(2)  financial reporting;

(3)  internal accounting controls; and

(4)  auditing.

(b)  The consortium shall establish a compliance program that operates under the direction of the chief compliance officer. The consortium may establish procedures, such as a telephone hotline, to allow private access to the compliance program office and to preserve the confidentiality of communications and the anonymity of a person making a compliance report or participating in a compliance investigation.

Sec. 90.208.  MEDICAL ETHICS. The oversight committee shall ensure that a grant recipient of money under this chapter conduct any associated research project:

(1)  with full consideration for the ethical and medical implications of the research project; and

(2)  in a manner that complies with federal and state laws applicable to the research project.

Sec. 90.209.  PATENT ROYALTIES AND LICENSE REVENUES PAID TO STATE. (a) The oversight committee shall establish standards to require each research project awarded money under this chapter to be subject to an intellectual property agreement that allows the state to collect royalties, income, and other benefits, including interest or proceeds resulting from securities and equity ownership, realized as a result of the research project.

(b)  In determining the state's interest in any intellectual property rights, the oversight committee shall balance the opportunity of this state to benefit from the patents, royalties, licenses, and other benefits resulting from basic research, vaccine development, and clinical trials with the need to ensure that essential infectious disease research is not unreasonably hindered by the intellectual property agreement and that the agreement does not unreasonably remove the incentive on the part of each grant recipient and associated individuals.

SUBCHAPTER F. COLLABORATIVE RESEARCH OPPORTUNITIES

Sec. 90.251.  OPTION TO EXPAND ON RESEARCH FINDINGS. (a) The consortium shall develop opportunities for a person, regardless of whether the person is a grant applicant or recipient, to access and expand on the research findings of:

(1)  a finished research project funded by the consortium under this chapter; or

(2)  any research or other work conducted by a person under this subchapter.

(b)  The consortium may establish and maintain an electronic system through which a person may access information on research findings described by Subsection (a).

Sec. 90.252.  COLLABORATION REQUIREMENTS. (a) The consortium shall ensure that any research or other work that expands on research findings described by Section 90.251(a):

(1)  proportionally recognizes the contributions made by each person who participated in the underlying research and in the new research or other work; and

(2)  is subject to the same intellectual property agreement requirements for a research project under Section 90.209.

(b)  A person seeking to expand on research findings described by Section 90.251(a) must:

(1)  submit an application to and receive approval from the scientific committee;

(2)  allow the consortium to conduct the same evaluation procedures for a grant recipient under Section 90.206; and

(3)  allow the consortium to retain the comprehensive research findings of any research or other work conducted by the person to enable other persons to further expand on those research findings under this subchapter.

SECTION 2.  (a) Not later than January 31, 2022, the appropriate appointing authority shall appoint the members to the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) Oversight Committee as required by Section 90.101, Health and Safety Code, as added by this Act. The oversight committee may not take action until a majority of the appointed members have taken office.

(b)  Notwithstanding Section 90.101, Health and Safety Code, as added by this Act, in making the initial appointments to the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) Oversight Committee under that section:

(1)  the governor shall designate:

(A)  three members to serve terms expiring January 31, 2024, including one member from the list provided by the speaker of the house of representatives; and

(B)  three members to serve terms expiring January 31, 2026, including two members from the list provided by the speaker of the house of representatives; and

(2)  the lieutenant governor shall designate:

(A)  one member to serve a term expiring January 31, 2024; and

(B)  two members to serve terms expiring January 31, 2026.

SECTION 3.  Notwithstanding Section 90.054, Health and Safety Code, as added by this Act, the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) is not required to submit a report under that section until January 31, 2023.

SECTION 4.  This Act takes effect January 1, 2022, but only if the constitutional amendment proposed by the 87th Legislature, Regular Session, 2021, providing for the establishment of the Texas Research Consortium to Cure Infectious Diseases (TRANSCEND) and authorizing the issuance of up to $3 billion in general obligation bonds to fund collaborative research on and development of infectious disease treatments and cures for humans is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.