

By: Thompson of Harris

H.B. No. 15

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the creation of the Mental Health and Brain Research
3 Institute of Texas.

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

5 SECTION 1. Subtitle H, Title 3, Education Code, is amended
6 by adding Chapter 157 to read as follows:

7 CHAPTER 157. MENTAL HEALTH AND BRAIN RESEARCH INSTITUTE OF TEXAS

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 157.001. DEFINITIONS. In this chapter:

10 (1) "Institute" means the Mental Health and Brain
11 Research Institute of Texas.

12 (2) "Oversight committee" means the Mental Health and
13 Brain Research Institute of Texas Oversight Committee.

14 (3) "Peer review committee" means the Mental Health
15 and Brain Research Institute of Texas Peer Review Committee.

16 (4) "Program integration committee" means the Mental
17 Health and Brain Research Institute of Texas Program Integration
18 Committee.

19 (5) "Research plan" means the Texas Mental Health and
20 Brain Health Research Plan developed by the institute.

21 Sec. 157.002. PURPOSES. The Mental Health and Brain
22 Research Institute of Texas is established to:

23 (1) create and expedite innovation in mental health
24 and brain research to improve the health of residents of this state,

1 enhance the potential for a medical or scientific breakthrough in
2 mental health and brain-related sciences and biomedical research,
3 and enhance the mental health and brain research superiority of
4 this state;

5 (2) attract, create, or expand research capabilities
6 of eligible institutions of higher education and other public or
7 private entities by awarding grants to promote a substantial
8 increase in mental health and brain research, strategies for
9 prevention of brain-related diseases, brain health initiatives,
10 and the creation of high-quality jobs in this state; and

11 (3) develop and implement a research plan to foster
12 synergistic collaboration and investigation into mental health and
13 brain health research by eligible institutions of higher education
14 and their partners.

15 Sec. 157.003. STATE AUDITOR. Nothing in this chapter
16 limits the authority of the state auditor under Chapter 321,
17 Government Code, or other law.

18 SUBCHAPTER B. POWERS AND DUTIES OF INSTITUTE

19 Sec. 157.051. POWERS AND DUTIES. (a) The institute:

20 (1) may make grants to provide money to institutions
21 of learning, advanced medical research facilities, public and
22 private persons, and collaborations in this state to further the
23 purposes of this chapter, including:

24 (A) implementation of the research plan;

25 (B) research, such as translational and clinical
26 research into:

27 (i) the causes of and prevention,

1 treatment, rehabilitation, protocols, and cures for mental health
2 and human brain-related diseases, syndromes, disorders,
3 dysfunction, injuries, developmental issues, neurological health
4 issues, behavioral health issues, and substance abuse disorders
5 and other addictions; and

6 (ii) any other area impacting the brain,
7 including an area that directly or indirectly impacts or is
8 impacted by the brain or brain health, such as the gut microbiome,
9 nutrition, and the spinal cord or nervous system, that the peer
10 review committee and the oversight committee approve;

11 (C) providing money for facilities, equipment,
12 supplies, salaries, benefits, and other costs related to mental
13 health and brain research; and

14 (D) prevention programs and strategies to
15 mitigate the incidence of detrimental health impacts on the brain;

16 (2) shall collaborate with relevant state agencies,
17 coordinating councils, and consortiums to enhance mental health and
18 brain-related health care and research;

19 (3) shall establish the appropriate standards and
20 oversight bodies to ensure money authorized under this chapter is
21 properly used for the purposes of this chapter;

22 (4) shall employ necessary staff to provide
23 administrative support to the institute;

24 (5) may contract with another state agency to share
25 the cost of administrative services, including grant accounting,
26 grant monitoring, technical and document management of the grant
27 application review process, legal services, and compliance

1 services;

2 (6) shall monitor grant contracts authorized by this
3 chapter and ensure that each grant recipient complies with the
4 terms and conditions of the grant contract;

5 (7) shall ensure that all grant proposals comply with
6 this chapter and rules adopted under this chapter before the
7 proposals are submitted to the oversight committee for approval;

8 (8) shall establish procedures to document that the
9 institute, its employees, and its committee members appointed under
10 this chapter comply with all laws and rules governing the peer
11 review process and conflicts of interest; and

12 (9) shall create a statewide research and clinical
13 data registry for brain research.

14 (b) The institute shall implement and monitor the research
15 plan and revise the plan as necessary.

16 Sec. 157.052. CHIEF EXECUTIVE OFFICER; CHIEF COMPLIANCE
17 OFFICER; ADDITIONAL OFFICERS. (a) The oversight committee shall
18 hire a chief executive officer. The chief executive officer shall
19 perform the duties required by this chapter or designated by the
20 oversight committee. The chief executive officer must have a
21 demonstrated ability to lead and develop academic, commercial, and
22 governmental partnerships and coalitions.

23 (b) The institute shall employ a chief compliance officer to
24 monitor compliance with this chapter and rules adopted under this
25 chapter and to report incidents of noncompliance to the oversight
26 committee.

27 (c) The chief executive officer may hire any other officer

1 position the chief executive officer determines necessary for
2 efficient operation of the institute.

3 Sec. 157.053. ANNUAL PUBLIC REPORT; INTERNET POSTING. Not
4 later than January 31 of each year, the institute shall prepare and
5 submit to the governor, the lieutenant governor, the speaker of the
6 house of representatives, and the standing committee of each house
7 of the legislature with primary jurisdiction over institute matters
8 and post on the institute's Internet website a report that
9 outlines:

10 (1) the institute's activities under this chapter;

11 (2) a list of recipients that were awarded grants
12 during the preceding state fiscal year, including the grant amount
13 awarded to each recipient;

14 (3) any research accomplishments achieved during the
15 preceding state fiscal year by a grant recipient or the recipient's
16 partners;

17 (4) an overview summary of the institute's most recent
18 audited financial statement;

19 (5) an assessment of the relationship between the
20 institute's grants and the strategy of its research program;

21 (6) a statement of the institute's strategic research
22 plans;

23 (7) an estimate of the financial cost to this state of
24 brain disease during the most recent state fiscal year for which
25 data is available, including the amounts this state spent related
26 to brain disease through the Medicaid program, the Teacher
27 Retirement System of Texas, and the Employees Retirement System of

1 Texas;

2 (8) a statement of the institute's compliance program
3 activities, including any proposed legislation or other
4 recommendations identified through the activities;

5 (9) for the preceding state fiscal year:

6 (A) a list of any conflicts of interest that
7 require recusal under this chapter or rules adopted under this
8 chapter;

9 (B) any unreported conflicts of interest
10 confirmed by an investigation conducted under Section 157.254,
11 including any actions taken by the institute regarding an
12 unreported conflict of interest and subsequent investigation; and

13 (C) any waivers granted through the process
14 established under Section 157.253; and

15 (10) the institute's future direction.

16 Sec. 157.054. INDEPENDENT FINANCIAL AUDIT. (a) The
17 institute shall annually commission an independent financial audit
18 of its activities from a certified public accounting firm.

19 (b) The oversight committee shall review the annual
20 financial audit and the financial practices of the institute.

21 Sec. 157.055. GRANT RECORDS. (a) The institute shall
22 maintain complete records of:

23 (1) regardless of whether the grant application is
24 funded by the institute or is withdrawn after submission to the
25 institute, the review of each grant application submitted to the
26 institute, including the score assigned to each grant application
27 reviewed by the peer review committee in accordance with rules

1 adopted under Section 157.302;

2 (2) each grant recipient's financial reports,
3 including the amount of matching money dedicated to the research
4 specified for the grant award;

5 (3) each grant recipient's progress reports;

6 (4) for the purpose of determining any conflict of
7 interest, the identity of each principal investor and owner of each
8 grant recipient as provided by institute rules; and

9 (5) the institute's review of the grant recipient's
10 financial reports and progress reports.

11 (b) The institute shall keep the records described by
12 Subsection (a) until at least the 15th anniversary of the date the
13 record was issued.

14 (c) The institute shall have prepared periodic audits of any
15 electronic grant management system used to maintain records of
16 grant applications and grant awards under this section. The
17 institute shall timely address each weakness identified in an audit
18 of the system.

19 Sec. 157.056. GIFTS AND GRANTS. The institute may solicit
20 and accept gifts and grants from any source for the purposes of this
21 chapter.

22 Sec. 157.057. PROHIBITED OFFICE LOCATION. An institute
23 employee may not have an office located in a facility owned by an
24 entity receiving or applying to receive money from the institute.

25 Sec. 157.058. COMPLIANCE PROGRAM. (a) The institute shall
26 establish a compliance program that operates under the direction of
27 the institute's chief compliance officer to monitor compliance

1 with this chapter and rules adopted under this chapter and to use
2 to report incidents of noncompliance to the oversight committee.

3 (b) The chief compliance officer or designee shall attend
4 and observe meetings of the peer review committee and the program
5 integration committee to ensure compliance with this chapter and
6 rules adopted under this chapter.

7 (c) The chief compliance officer shall submit a written
8 report to the oversight committee confirming that each grant
9 application recommendation included on the list submitted by the
10 program integration committee under Section 157.302(a)(2) followed
11 the oversight committee's rules regarding the procedure for
12 awarding grants under this chapter. The report must contain all
13 relevant information on:

14 (1) the peer review process for the grant application;
15 (2) the application's peer review score assigned by
16 the peer review committee;

17 (3) adherence to the conflict-of-interest
18 notification and recusal process; and

19 (4) the confirmation that a grant applicant
20 recommended for approval did not make any gift or grant prohibited
21 by Section 157.302(f).

22 (d) To ensure each grant recipient complies with reporting
23 requirements included in the grant contract and the rules adopted
24 under this chapter, the institute shall implement a system to:

25 (1) track the dates on which grant recipient reports
26 are due and are received by the institute; and

27 (2) monitor the status of any required report that a

1 grant recipient does not timely submit to the institute.

2 (e) The chief compliance officer shall:

3 (1) monitor compliance with this section;

4 (2) inquire into and monitor the status of any
5 required report that a grant recipient does not timely submit to the
6 institute; and

7 (3) notify the general counsel of the institute and
8 the oversight committee of a grant recipient that has not complied
9 with the reporting requirements of the grant contract to allow the
10 institute to suspend or terminate the grant contract as warranted.

11 (f) The chief compliance officer shall establish procedures
12 for investigating allegations of fraud, waste, or abuse of state
13 resources against oversight committee members, institute employees
14 or contractors, grant applicants, or grant recipients. The
15 procedures must include:

16 (1) private access to the compliance program office,
17 such as a telephone hotline; and

18 (2) to the extent possible, preservation of the
19 confidentiality of communications and the anonymity of a person
20 submitting a compliance report related to fraud, waste, or abuse or
21 participating in a compliance investigation.

22 SUBCHAPTER C. OVERSIGHT COMMITTEE

23 Sec. 157.101. COMPOSITION OF OVERSIGHT COMMITTEE. (a) The
24 oversight committee is the governing body of the institute.

25 (b) The oversight committee is composed of the following
26 nine members:

27 (1) three members appointed by the governor;

1 (2) three members appointed by the lieutenant
2 governor; and

3 (3) three members appointed by the speaker of the
4 house of representatives.

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

7 (d) In making appointments to the oversight committee, the
8 governor, lieutenant governor, and speaker of the house of
9 representatives:

10 (1) must each appoint at least one person who is a
11 physician or a scientist with extensive experience in the field of
12 brain disease or public health; and

13 (2) should attempt to include persons affected by
14 brain disease or family members or caregivers of brain disease
15 patients if possible.

16 (e) A person may not be an oversight committee member if the
17 person or the person's spouse:

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

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

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

1 Sec. 157.102. REMOVAL. (a) It is a ground for removal from
2 the oversight committee that a member:

3 (1) is ineligible for membership under Section
4 157.101(e);

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

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

12 (b) The validity of an action of the oversight committee is
13 not affected by the fact that it is taken when a ground for removal
14 of a committee member exists.

15 (c) If the chief executive officer has knowledge that a
16 potential ground for removal exists, the chief executive officer
17 shall notify the presiding officer of the oversight committee of
18 the potential ground. The presiding officer shall then notify the
19 appointing authority and the attorney general that a potential
20 ground for removal exists. If the potential ground for removal
21 involves the presiding officer, the chief executive officer shall
22 notify the next highest ranking officer of the oversight committee,
23 who shall then notify the appointing authority and the attorney
24 general that a potential ground for removal exists.

25 Sec. 157.103. TERMS; VACANCY. (a) Oversight committee
26 members appointed by the governor, lieutenant governor, and speaker
27 of the house serve at the pleasure of the appointing official for

1 staggered six-year terms, with the terms of three members expiring
2 on January 31 of each odd-numbered year.

3 (b) If a vacancy occurs on the oversight committee, the
4 appropriate appointing official shall appoint a successor in the
5 same manner as the original appointment to serve for the remainder
6 of the unexpired term. The appropriate appointing official shall
7 appoint the successor not later than the 30th day after the date the
8 vacancy occurs.

9 Sec. 157.104. OFFICERS. (a) The oversight committee shall
10 elect a presiding officer and assistant presiding officer from
11 among its members every two years. The oversight committee may
12 elect additional officers from among its members.

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

16 (c) The oversight committee shall:

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

19 (2) develop and implement policies that distinguish
20 the responsibilities of the oversight committee and the committee's
21 officers from the responsibilities of the chief executive officer
22 and institute employees.

23 Sec. 157.105. EXPENSES. An oversight committee member is
24 not entitled to compensation but is entitled to reimbursement for
25 actual and necessary expenses incurred in attending meetings of the
26 committee or performing other official duties authorized by the
27 presiding officer.

1 Sec. 157.106. MEETINGS. (a) The oversight committee shall
2 hold at least one public meeting each quarter of the calendar year,
3 with appropriate notice and a formal public comment period.

4 (b) The oversight committee may conduct a closed meeting in
5 accordance with Subchapter E, Chapter 551, Government Code, to
6 discuss issues related to:

7 (1) managing, acquiring, or selling securities or
8 other revenue-sharing obligations realized under the standards
9 established as required by Section 157.305; and

10 (2) an ongoing compliance investigation into issues
11 related to fraud, waste, or abuse of state resources.

12 Sec. 157.107. POWERS AND DUTIES. (a) The oversight
13 committee shall:

14 (1) hire a chief executive officer;

15 (2) annually set priorities for each grant program
16 that receives money under this chapter; and

17 (3) consider the priorities set under Subdivision (2)
18 in awarding grants under this chapter.

19 (b) The oversight committee shall adopt a code of conduct
20 applicable to each oversight committee member, program integration
21 committee member, peer review committee member, and institute
22 employee that includes provisions prohibiting the member, the
23 employee, or the member's or employee's spouse from:

24 (1) accepting or soliciting any gift, favor, or
25 service that could reasonably influence the member or employee in
26 the discharge of official duties or that the member, employee, or
27 spouse knows or should know is being offered with the intent to

1 influence the member's or employee's official conduct;

2 (2) accepting employment or engaging in any business
3 or professional activity that would reasonably require or induce
4 the member or employee to disclose confidential information
5 acquired in the member's or employee's official position;

6 (3) accepting other employment or compensation that
7 could reasonably impair the member's or employee's independent
8 judgment in the performance of official duties;

9 (4) making personal investments or holding a financial
10 interest that could reasonably create a substantial conflict
11 between the member's or employee's private interest and the member's
12 or employee's official duties;

13 (5) intentionally or knowingly soliciting, accepting,
14 or agreeing to accept any benefit for exercising the member's
15 official powers or performing the member's or employee's official
16 duties in favor of another;

17 (6) leasing, directly or indirectly, any property,
18 capital equipment, employee, or service to any entity that receives
19 a grant from the institute;

20 (7) submitting a grant application for funding by the
21 institute;

22 (8) serving on the board of directors of an
23 organization established with a grant from the institute; or

24 (9) serving on the board of directors of a grant
25 recipient.

26 Sec. 157.108. RULEMAKING AUTHORITY. The oversight
27 committee may adopt rules to administer this chapter.

1 Sec. 157.109. FINANCIAL STATEMENT REQUIRED. Each oversight
2 committee member shall file with the chief compliance officer a
3 verified financial statement complying with Sections 572.022
4 through 572.0252, Government Code, as required of a state officer
5 by Section 572.021, Government Code.

6 SUBCHAPTER D. OTHER INSTITUTE COMMITTEES

7 Sec. 157.151. PEER REVIEW COMMITTEE. (a) The oversight
8 committee shall establish a peer review committee. The chief
9 executive officer, with approval by a simple majority of the
10 oversight committee members, shall appoint as members of the peer
11 review committee experts in fields related to the brain, including
12 research, health care, disease treatment and prevention, and other
13 study areas and trained patient advocates who meet the
14 qualifications adopted under Subsection (c).

15 (b) The oversight committee shall adopt a written policy on
16 in-state or out-of-state residency requirements for peer review
17 committee members.

18 (c) The oversight committee shall adopt rules regarding the
19 qualifications required of a trained patient advocate committee
20 member for a peer review committee. The rules must require the
21 trained patient advocate to successfully complete science-based
22 training.

23 (d) A peer review committee member may receive an honorarium
24 and may be reimburse for travel expenses incurred in conducting
25 committee business. Subchapter B, Chapter 2254, Government Code,
26 does not apply to an honorarium the member receives under this
27 chapter.

1 (e) The chief executive officer, in consultation with the
2 oversight committee, shall adopt a policy regarding honoraria and
3 document any change in the amount of honoraria paid to a peer review
4 committee member, including information explaining the basis for
5 that change.

6 (f) A peer review committee member appointed under this
7 chapter may not serve on the board of directors or other governing
8 board of an entity receiving a grant from the institute.

9 (g) Peer review committee members serve for terms as
10 determined by the chief executive officer.

11 Sec. 157.152. PROGRAM INTEGRATION COMMITTEE. (a) The
12 institute shall establish a program integration committee with the
13 duties assigned under this chapter.

14 (b) The program integration committee is composed of:

15 (1) the institute's chief executive officer, who shall
16 serve as the presiding officer of the program integration
17 committee;

18 (2) three senior-level institute employees
19 responsible for program policy and oversight, appointed by the
20 chief executive officer with the approval of a majority of the
21 oversight committee members; and

22 (3) the executive commissioner of the Health and Human
23 Services Commission or the executive commissioner's designee.

24 Sec. 157.153. HIGHER EDUCATION ADVISORY COMMITTEE. (a)
25 The higher education advisory committee is composed of the
26 following members:

27 (1) one member appointed by the president of Baylor

- 1 College of Medicine;
2 (2) one member appointed by the president of Texas A&M
3 Health;
4 (3) one member appointed by the president of Texas
5 Tech University Health Sciences Center;
6 (4) one member appointed by the president of Texas
7 Tech University Health Sciences Center at El Paso;
8 (5) one member appointed by the president of The
9 University of Texas Southwestern Medical Center;
10 (6) one member appointed by the president of The
11 University of Texas Medical Branch at Galveston;
12 (7) one member appointed by the president of The
13 University of Texas Health Science Center at Houston;
14 (8) one member appointed by the president of The
15 University of Texas Health Science Center at San Antonio;
16 (9) one member appointed by the president of The
17 University of Texas at Tyler Health Science Center;
18 (10) one member appointed by the dean of Dell Medical
19 School at The University of Texas at Austin;
20 (11) one member appointed by the president of The
21 University of Texas M. D. Anderson Cancer Center;
22 (12) one member appointed by the dean of The
23 University of Texas Rio Grande Valley School of Medicine;
24 (13) one member appointed by the president of
25 University of North Texas Health Science Center at Fort Worth;
26 (14) one member appointed by the president of Rice
27 University;

1 (15) one member appointed by the dean of University of
2 Houston College of Medicine; and

3 (16) one member appointed by the dean of Sam Houston
4 State University College of Osteopathic Medicine.

5 (b) The oversight committee by majority vote may increase
6 the membership of the higher education advisory committee to
7 include appointees representing institutions of higher education
8 not listed in Subsection (a).

9 (c) The higher education advisory committee shall advise
10 the oversight committee on issues, opportunities, the role of
11 higher education, and other subjects involving brain research.

12 Sec. 157.154. AD HOC ADVISORY COMMITTEE. (a) The oversight
13 committee, as necessary, may create additional ad hoc advisory
14 committees of experts to advise the oversight committee on issues
15 relating to brain research, brain health, brain-related diseases,
16 spinal cord injuries, traumatic brain injuries, mental and
17 behavioral health issues, including substance abuse disorders and
18 other addictions, or other brain- or neurological-related issues.

19 (b) Ad hoc committee members serve for the terms determined
20 by the oversight committee.

21 Sec. 157.155. EXPENSES. Members of the higher education
22 advisory committee or any ad hoc advisory committee appointed under
23 this subchapter serve without compensation but are entitled to
24 reimbursement for actual and necessary expenses incurred in
25 attending committee meetings or performing other official duties
26 authorized by the presiding officer, including travel expenses.

27 SUBCHAPTER E. FUNDING

1 Sec. 157.201. MENTAL HEALTH AND BRAIN INSTITUTE RESEARCH
2 FUND. (a) In this subchapter, "fund" means the MENTAL HEALTH AND
3 Brain Institute Research Fund established under Section 68, Article
4 III, Texas Constitution.

5 (b) The fund consists of:

6 (1) money transferred to the fund under Section 68,
7 Article III, Texas Constitution;

8 (2) money appropriated, credited, or transferred to
9 the fund by the legislature;

10 (3) patent, royalty, and license fees and other income
11 received under a contract entered into as provided by Section
12 157.304; and

13 (4) investment earnings and interest earned on amounts
14 credited to the fund.

15 (c) The fund may only be used for:

16 (1) the award of grants authorized under this chapter,
17 including grants for mental health and brain research, brain health
18 studies and disease prevention, and research facilities in this
19 state to conduct brain research;

20 (2) the purchase, subject to approval by the
21 institute, of research facilities by or for a state agency or grant
22 recipient; and

23 (3) the operation of the institute.

24 Sec. 157.202. AUTHORIZED USE OF GRANT MONEY; LIMITATIONS.

25 (a) A grant recipient awarded money from the fund may use the money
26 for research consistent with the purposes of this chapter and in
27 accordance with a contract between the grant recipient and the

1 institute.

2 (b) Except as otherwise provided by this section, grant
3 money awarded under this chapter may be used for authorized
4 expenses, including:

5 (1) honoraria;

6 (2) salaries and benefits;

7 (3) travel;

8 (4) conference fees and expenses;

9 (5) consumable supplies;

10 (6) operating expenses;

11 (7) contracted research and development;

12 (8) capital equipment;

13 (9) construction or renovation of state or private
14 facilities; and

15 (10) reimbursement for participation costs incurred
16 by brain cancer clinical trial participants, including
17 transportation, lodging, and any costs reimbursed under the cancer
18 clinical trial participation program established under Chapter 51,
19 Health and Safety Code.

20 (c) A grant recipient receiving money under this chapter for
21 brain disease research may not spend more than five percent of the
22 money for indirect costs. For purposes of this subsection,
23 "indirect costs" means the expenses of conducting business that are
24 not readily identified with a particular grant, contract, project,
25 function, or activity, but are necessary for the general operation
26 of the organization or the performance of the organization's
27 activities.

1 (d) Not more than five percent of the total amount of grant
2 money awarded under this chapter in a state fiscal year may be used
3 for facility purchase, construction, remodel, or renovation
4 purposes, and those expenditures must benefit brain research.

5 (e) Not more than 10 percent of the total amount of grant
6 money awarded under this chapter in a state fiscal year may be used
7 for prevention projects and strategies to mitigate the incidence of
8 detrimental health impacts on the brain during that year.

9 SUBCHAPTER F. CONFLICTS OF INTEREST: DISCLOSURE; RECUSAL

10 Sec. 157.251. CONFLICT OF INTEREST. (a) The oversight
11 committee shall adopt conflict-of-interest rules, based on
12 standards applicable to members of scientific review committees of
13 the National Institutes of Health, to govern members of the
14 oversight committee, the program integration committee, the peer
15 review committee, and institute employees.

16 (b) An oversight committee member, program integration
17 committee member, peer review committee member, or institute
18 employee shall recuse himself or herself, as provided by Section
19 157.252(a), (b), or (c), as applicable, if the member or employee,
20 or a person who is related to the member or employee within the
21 second degree of affinity or consanguinity, has a professional or
22 financial interest in an entity receiving or applying to receive
23 money from the institute.

24 (c) A person has a professional interest in an entity
25 receiving or applying to receive money from the institute if the
26 person:

27 (1) is a member of the board of directors, another

1 governing board, or any committee of the entity, or of a foundation
2 or similar organization affiliated with the entity, during the
3 same grant cycle;

4 (2) serves as an elected or appointed officer of the
5 entity;

6 (3) is an employee of or is negotiating future
7 employment with the entity;

8 (4) represents the entity;

9 (5) is a professional associate of a primary member of
10 the entity's project team;

11 (6) is, or within the preceding six years has been, a
12 student, postdoctoral associate, or part of a laboratory research
13 group for a primary member of the entity's project team;

14 (7) is engaged or is actively planning to be engaged in
15 collaboration with a primary member of the entity's project team;
16 or

17 (8) has long-standing scientific differences or
18 disagreements with a primary member of the entity's project team,
19 and those differences or disagreements:

20 (A) are known to the professional community; and

21 (B) could be perceived as affecting objectivity.

22 (d) A person has a financial interest in an entity receiving
23 or applying to receive money from the institute if the person:

24 (1) owns or controls, directly or indirectly, an
25 ownership interest, including sharing in profits, proceeds, or
26 capital gains, in an entity receiving or applying to receive money
27 from the institute; or

1 (2) could reasonably foresee that an action taken by
2 the oversight committee, the program integration committee, a peer
3 review committee, or the institute could result in a financial
4 benefit to the person.

5 (e) Nothing in this chapter limits the authority of the
6 oversight committee to adopt additional conflict-of-interest
7 standards.

8 Sec. 157.252. DISCLOSURE OF CONFLICT OF INTEREST; RECUSAL.

9 (a) If an oversight committee member or program integration
10 committee member has a conflict of interest as described by Section
11 157.251 regarding an application that comes before the member for
12 review or other action, the member shall:

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

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

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

22 (b) If a peer review committee member has a conflict of
23 interest described by Section 157.251 regarding an application that
24 comes before the member's committee for review or other action, the
25 member shall:

26 (1) provide written notice to the chief executive
27 officer of the conflict of interest; and

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

4 (c) If an institute employee has a conflict of interest
5 described by Section 157.251 regarding an application that comes
6 before the employee for review or other action, the employee shall:

7 (1) provide written notice to the chief executive
8 officer of the conflict of interest; and

9 (2) recuse himself or herself from participating in
10 the review of the application and be prevented from accessing
11 information regarding the matter to be decided.

12 (d) An oversight committee member, program integration
13 committee member, peer review committee member, or institute
14 employee with a conflict of interest may seek a waiver as provided
15 by Section 157.253.

16 (e) An oversight committee member, program integration
17 committee member, peer review committee member, or institute
18 employee who reports a potential conflict of interest or another
19 impropriety or self-dealing of the member or employee and who fully
20 complies with the recommendations of the general counsel and
21 recusal requirements is considered in compliance with the
22 conflict-of-interest provisions of this chapter. The member or
23 employee is subject to other applicable laws, rules, requirements,
24 and prohibitions.

25 (f) An oversight committee member, program integration
26 committee member, peer review committee member, or institute
27 employee who intentionally violates this section is subject to

1 removal from further participation in the institute's grant review
2 process.

3 Sec. 157.253. EXCEPTIONAL CIRCUMSTANCES REQUIRING
4 PARTICIPATION. The oversight committee shall adopt rules governing
5 the waiver of the conflict-of-interest requirements of this chapter
6 under exceptional circumstances for an oversight committee member,
7 program integration committee member, peer review committee
8 member, or institute employee. The rules must:

9 (1) authorize the chief executive officer or an
10 oversight committee member to propose granting a waiver by
11 submitting to the presiding officer of the oversight committee a
12 written statement about the conflict of interest, the exceptional
13 circumstance requiring the waiver, and any proposed limitations to
14 the waiver;

15 (2) require a proposed waiver to be publicly reported
16 at a meeting of the oversight committee;

17 (3) require a majority vote of the oversight committee
18 members present and voting to grant a waiver;

19 (4) require any waiver granted to be reported annually
20 to the lieutenant governor, the speaker of the house of
21 representatives, the governor, and the standing committee of each
22 house of the legislature with primary jurisdiction over institute
23 matters; and

24 (5) require the institute to retain documentation of
25 each waiver granted.

26 Sec. 157.254. INVESTIGATION OF UNREPORTED CONFLICTS OF
27 INTEREST. (a) An oversight committee member, a program

1 integration committee member, a peer review committee member, or an
2 institute employee who becomes aware of a potential conflict of
3 interest described by Section 157.251 that has not been reported
4 shall immediately notify the chief executive officer of the
5 potential conflict of interest. On notification, the chief
6 executive officer shall notify the presiding officer of the
7 oversight committee and the general counsel, who shall determine
8 the nature and extent of any unreported conflict.

9 (b) A grant applicant seeking an investigation regarding
10 whether a prohibited conflict of interest was not reported shall
11 file a written request with the institute's chief executive
12 officer. The applicant must:

13 (1) include in the request all facts regarding the
14 alleged conflict of interest; and

15 (2) submit the request not later than the 30th day
16 after the date the chief executive officer presents final funding
17 recommendations for the affected grant cycle to the oversight
18 committee.

19 (c) On notification of an alleged conflict of interest under
20 Subsection (a) or (b), the institute's general counsel shall:

21 (1) investigate the matter; and

22 (2) provide to the chief executive officer and
23 presiding officer of the oversight committee an opinion that
24 includes:

25 (A) a statement of facts;

26 (B) a determination of whether a conflict of
27 interest or another impropriety or self-dealing exists; and

1 (C) if the opinion provides that a conflict of
2 interest or another impropriety or self-dealing exists,
3 recommendations for an appropriate course of action.

4 (d) If the conflict of interest, impropriety, or
5 self-dealing involves the presiding officer of the oversight
6 committee, the institute's general counsel shall provide the
7 opinion to the next ranking oversight committee member who is not
8 involved with the conflict of interest, impropriety, or
9 self-dealing.

10 (e) After receiving the opinion and consulting with the
11 presiding officer of the oversight committee, the chief executive
12 officer shall take action regarding the recusal of the individual
13 from any discussion of or access to information related to the
14 conflict of interest or other recommended action related to the
15 impropriety or self-dealing. If the alleged conflict of interest,
16 impropriety, or self-dealing is held by, or is an act of, the chief
17 executive officer, the presiding officer of the oversight committee
18 shall take actions regarding the recusal or other action.

19 Sec. 157.255. FINAL DETERMINATION OF UNREPORTED CONFLICT OF
20 INTEREST. (a) The chief executive officer or, if applicable, the
21 presiding officer of the oversight committee shall make a
22 determination regarding the existence of an unreported conflict of
23 interest described by Section 157.251 or other impropriety or
24 self-dealing. The determination must specify any actions to be
25 taken to address the conflict of interest, impropriety, or
26 self-dealing, including:

27 (1) reconsideration of the application; or

1 (2) referral of the application to another peer review
2 committee for review.

3 (b) The determination made under Subsection (a) is
4 considered final unless three or more oversight committee members
5 request that the issue be added to the agenda of the oversight
6 committee.

7 (c) The chief executive officer or, if applicable, the
8 presiding officer of the oversight committee, shall provide written
9 notice of the final determination, including any further actions to
10 be taken, to the grant applicant requesting the investigation.

11 (d) Unless specifically determined by the chief executive
12 officer or, if applicable, the presiding officer of the oversight
13 committee, or the oversight committee, the validity of an action
14 taken on a grant application is not affected by the fact that an
15 individual who failed to report a conflict of interest participated
16 in the action.

17 SUBCHAPTER G. PROCEDURE FOR AWARDING GRANTS

18 Sec. 157.301. AWARD REVIEW PROCESS. The institute shall
19 use a peer review process to evaluate and recommend all grants the
20 oversight committee awards under this chapter.

21 Sec. 157.302. GRANT AWARD RULES AND PROCEDURES. (a) The
22 oversight committee shall adopt rules regarding the procedure for
23 awarding grants to an applicant under this chapter. The rules must
24 require:

25 (1) the peer review committee to score grant
26 applications and make recommendations to the program integration
27 committee and the oversight committee regarding the award of

1 grants, including providing a prioritized list that:

2 (A) ranks the grant applications in the order the
3 peer review committee determines applications should be funded; and

4 (B) includes information explaining each grant
5 applicant's qualification under the peer review committee's
6 standards for recommendation; and

7 (2) the program integration committee to submit to the
8 oversight committee a list of grant applications the program
9 integration committee by majority vote approved for recommendation
10 that:

11 (A) includes documentation on the factors the
12 program integration committee considered in making the grant
13 recommendations;

14 (B) is substantially based on the list submitted
15 by the peer review committee under Subdivision (1); and

16 (C) to the extent possible, gives priority to
17 proposals that:

18 (i) may lead to immediate or long-term
19 medical and scientific breakthroughs in the areas of prevention,
20 treatment, or cures for brain disease;

21 (ii) strengthen and enhance fundamental
22 science in brain research;

23 (iii) ensure a comprehensive coordinated
24 approach to brain research;

25 (iv) are interdisciplinary or
26 interinstitutional;

27 (v) align with state priorities and needs,

1 including priorities and needs outlined in other state agency
2 strategic plans, or address federal or other major research
3 sponsors' priorities in scientific or technological fields in the
4 area of brain research;

5 (vi) are matched with money provided by a
6 private or nonprofit entity or institution of higher education;

7 (vii) are collaborative between any
8 combination of private and nonprofit entities, public or private
9 agencies or institutions in this state, and public or private
10 institutions outside this state;

11 (viii) benefit the residents of this state,
12 including a demonstrable economic development benefit to this
13 state;

14 (ix) enhance research superiority at
15 institutions of higher education in this state by creating new
16 research superiority, attracting existing research superiority
17 from institutions outside this state and other research entities,
18 or attracting from outside this state additional researchers and
19 resources;

20 (x) expedite innovation and product
21 development, attract private sector entities to stimulate a
22 substantial increase in high-quality jobs, and increase higher
23 education applied science or technology research capabilities; and

24 (xi) address the goals of the research
25 plan.

26 (b) A member of a peer review committee may not attempt to
27 use the committee member's official position to influence a

1 decision to approve or award a grant or contract to the committee
2 member's employer.

3 (c) A program integration committee member may not discuss a
4 grant applicant recommendation with an oversight committee member
5 unless the program integration committee has fulfilled the
6 requirements of Subsection (a)(2).

7 (d) Two-thirds of the oversight committee members present
8 and voting must vote to approve each funding recommendation of the
9 program integration committee. If the oversight committee does not
10 approve a funding recommendation of the program integration
11 committee, a statement explaining the reasons the funding
12 recommendation was not followed must be included in the minutes of
13 the meeting.

14 (e) The oversight committee may not award more than \$300
15 million in grants under this chapter in a state fiscal year.

16 (f) The oversight committee may not award a grant to an
17 applicant who has made a gift or grant to the institute, an
18 oversight committee member, or an institute employee on or after
19 January 1, 2024. This section does not apply to gifts, fees,
20 honoraria, or other items also excepted under Section 36.10, Penal
21 Code.

22 Sec. 157.303. MULTIYEAR PROJECTS. (a) The oversight
23 committee may approve the award of grant money for a multiyear
24 project.

25 (b) The oversight committee shall specify the total amount
26 of money approved to fund the multiyear project. The total amount
27 specified is considered for purposes of this chapter to have been

1 awarded in the state fiscal year that the peer review committee
2 approved the project. The institute shall distribute only the
3 money that will be expended during that fiscal year. The institute
4 shall distribute the remaining grant money as the money is needed in
5 each subsequent state fiscal year.

6 Sec. 157.304. CONTRACT TERMS. (a) Before disbursing any
7 grant money awarded under this chapter, the institute shall execute
8 a written contract with the grant recipient. The contract shall:

9 (1) specify that except for awards to state agencies
10 or public institutions of higher education, if all or any portion of
11 the amount of the grant is used to build a capital improvement:

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

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

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

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

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

27 (3) specify that if the grant recipient fails to meet

1 the terms and conditions of the contract, the institute may
2 terminate the contract using the written process prescribed in the
3 contract and require the recipient to repay the awarded grant money
4 and any related interest applicable under the contract to this
5 state at the agreed rate and on the agreed terms;

6 (4) include terms relating to intellectual property
7 rights consistent with the standards developed by the oversight
8 committee under Section 157.305;

9 (5) require that, in accordance with Subsection (b),
10 the grant recipient dedicate an amount of matching money equal to
11 one-half of the amount of the research grant awarded and specify the
12 amount of matching money to be dedicated;

13 (6) specify the period in which the grant award must be
14 spent; and

15 (7) include the specific deliverables of the project
16 that is the subject of the grant proposal.

17 (b) Before the institute may disburse grant money, the grant
18 recipient must certify that the recipient has an amount of money
19 equal to one-half of the grant money that is available and not yet
20 expended, and dedicate that money to the research that is the
21 subject of the grant proposal. The institute shall adopt rules
22 specifying a grant recipient's obligations under this subchapter.
23 At a minimum, the rules must:

24 (1) allow a grant recipient that is an institution of
25 higher education or a private or independent institution of higher
26 education, as those terms are defined by Section 61.003, or a
27 research institute or center affiliated with the institution, to

1 credit toward the recipient's matching money the dollar amount
2 equivalent to the difference between the indirect cost rate
3 authorized by the federal government for research grants awarded to
4 the recipient and the indirect cost rate authorized by Section
5 157.203(c);

6 (2) specify that:

7 (A) a grant recipient receiving more than one
8 grant award may provide matching money certification at an
9 institutional level;

10 (B) the recipient of a multiyear grant award may
11 yearly certify matching money; and

12 (C) grant money may not be disbursed to the grant
13 recipient until the annual certification of the matching money has
14 been approved;

15 (3) specify that money for certification purposes may
16 include:

17 (A) federal funds;

18 (B) the fair market value of drug development
19 support provided to the recipient by the National Institutes of
20 Health or other similar programs;

21 (C) funds of this state;

22 (D) funds of other states; and

23 (E) nongovernmental funds, including private
24 funds, foundation grants, gifts, and donations;

25 (4) specify that the following items may not be used
26 for certification purposes:

27 (A) in-kind costs;

1 (B) volunteer services provided to a grant
2 recipient;

3 (C) noncash contributions;

4 (D) preexisting real estate of the grant
5 recipient, including buildings, facilities, and land;

6 (E) deferred giving, including a charitable
7 remainder annuity trust, charitable remainder unitrust, or pooled
8 income fund; or

9 (F) any other items determined by the institute;

10 (5) require that the grant recipient's certification
11 be included in the grant award contract;

12 (6) specify that a grant recipient's failure to
13 provide certification serves as grounds for terminating the grant
14 award contract;

15 (7) require a grant recipient to maintain adequate
16 documentation supporting the source and use of the money required
17 by this subsection and to provide documentation to the institute on
18 request; and

19 (8) require that the institute establish a procedure
20 to conduct an annual review of the documentation supporting the
21 source and use of money reported in the required certification.

22 (c) The institute shall establish a policy on advance
23 payments to grant recipients.

24 (d) The oversight committee shall adopt rules to administer
25 this section.

26 Sec. 157.305. PATENT ROYALTIES AND LICENSE REVENUES PAID TO
27 STATE. (a) The oversight committee shall establish standards

1 requiring all grant awards to be subject to an intellectual
2 property agreement that allows this state to collect royalties,
3 income, and other benefits, including interest or proceeds
4 resulting from securities and equity ownership, realized as a
5 result of projects undertaken with money awarded under this
6 chapter.

7 (b) In determining this state's interest in any
8 intellectual property rights, the oversight committee shall
9 balance the opportunity of this state to benefit from the patents,
10 royalties, licenses, and other benefits that result from basic
11 research, therapy development, and clinical trials with the need to
12 ensure that essential medical research is not unreasonably hindered
13 by the intellectual property agreement and that the agreement does
14 not unreasonably remove the incentive on the part of the individual
15 researcher, research team, or institution.

16 (c) The oversight committee may transfer its management and
17 disposition authority over this state's interest in securities,
18 equities, royalties, income, and other benefits realized as a
19 result of projects undertaken with money awarded under this chapter
20 to the Texas Treasury Safekeeping Trust Company. If the oversight
21 committee transfers management and disposition authority under
22 this subsection, the trust company has any power necessary to
23 accomplish the purposes of this section.

24 (d) In managing the assets described by Subsection (c)
25 through procedures and subject to restrictions that the Texas
26 Treasury Safekeeping Trust Company considers appropriate, the
27 trust company may acquire, exchange, sell, supervise, manage, or

1 retain any kind of investment that a prudent investor, exercising
2 reasonable care, skill, and caution, would acquire, exchange, sell,
3 or retain in light of the purposes, terms, distribution
4 requirements, and other circumstances then prevailing pertinent to
5 each investment, including the requirements prescribed by
6 Subsection (b) and the purposes described by Section 157.002. The
7 trust company may charge a fee to recover the reasonable and
8 necessary costs incurred in managing assets under this section.

9 Sec. 157.306. PREFERENCE FOR TEXAS SUPPLIERS. In a good
10 faith effort to achieve a goal of more than 50 percent of purchases
11 from suppliers in this state, the oversight committee shall
12 establish standards to ensure that grant recipients purchase goods
13 and services from suppliers in this state to the extent reasonably
14 possible.

15 Sec. 157.307. HISTORICALLY UNDERUTILIZED BUSINESSES. The
16 oversight committee shall establish standards to ensure that grant
17 recipients purchase goods and services from historically
18 underutilized businesses as defined by Section 2161.001,
19 Government Code, and any other applicable state law.

20 Sec. 157.308. GRANT COMPLIANCE AND PROGRESS EVALUATION.
21 (a) The institute shall require as a condition of a grant awarded
22 under this chapter that the grant recipient submit to regular
23 inspection reviews of the grant project by institute staff to
24 ensure compliance with the terms of the grant contract and ongoing
25 progress, including the scientific merit of the research.

26 (b) The chief executive officer shall report at least
27 annually to the oversight committee on the progress and continued

1 merit of the projects awarded grants by the institute.

2 Sec. 157.309. MEDICAL AND RESEARCH ETHICS. Any project
3 that is awarded a grant under this chapter must comply with all
4 applicable federal and state laws regarding the conduct of the
5 research or prevention project.

6 Sec. 157.310. PUBLIC INFORMATION; CONFIDENTIAL
7 INFORMATION. (a) The following information is public information
8 and may be disclosed under Chapter 552, Government Code:

9 (1) the applicant's name and address;

10 (2) the amount of money requested in the applicant's
11 grant proposal;

12 (3) the type of brain research to be addressed under
13 the proposal; and

14 (4) any other information the institute designates
15 with the consent of the grant applicant.

16 (b) To protect the actual or potential value of information
17 submitted to the institute by an applicant for or recipient of an
18 institute grant, the following information submitted by the
19 applicant or recipient is confidential and is not subject to
20 disclosure under Chapter 552, Government Code, or any other law:

21 (1) all information, other than the information
22 required under Subsection (a), that is contained in a grant award
23 application, peer review evaluation, award contract, or progress
24 report relating to a product, device, or process, the application
25 or use of the product, device, or process, and all technological and
26 scientific information, including computer programs, developed
27 wholly or partly by a grant applicant or recipient, regardless of

1 whether patentable or capable of being registered under copyright
2 or trademark laws, that has a potential for being sold, traded, or
3 licensed for a fee; and

4 (2) the plans, specifications, blueprints, and
5 designs, including related proprietary information, of a
6 scientific research and development facility.

7 (c) The following information is confidential and not
8 subject to disclosure under Chapter 552, Government Code:

9 (1) information that directly or indirectly reveals
10 the identity of an individual who made a report related to fraud,
11 waste, or abuse of state resources to the institute's compliance
12 program office, sought guidance from the office, or participated in
13 an investigation conducted under the compliance program;

14 (2) information that directly or indirectly reveals
15 the identity of an individual who is alleged to have or may have
16 planned, initiated, or participated in activities that are the
17 subject of a report made to the office if, after completing an
18 investigation, the office determines the report to be
19 unsubstantiated or without merit; and

20 (3) other information that is collected or produced in
21 a compliance program investigation if releasing the information
22 would interfere with an ongoing compliance investigation.

23 (d) Subsection (c) does not apply to information related to
24 an individual who consents to disclosure of the information.

25 (e) Information made confidential or excepted from public
26 disclosure by this section may be made available on request and in
27 compliance with applicable laws and procedures to the following:

1 (1) a law enforcement agency or prosecutor;

2 (2) a governmental agency responsible for
3 investigating the matter that is the subject of a compliance
4 report, including the Texas Workforce Commission civil rights
5 division or the federal Equal Employment Opportunity Commission; or

6 (3) a committee member or institute employee who is
7 responsible under institutional policy for a compliance program
8 investigation or for a review of a compliance program
9 investigation.

10 (f) A disclosure under Subsection (e) is not a voluntary
11 disclosure for purposes of Section 552.007, Government Code.

12 (g) The institute shall post on the institute's Internet
13 website records that pertain specifically to any gift, grant, or
14 other consideration provided to the institute, an institute
15 employee, or a member of the oversight committee, in the employee's
16 or oversight committee member's official capacity. The posted
17 information must include each donor's name and the amount and date
18 of the donor's donation. This section is not applicable to gifts,
19 fees, honoraria, or other items also excepted under Section 36.10,
20 Penal Code.

21 Sec. 157.311. APPROPRIATION CONTINGENCY. The institute is
22 required to implement a provision of this chapter only if the
23 legislature appropriates money specifically for that purpose. If
24 the legislature does not appropriate money specifically for that
25 purpose, the institute may, but is not required to, implement the
26 provision using other money available to the institute for that
27 purpose.

1 SECTION 2. Section 51.955(c), Education Code, is amended to
2 read as follows:

3 (c) Subsection (b)(1) does not apply to a research contract
4 between an institution of higher education and the Cancer
5 Prevention and Research Institute of Texas or Mental Health and
6 Brain Research Institute of Texas.

7 SECTION 3. Section 61.003(6), Education Code, is amended to
8 read as follows:

9 (6) "Other agency of higher education" means The
10 University of Texas System, System Administration; The University
11 of Texas at El Paso Museum; Texas Epidemic Public Health Institute
12 at The University of Texas Health Science Center at Houston; The
13 Texas A&M University System, Administrative and General Offices;
14 Texas A&M AgriLife Research; Texas A&M AgriLife Extension Service;
15 Rodent and Predatory Animal Control Service (a part of the Texas A&M
16 AgriLife Extension Service); Texas A&M Engineering Experiment
17 Station (including the Texas A&M Transportation Institute); Texas
18 A&M Engineering Extension Service; Texas A&M Forest Service; Texas
19 Division of Emergency Management; Texas Tech University Museum;
20 Texas State University System, System Administration; Sam Houston
21 Memorial Museum; Panhandle-Plains Historical Museum; Cotton
22 Research Committee of Texas; Texas Water Resources Institute; Texas
23 A&M Veterinary Medical Diagnostic Laboratory; Mental Health and
24 Brain Research Institute of Texas; and any other unit, division,
25 institution, or agency which shall be so designated by statute or
26 which may be established to operate as a component part of any
27 public senior college or university, or which may be so classified

1 as provided in this chapter.

2 SECTION 4. (a) Not later than December 1, 2024, the
3 appropriate appointing authority shall appoint the members to the
4 Mental Health and Brain Research Institute of Texas Oversight
5 Committee as required by Section 157.101, Education Code, as added
6 by this Act. The oversight committee may not act until a majority
7 of the appointed members have taken office.

8 (b) Notwithstanding Section 157.101, Education Code, as
9 added by this Act, in making the initial appointments under that
10 section, the governor, lieutenant governor, and speaker of the
11 house of representatives shall, as applicable, designate one member
12 of the Mental Health and Brain Research Institute of Texas
13 Oversight Committee appointed by that person to serve a term
14 expiring January 31, 2025, one member appointed by that person to
15 serve a term expiring January 31, 2027, and one member appointed by
16 that person to serve a term expiring January 31, 2029.

17 (c) The governor shall designate one member to serve as
18 interim presiding officer for the purpose of calling and presiding
19 over meetings of the Mental Health and Brain Research Institute of
20 Texas Oversight Committee until an election is held under Section
21 157.104, Education Code, as added by this Act.

22 SECTION 5. If the constitutional amendment proposed by the
23 88th Legislature, Regular Session, 2023, requiring the creation of
24 the Brain Institute of Texas and the transfer of \$3 billion from
25 general state revenue to fund mental health and brain research in
26 this state is approved by the voters, the Mental Health and Brain
27 Research Institute of Texas established by Chapter 157, Education

1 Code, as added by this Act, is eligible to receive funding deposited
2 under the authority of Section 68, Article III, Texas Constitution,
3 for any activities conducted by the institute that serve the
4 purposes of that constitutional provision.

5 SECTION 6. This Act takes effect January 1, 2024, but only
6 if the constitutional amendment proposed by the 88th Legislature,
7 Regular Session, 2023, requiring the creation of the Mental Health
8 and Brain Research Institute of Texas and the transfer of \$3 billion
9 from general state revenue to fund mental health and brain research
10 in this state is approved by the voters. If that amendment is not
11 approved by the voters, this Act has no effect.