

By: Huffman, et al.

S.B. No. 5

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Dementia Prevention and Research Institute of Texas.

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

SECTION 1. Subtitle E, Title 2, Health and Safety Code, is amended by adding Chapter 101A to read as follows:

CHAPTER 101A. DEMENTIA PREVENTION AND RESEARCH INSTITUTE OF TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 101A.001. DEFINITIONS. In this chapter:

(1) "Institute" means the Dementia Prevention and Research Institute of Texas.

(2) "Oversight committee" means the Dementia Prevention and Research Institute of Texas Oversight Committee.

(3) "Peer review committee" means the Dementia Prevention and Research Institute of Texas Peer Review Committee.

(4) "Program integration committee" means the Dementia Prevention and Research Institute of Texas Program Integration Committee.

Sec. 101A.002. PURPOSES. The Dementia Prevention and Research Institute of Texas is established to:

(1) create and expedite innovation in research on dementia and related disorders to improve the health of residents of this state, enhance the potential for a medical or scientific breakthrough in research on dementia and related disorders, and

1 enhance the research superiority of this state regarding dementia  
2 and related disorders; and

3 (2) attract, create, or expand research capabilities  
4 of eligible institutions of higher education and other public or  
5 private entities by awarding grants to promote a substantial  
6 increase in research on dementia and related disorders, strategies  
7 for prevention of dementia and related disorders, and the creation  
8 of exceptional jobs in this state.

9 Sec. 101A.003. SUNSET PROVISION. The Dementia Prevention  
10 and Research Institute of Texas is subject to Chapter 325,  
11 Government Code (Texas Sunset Act). Unless continued in existence  
12 as provided by that chapter, the institute is abolished and this  
13 chapter expires September 1, 2035.

14 Sec. 101A.004. STATE AUDITOR. Nothing in this chapter  
15 limits the authority of the state auditor under Chapter 321,  
16 Government Code, or other law.

17 SUBCHAPTER B. POWERS AND DUTIES OF INSTITUTE

18 Sec. 101A.051. POWERS AND DUTIES. The institute:

19 (1) may award grants to institutions of learning,  
20 advanced medical research facilities, public or private persons,  
21 and collaboratives in this state to further the purposes of this  
22 chapter and Section 68, Article III, Texas Constitution, including:

23 (A) research, including translational and  
24 clinical research, into the causes of, means of prevention of, and  
25 treatment and rehabilitation for dementia and related disorders;

26 (B) research, including translational research,  
27 to develop therapies, protocols, medical pharmaceuticals, or

1 procedures for the substantial mitigation of the symptoms of  
2 dementia and related disorders;

3 (C) facilities, equipment, and other costs  
4 related to research on dementia and related disorders; and

5 (D) prevention programs and strategies to  
6 mitigate the detrimental health impacts of dementia and related  
7 disorders;

8 (2) may collaborate with relevant state agencies,  
9 coordinating councils, and consortiums to enhance health care and  
10 research for dementia and related disorders;

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

14 (4) may employ necessary staff to provide to the  
15 institute administrative support;

16 (5) may contract with another state agency to share  
17 the cost of administrative services, including grant accounting,  
18 grant monitoring, technical and document management of the grant  
19 application review process, legal services, and compliance  
20 services;

21 (6) shall monitor grant contracts authorized by this  
22 chapter and ensure each grant recipient complies with the terms and  
23 conditions of the contract;

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

27 (8) shall establish procedures to document compliance

1 by the institute, institute employees, and institute committee  
2 members with all laws and rules governing the peer review process  
3 and conflicts of interest.

4 Sec. 101A.052. CHIEF EXECUTIVE OFFICER; CHIEF COMPLIANCE  
5 OFFICER; ADDITIONAL OFFICERS. (a) The oversight committee shall  
6 hire a chief executive officer. The chief executive officer shall  
7 perform the duties required by this chapter and the duties  
8 designated by the oversight committee. The chief executive officer  
9 must have a demonstrated ability to lead and develop academic,  
10 commercial, and governmental partnerships and coalitions.

11 (b) The institute shall employ a chief compliance officer to  
12 monitor compliance with this chapter and rules adopted under this  
13 chapter and to report to the oversight committee incidents of  
14 noncompliance.

15 (c) The chief executive officer may hire any other officer  
16 position the chief executive officer determines necessary for the  
17 institute's efficient operation.

18 Sec. 101A.053. ANNUAL PUBLIC REPORT; INTERNET POSTING. Not  
19 later than January 31 of each year, the institute shall prepare and  
20 submit to the governor, lieutenant governor, speaker of the house  
21 of representatives, and standing committee of each house of the  
22 legislature with primary jurisdiction over institute matters and  
23 post on the institute's Internet website a report on:

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

25 (2) a list of recipients of grants awarded during the  
26 preceding state fiscal year and the grant amount awarded to each  
27 recipient;

1           (3) any research accomplishments a grant recipient or  
2 the recipient's partners achieved during the preceding state fiscal  
3 year;

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

6           (5) an assessment of the relationship between the  
7 institute's grants and research program strategy;

8           (6) an estimate of the financial cost to this state of  
9 dementia and related disorders during the most recent state fiscal  
10 year for which data is available;

11           (7) a statement of the institute's compliance program  
12 activities, including any proposed legislation or other  
13 recommendations identified through the activities;

14           (8) for the preceding state fiscal year:

15                 (A) a list of any conflict of interest requiring  
16 recusal under this chapter or rules adopted under this chapter;

17                 (B) any unreported conflict of interest  
18 confirmed by an investigation conducted under Section 101A.254,  
19 including any institute actions regarding an unreported conflict of  
20 interest and subsequent investigation; and

21                 (C) any waivers granted through the process  
22 established under Section 101A.253; and

23           (9) the institute's future direction.

24           Sec. 101A.054. INDEPENDENT FINANCIAL AUDIT. (a) The  
25 institute shall annually commission a certified public accounting  
26 firm to perform an independent financial audit of its activities.  
27 The institute shall provide the audit to the comptroller.

1       (b) The comptroller shall:

2           (1) review and evaluate the audit and annually issue a  
3 public report of that review; and

4           (2) make recommendations concerning the institute's  
5 financial practices and performance.

6       (c) The oversight committee shall review the annual  
7 financial audit, the comptroller's public report and  
8 recommendations, and the financial practices of the institute.

9       Sec. 101A.055. GRANT RECORDS; AUDIT OF ELECTRONIC GRANT  
10 MANAGEMENT SYSTEM. (a) The institute shall maintain complete  
11 records of:

12           (1) each grant application submitted to the institute,  
13 including each application funded by the institute or withdrawn  
14 after submission and the score the peer review committee assigns to  
15 each reviewed application in accordance with rules adopted under  
16 Section 101A.302;

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

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

21           (4) the identity of each principal investor and owner  
22 of each grant recipient as provided by institute rules to determine  
23 any conflict of interest; and

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

26       (b) The institute shall keep each record described by  
27 Subsection (a) until at least the 15th anniversary of the record's

1 date of issuance.

2 (c) The institute shall have prepared periodic audits of any  
3 electronic grant management system used to maintain records of  
4 grant applications and grant awards. The institute shall timely  
5 address each weakness identified in an audit of the system.

6 Sec. 101A.056. GIFTS AND GRANTS. (a) The institute may  
7 solicit and accept gifts and grants from any source for the purposes  
8 of this chapter.

9 (b) The institute may not supplement the salary of any  
10 institute employee or officer with a gift or grant the institute  
11 receives.

12 Sec. 101A.057. PROHIBITED OFFICE LOCATION. An institute  
13 employee may not have an office located in a facility owned by an  
14 entity receiving or applying to receive money from the institute.

15 Sec. 101A.058. COMPLIANCE PROGRAM; INVESTIGATIONS. (a)  
16 The institute shall establish a compliance program operating under  
17 the direction of the institute's chief compliance officer to  
18 monitor compliance with this chapter and rules adopted under this  
19 chapter and for use in reporting incidents of noncompliance to the  
20 oversight committee.

21 (b) The chief compliance officer or the officer's designee  
22 shall attend and observe meetings of the peer review committee and  
23 the program integration committee to ensure compliance with this  
24 chapter and rules adopted under this chapter.

25 (c) The chief compliance officer shall submit a written  
26 report to the oversight committee confirming each grant application  
27 recommendation included on the list the program integration

1 committee submits under Section 101A.302(a)(2) complies with the  
2 oversight committee's rules regarding grant award procedures. The  
3 report must contain all relevant information on:

4 (1) the peer review process for the grant application;

5 (2) the score the peer review committee assigns to the  
6 application;

7 (3) adherence to the conflict-of-interest  
8 notification and recusal process; and

9 (4) confirmation that a recommended grant applicant  
10 did not make any gift or grant prohibited by Section 101A.302(f).

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

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

16 (2) monitor the status of any required report a grant  
17 recipient does not timely submit to the institute.

18 (e) The chief compliance officer shall:

19 (1) monitor compliance with this section and the  
20 status of any required report a grant recipient does not timely  
21 submit to the institute; and

22 (2) notify the institute's general counsel and the  
23 oversight committee of a grant recipient who has not complied with  
24 the grant contract reporting requirements to allow the institute to  
25 suspend or terminate the contract as the institute determines  
26 appropriate.

27 (f) The chief compliance officer shall establish procedures



1 for investigating allegations against oversight committee members,  
2 institute employees or contractors, grant applicants, or grant  
3 recipients for fraud, waste, or abuse of state resources. The  
4 procedures must include:

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

7 (2) to the extent possible, preservation of the  
8 confidentiality of communications and the anonymity of a person who  
9 submits a compliance report related to fraud, waste, or abuse or  
10 participates in a compliance investigation.

11 SUBCHAPTER C. OVERSIGHT COMMITTEE

12 Sec. 101A.101. COMPOSITION OF OVERSIGHT COMMITTEE. (a)

13 The oversight committee is the institute's governing body.

14 (b) The oversight committee is composed of the following  
15 nine members:

16 (1) three members appointed by the governor;

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

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

21 (c) The oversight committee members must represent this  
22 state's geographic and cultural diversity.

23 (d) In making appointments to the oversight committee, the  
24 governor, lieutenant governor, and speaker of the house of  
25 representatives:

26 (1) must each appoint at least one person who is a  
27 physician or a scientist with extensive experience working with

1 dementia or related disorders or in the field of public health; and  
2 (2) should attempt to include persons affected by  
3 dementia or related disorders or family members or caregivers of  
4 patients with dementia or related disorders.

5 (e) A person may not be an oversight committee member if:

6 (1) the person or the person's spouse is employed by or  
7 participates in the management of an entity receiving money from  
8 the institute;

9 (2) the person or the person's spouse owns or controls,  
10 directly or indirectly, an interest in an entity receiving money  
11 from the institute;

12 (3) the person or the person's spouse uses or receives  
13 a substantial amount of tangible goods, services, or money from the  
14 institute, other than reimbursement authorized by this chapter for  
15 oversight committee membership, attendance, or expenses; or

16 (4) the person is a member of the Cancer Prevention and  
17 Research Institute of Texas Oversight Committee established under  
18 Section [102.101](#).

19 Sec. 101A.102. REMOVAL. (a) It is a ground for removal  
20 from the oversight committee that a member:

21 (1) is ineligible for membership under Section  
22 [101A.101\(e\)](#);

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

26 (3) is absent from more than half of the regularly  
27 scheduled oversight committee meetings the member is eligible to

1 attend during a calendar year without an excuse approved by a  
2 majority vote of the committee.

3 (b) The validity of an oversight committee action is not  
4 affected by the fact that the action is taken when a ground for  
5 removal of a committee member exists.

6 (c) If the chief executive officer has knowledge that a  
7 potential ground for removal of a committee member exists, the  
8 chief executive officer shall notify the presiding officer of the  
9 oversight committee of the potential ground. The presiding officer  
10 shall then notify the appointing authority and the attorney general  
11 that a potential ground for removal exists. If the potential ground  
12 for removal involves the presiding officer, the chief executive  
13 officer shall notify the next highest ranking officer of the  
14 oversight committee, who shall then notify the appointing authority  
15 and the attorney general that a potential ground for removal  
16 exists.

17 Sec. 101A.103. TERMS; VACANCY. (a) Oversight committee  
18 members appointed by the governor, lieutenant governor, and speaker  
19 of the house serve at the pleasure of the appointing authority for  
20 staggered six-year terms, with the terms of three members expiring  
21 on January 31 of each odd-numbered year.

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

1       Sec. 101A.104. OFFICERS. (a) The oversight committee  
2 shall elect a presiding officer and assistant presiding officer  
3 from among its members every two years. The oversight committee may  
4 elect additional officers from among its members.

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

8       (c) The oversight committee shall:

9           (1) establish and approve duties and responsibilities  
10 for committee officers; and

11           (2) develop and implement policies that distinguish  
12 the responsibilities of the oversight committee and the committee's  
13 officers from the responsibilities of the chief executive officer  
14 and institute employees.

15       Sec. 101A.105. EXPENSES. An oversight committee member is  
16 not entitled to compensation but is entitled to reimbursement for  
17 actual and necessary expenses incurred in attending committee  
18 meetings or performing other official duties authorized by the  
19 presiding officer.

20       Sec. 101A.106. MEETINGS. (a) The oversight committee  
21 shall hold at least one public meeting each quarter of the calendar  
22 year, with appropriate notice and a formal public comment period.

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

26           (1) managing, acquiring, or selling securities or  
27 other revenue-sharing obligations realized under the standards

1 established as required by Section 101A.305; and

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

4 Sec. 101A.107. POWERS AND DUTIES. (a) The oversight  
5 committee shall:

6 (1) hire a chief executive officer;

7 (2) annually set priorities for each grant program  
8 established under this chapter; and

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

11 (b) The oversight committee shall adopt a code of conduct  
12 applicable to each oversight committee member, program integration  
13 committee member, peer review committee member, and institute  
14 employee that includes provisions prohibiting the member,  
15 employee, or member's or employee's spouse from:

16 (1) accepting or soliciting any gift, favor, or  
17 service that could reasonably influence the member or employee in  
18 the discharge of official duties or that the member, employee, or  
19 spouse knows or should know is being offered with the intent to  
20 influence the member's or employee's official conduct;

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

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

1           (4) holding a personal investment or financial  
2 interest that could reasonably create a substantial conflict  
3 between the private interests and official duties of the member or  
4 employee;

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

9           (6) directly or indirectly leasing to an entity that  
10 receives a grant from the institute any property, capital  
11 equipment, employee, or service;

12           (7) submitting a grant application for funding by the  
13 institute;

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

16           (9) serving on the board of directors of a grant  
17 recipient.

18           Sec. 101A.108. RULEMAKING AUTHORITY. The oversight  
19 committee may adopt rules to administer this chapter.

20           Sec. 101A.109. FINANCIAL STATEMENT REQUIRED. Each  
21 oversight committee member shall file with the chief compliance  
22 officer a verified financial statement complying with Sections  
23 572.022, 572.023, 572.024, 572.025, 572.0251, and 572.0252,  
24 Government Code, as required of a state officer by Section 572.021  
25 of that code.

26           SUBCHAPTER D. OTHER INSTITUTE COMMITTEES

27           Sec. 101A.151. PEER REVIEW COMMITTEE. (a) The oversight

1 committee shall establish a peer review committee. The chief  
2 executive officer, with approval by a simple majority of the  
3 oversight committee members, shall appoint as members to the peer  
4 review committee:

5 (1) experts in fields related to dementia or related  
6 disorders, including research, health care, dementia treatment and  
7 prevention, and other study areas; and

8 (2) trained patient advocates who meet the  
9 qualifications adopted under Subsection (c).

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

13 (c) The oversight committee shall adopt rules regarding the  
14 qualifications required of a trained patient advocate for  
15 membership on the peer review committee. The rules must require the  
16 trained patient advocate to successfully complete science-based  
17 training.

18 (d) A peer review committee member may receive an  
19 honorarium. Subchapter B, Chapter 2254, Government Code, does not  
20 apply to an honorarium the member receives under this chapter.

21 (e) The chief executive officer, in consultation with the  
22 oversight committee, shall adopt a policy regarding honoraria and  
23 document any change in the amount of honoraria paid to a peer review  
24 committee member, including information explaining the basis for  
25 that change.

26 (f) A peer review committee member may not serve on the  
27 board of directors or other governing board of an entity receiving a

1 grant from the institute.

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

4 Sec. 101A.152. PROGRAM INTEGRATION COMMITTEE. (a) The  
5 institute shall establish a program integration committee to carry  
6 out the duties assigned under this chapter.

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

8 (1) the chief executive officer, who serves as the  
9 presiding officer of the program integration committee;

10 (2) three senior-level institute employees  
11 responsible for program policy and oversight, appointed by the  
12 chief executive officer with the approval of a majority of the  
13 oversight committee members; and

14 (3) the executive commissioner or the executive  
15 commissioner's designee.

16 Sec. 101A.153. HIGHER EDUCATION ADVISORY COMMITTEE.

17 (a) The higher education advisory committee is composed of the  
18 following members:

19 (1) one member appointed by the chancellor of The  
20 University of Texas System;

21 (2) one member appointed by the chancellor of The  
22 Texas A&M University System;

23 (3) one member appointed by the chancellor of the  
24 Texas Tech University System;

25 (4) one member appointed by the chancellor of the  
26 University of Houston System;

27 (5) one member appointed by the chancellor of the



1 Texas State University System;

2 (6) one member appointed by the chancellor of the  
3 University of North Texas System;

4 (7) one member appointed by the president of Baylor  
5 College of Medicine; and

6 (8) one member appointed by the president of Rice  
7 University.

8 (b) The higher education advisory committee shall advise  
9 the oversight committee on issues, opportunities, the role of  
10 higher education, and other subjects involving research on dementia  
11 and related disorders.

12 Sec. 101A.154. AD HOC ADVISORY COMMITTEE. (a) The  
13 oversight committee, as necessary, may create additional ad hoc  
14 advisory committees composed of experts to advise the oversight  
15 committee on issues relating to prevention of or research on  
16 dementia and related disorders or other issues related to dementia  
17 or related disorders.

18 (b) Ad hoc committee members serve for the terms the  
19 oversight committee determines.

20 Sec. 101A.155. EXPENSES. Members of the higher education  
21 advisory committee created under Section 101A.153 or an ad hoc  
22 advisory committee created under Section 101A.154 serve without  
23 compensation but are entitled to reimbursement for actual and  
24 necessary expenses incurred in attending committee meetings or  
25 performing other official duties authorized by the presiding  
26 officer.

1           SUBCHAPTER E. DEMENTIA PREVENTION AND RESEARCH FUND

2           Sec. 101A.201. DEMENTIA PREVENTION AND RESEARCH FUND.

3   (a) In this subchapter, "fund" means the Dementia Prevention and  
4 Research Fund established under Section 68, Article III, Texas  
5 Constitution. The fund is a special fund in the treasury outside  
6 the general revenue fund to be administered by the institute.

7           (b) The fund consists of:

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

10                   (2) money the legislature appropriates, credits, or  
11 transfers to the fund; and

12                   (3) gifts and grants, including grants from the  
13 federal government, and other donations received for the fund.

14           (c) The fund may only be used for the purposes authorized  
15 under Section 68, Article III, Texas Constitution, including:

16                   (1) the award of grants for research on or prevention  
17 of dementia and related disorders and research facilities in this  
18 state to conduct that research;

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

22                   (3) the operation of the institute.

23           Sec. 101A.202. AUTHORIZED USE OF GRANT MONEY; LIMITATIONS.

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

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

4           (1) honoraria;

5           (2) travel;

6           (3) conference fees and expenses;

7           (4) consumable supplies;

8           (5) operating expenses;

9           (6) contracted research and development;

10          (7) capital equipment; and

11          (8) construction or renovation of state or private  
12 facilities.

13       (c) A grant recipient awarded money under this chapter for  
14 research on dementia or related disorders may not spend more than  
15 five percent of the money for indirect costs. In this subsection,  
16 "indirect costs" means business expenses not readily identified  
17 with a particular grant, contract, project, function, or activity  
18 that are necessary for the general operation of the organization or  
19 the performance of the organization's activities.

20       (d) Not more than five percent of the total amount of grant  
21 money awarded under this chapter in a state fiscal year may be used  
22 during that year for facility purchase, construction, remodel, or  
23 renovation purposes, and those expenditures must benefit research  
24 on dementia or related disorders.

25       (e) Not more than 10 percent of the total amount of grant  
26 money awarded under this chapter in a state fiscal year may be used  
27 during that year for prevention projects and strategies to mitigate

1 the incidence of dementia or related disorders.

2 SUBCHAPTER F. CONFLICTS OF INTEREST: DISCLOSURE; RECUSAL

3 Sec. 101A.251. CONFLICT OF INTEREST. (a) The oversight  
4 committee shall adopt conflict-of-interest rules, based on  
5 standards applicable to members of scientific review committees of  
6 the National Institutes of Health, to govern oversight committee  
7 members, program integration committee members, peer review  
8 committee members, and institute employees.

9 (b) An oversight committee member, program integration  
10 committee member, peer review committee member, or institute  
11 employee shall recuse the member or employee, as provided by  
12 Section 101A.252(a), (b), or (c), as applicable, if the member or  
13 employee, or a person who is related to the member or employee  
14 within the second degree of affinity or consanguinity, has a  
15 professional or financial interest in an entity awarded a grant or  
16 applying for a grant from the institute.

17 (c) For purposes of Subsection (b), a person has a  
18 professional interest in an entity awarded a grant or applying for a  
19 grant from the institute if the person:

20 (1) is a member of the board of directors, another  
21 governing board, or any committee of the entity, or of a foundation  
22 or similar organization affiliated with the entity, during the same  
23 grant cycle;

24 (2) serves as an elected or appointed officer of the  
25 entity;

26 (3) is an employee of or is negotiating future  
27 employment with the entity;

1           (4) represents the entity;

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

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

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

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

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

14                   (B) could be perceived as affecting objectivity.

15           (d) For purposes of Subsection (b), a person has a financial  
16 interest in an entity awarded a grant or applying for a grant from  
17 the institute if the person:

18           (1) directly or indirectly owns or controls an  
19 ownership interest, including sharing in profits, proceeds, or  
20 capital gains, in an entity awarded a grant or applying for a grant  
21 from the institute; or

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

26           (e) Nothing in this chapter limits the oversight  
27 committee's authority to adopt additional conflict-of-interest

1 standards.

2 Sec. 101A.252. DISCLOSURE OF CONFLICT OF INTEREST; RECUSAL.

3 (a) If an oversight committee member or program integration  
4 committee member has a conflict of interest described by Section  
5 101A.251 regarding an application before the member for review or  
6 other action, the member:

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

11 (2) shall disclose the conflict of interest in an open  
12 meeting of the oversight committee;

13 (3) shall recuse themselves from participating in the  
14 review, discussion, deliberation, and vote on the application; and

15 (4) may not access information regarding the matter to  
16 be decided.

17 (b) If a peer review committee member has a conflict of  
18 interest described by Section 101A.251 regarding an application  
19 before the member's committee for review or other action, the  
20 member:

21 (1) shall provide written notice to the chief  
22 executive officer of the conflict of interest;

23 (2) shall recuse themselves from participating in the  
24 review, discussion, deliberation, and vote on the application; and

25 (3) may not access information regarding the matter to  
26 be decided.

27 (c) If an institute employee has a conflict of interest

1 described by Section 101A.251 regarding an application before the  
2 employee for review or other action, the employee:

3 (1) shall provide written notice to the chief  
4 executive officer of the conflict of interest;

5 (2) shall recuse themselves from participating in the  
6 review of the application; and

7 (3) may not access information regarding the matter to  
8 be decided.

9 (d) An oversight committee member, program integration  
10 committee member, peer review committee member, or institute  
11 employee with a conflict of interest may seek a waiver as provided  
12 by Section 101A.253.

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

22 (f) An oversight committee member, program integration  
23 committee member, peer review committee member, or institute  
24 employee who intentionally violates this section is subject to  
25 removal from further participation in the institute's grant review  
26 process.

27 Sec. 101A.253. EXCEPTIONAL CIRCUMSTANCES REQUIRING

1 PARTICIPATION. The oversight committee shall adopt rules governing  
2 the waiver of the conflict-of-interest requirements of this chapter  
3 under exceptional circumstances for an oversight committee member,  
4 program integration committee member, peer review committee  
5 member, or institute employee. The rules must:

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

12 (2) require a proposed waiver to be publicly reported  
13 at an oversight committee meeting;

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

16 (4) require any waiver granted to be included in the  
17 annual report required by Section 101A.053; and

18 (5) require the institute to retain documentation of  
19 each waiver granted.

20 Sec. 101A.254. INVESTIGATION OF UNREPORTED CONFLICTS OF  
21 INTEREST. (a) An oversight committee member, program integration  
22 committee member, peer review committee member, or institute  
23 employee who becomes aware of an unreported potential conflict of  
24 interest described by Section 101A.251 shall immediately notify the  
25 chief executive officer of the potential conflict of interest. On  
26 receipt of the notification, the chief executive officer shall  
27 notify the institute's general counsel and the oversight



1 committee's presiding officer, who shall determine the nature and  
2 extent of any unreported conflict.

3 (b) A grant applicant seeking an investigation regarding  
4 whether a prohibited conflict of interest was not reported shall  
5 file a written request with the chief executive officer. The  
6 applicant must:

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

9 (2) submit the request not later than the 30th day  
10 after the date the chief executive officer presents to the  
11 oversight committee final funding recommendations for the affected  
12 grant cycle.

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

16 (1) investigate the matter; and

17 (2) provide to the chief executive officer and the  
18 oversight committee's presiding officer an opinion that includes:

19 (A) a statement of facts;

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

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

25 (d) If the conflict of interest, impropriety, or  
26 self-dealing involves the oversight committee's presiding officer,  
27 the institute's general counsel shall provide the opinion to the

1 next ranking oversight committee member who is not involved with  
2 the conflict of interest, impropriety, or self-dealing.

3 (e) After receiving the opinion and consulting with the  
4 oversight committee's presiding officer, the chief executive  
5 officer shall take action regarding the recusal of the individual  
6 from any discussion of or access to information related to the  
7 conflict of interest or other recommended action related to the  
8 impropriety or self-dealing. If the alleged conflict of interest,  
9 impropriety, or self-dealing is held by, or is an act of, the chief  
10 executive officer, the presiding officer of the oversight committee  
11 shall take actions regarding the recusal or other action.

12 Sec. 101A.255. FINAL DETERMINATION OF UNREPORTED CONFLICT  
13 OF INTEREST. (a) The chief executive officer or, if applicable,  
14 the oversight committee's presiding officer shall make a  
15 determination regarding the existence of an unreported conflict of  
16 interest described by Section 101A.251 or other impropriety or  
17 self-dealing. The determination must specify any actions to be  
18 taken to address the conflict of interest, impropriety, or  
19 self-dealing, including:

20 (1) reconsideration of the application; or

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

23 (b) The determination made under Subsection (a) is  
24 considered final unless three or more oversight committee members  
25 request that the issue be added to the agenda of the oversight  
26 committee.

27 (c) The chief executive officer or, if applicable, the

1 oversight committee's presiding officer, shall provide to the grant  
2 applicant requesting the investigation written notice of the final  
3 determination, including any further actions to be taken.

4 (d) Unless specifically determined by the chief executive  
5 officer or, if applicable, the presiding officer of the oversight  
6 committee, or the oversight committee, the validity of an action  
7 taken on a grant application is not affected by the fact that an  
8 individual who failed to report a conflict of interest participated  
9 in the action.

10 SUBCHAPTER G. PROCEDURE FOR AWARDING GRANTS

11 Sec. 101A.301. PEER REVIEW PROCESS FOR GRANT AWARD. The  
12 institute shall establish a peer review process to evaluate and  
13 recommend all grants the oversight committee awards under this  
14 chapter.

15 Sec. 101A.302. GRANT AWARD RULES AND PROCEDURES. (a) The  
16 oversight committee shall adopt rules regarding the procedure for  
17 awarding grants to an applicant under this chapter. The rules must  
18 require:

19 (1) the peer review committee to score grant  
20 applications and make recommendations to the program integration  
21 committee and the oversight committee regarding the award of  
22 grants, including providing a prioritized list that:

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

25 (B) includes information explaining each grant  
26 applicant's qualification under the peer review committee's  
27 standards for recommendation; and

1           (2) the program integration committee to submit to the  
2 oversight committee a list of grant applications the program  
3 integration committee by majority vote approved for recommendation  
4 that:

5                   (A) includes documentation on the factors the  
6 program integration committee considered in making the  
7 recommendations;

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

10                   (C) to the extent possible, gives priority to  
11 applications with proposals that:

12                           (i) may lead to immediate or long-term  
13 medical and scientific breakthroughs in the areas of prevention or  
14 treatment for dementia and related disorders;

15                           (ii) strengthen and enhance fundamental  
16 scientific research on dementia and related disorders;

17                           (iii) ensure a comprehensive coordinated  
18 approach to research on dementia and related disorders;

19                           (iv) are interdisciplinary or  
20 interinstitutional;

21                           (v) align with state priorities and needs,  
22 including priorities and needs outlined in other state agency  
23 strategic plans, or that address federal or other major research  
24 sponsors' priorities in scientific or technological research in the  
25 fields of dementia and related disorders;

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

1           (vii) are collaborative between any  
2 combination of private and nonprofit entities, public or private  
3 agencies or institutions in this state, and public or private  
4 institutions outside this state;

5           (viii) benefit the residents of this state,  
6 including a demonstrable economic development benefit to this  
7 state;

8           (ix) enhance research superiority at  
9 institutions of higher education in this state by creating new  
10 research superiority, attracting existing research superiority  
11 from institutions outside this state and other research entities,  
12 or attracting from outside this state additional researchers and  
13 resources; and

14           (x) expedite innovation and product  
15 development, attract private sector entities to stimulate a  
16 substantial increase in high-quality jobs, and increase higher  
17 education applied science or technology research capabilities.

18           (b) A peer review committee member may not attempt to use  
19 the committee member's official position to influence a decision to  
20 approve or award a grant or contract to the committee member's  
21 employer.

22           (c) A program integration committee member may not discuss a  
23 grant applicant recommendation with an oversight committee member  
24 unless the program integration committee has submitted the list  
25 required under Subsection (a)(2).

26           (d) Two-thirds of the oversight committee members present  
27 and voting must vote to approve each grant award recommendation of

1 the program integration committee. If the oversight committee does  
2 not approve a grant award recommendation of the program integration  
3 committee, a statement explaining the reasons the recommendation  
4 was not followed must be included in the minutes of the meeting.

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

7 (f) The oversight committee may not award a grant to an  
8 applicant who has made a gift or grant to the institute, an  
9 oversight committee member, or an institute employee on or after  
10 January 1, 2026. This section does not apply to gifts, fees,  
11 honoraria, or other items also excepted under Section 36.10, Penal  
12 Code.

13 Sec. 101A.303. MULTIYEAR PROJECTS. (a) The oversight  
14 committee may approve the award of grant money for a multiyear  
15 project.

16 (b) The oversight committee shall specify the total amount  
17 of money approved to fund the multiyear project. For purposes of  
18 this chapter, the total amount is considered to have been awarded in  
19 the state fiscal year the peer review committee approved the  
20 project. The institute shall disburse only the money to be spent  
21 during that fiscal year. The institute shall disburse the  
22 remaining grant money as the money is needed in each subsequent  
23 state fiscal year.

24 Sec. 101A.304. CONTRACT TERMS. (a) Before disbursing  
25 grant money awarded under this chapter, the institute shall execute  
26 a written contract with the grant recipient. The contract shall:

27 (1) specify that except for awards to state agencies

1 or public institutions of higher education, if all or any part of  
2 the grant amount is used to build a capital improvement:

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

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

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

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

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

18 (3) specify that if the grant recipient fails to meet  
19 the terms and conditions of the contract, the institute may  
20 terminate the contract using the written process prescribed in the  
21 contract and require the recipient to repay the awarded grant money  
22 and any related interest applicable under the contract to this  
23 state at the agreed rate and on the agreed terms;

24 (4) include terms relating to intellectual property  
25 rights consistent with the standards developed by the oversight  
26 committee under Section 101A.305;

27 (5) require, in accordance with Subsection (b), the

1 grant recipient to dedicate an amount of matching money equal to  
2 one-half of the amount of the grant awarded and specify the amount  
3 of matching money to be dedicated;

4 (6) specify the period in which the grant award must be  
5 spent; and

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

8 (b) Before the institute may disburse grant money, the grant  
9 recipient must certify the recipient has available an unexpended  
10 amount of money equal to one-half of the grant amount dedicated to  
11 the research specified in the grant proposal. The institute shall  
12 adopt rules specifying a grant recipient's obligations under this  
13 chapter. At a minimum, the rules must:

14 (1) allow an institution of higher education or a  
15 private or independent institution of higher education, as those  
16 terms are defined by Section 61.003, Education Code, a research  
17 institute or center affiliated with the institution, or a  
18 not-for-profit hospital system, to credit toward the recipient's  
19 matching money the dollar amount equivalent to the difference  
20 between the indirect cost rate negotiated by the federal government  
21 for research grants awarded to the recipient and the indirect cost  
22 rate authorized by Section 101A.202(c);

23 (2) specify that:

24 (A) the recipient of more than one grant award  
25 under this chapter may provide matching money certification at an  
26 institutional level;

27 (B) the recipient of a multiyear grant award may



1 yearly certify matching money; and  
2 (C) grant money may not be disbursed to the  
3 recipient until the annual certification of the matching money has  
4 been approved;  
5 (3) specify that money for certification purposes may  
6 include:  
7 (A) federal money;  
8 (B) the fair market value of drug development  
9 support provided to the recipient by the National Institutes of  
10 Health or other similar programs;  
11 (C) this state's money;  
12 (D) other states' money; and  
13 (E) nongovernmental money, including money from  
14 private sources, foundation grants, gifts, and donations;  
15 (4) specify that the following items may not be used  
16 for certification purposes:  
17 (A) in-kind costs;  
18 (B) volunteer services provided to the  
19 recipient;  
20 (C) noncash contributions;  
21 (D) the recipient's preexisting real estate,  
22 including buildings, facilities, and land;  
23 (E) deferred giving, including a charitable  
24 remainder annuity trust, charitable remainder unitrust, or pooled  
25 income fund; or  
26 (F) any other items the institute determines;  
27 (5) require the recipient's certification to be

1 included in the grant award contract;

2 (6) specify that the recipient's failure to provide  
3 certification serves as grounds for terminating the grant award  
4 contract;

5 (7) require the recipient to maintain adequate  
6 documentation supporting the source and use of the money required  
7 by this subsection and to provide documentation to the institute on  
8 request; and

9 (8) require the institute to establish a procedure to  
10 annually review the documentation supporting the source and use of  
11 money reported in the required certification.

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

14 (d) The oversight committee shall adopt rules to administer  
15 this section.

16 Sec. 101A.305. PATENT ROYALTIES AND LICENSE REVENUES PAID  
17 TO STATE. (a) The oversight committee shall establish standards  
18 requiring all grant awards to be subject to an intellectual  
19 property agreement that allows this state to collect royalties,  
20 income, and other benefits, including interest or proceeds  
21 resulting from securities and equity ownership, realized as a  
22 result of projects undertaken with grant money awarded under this  
23 chapter.

24 (b) In determining this state's interest in any  
25 intellectual property rights, the oversight committee shall  
26 balance the opportunity of this state to benefit from the patents,  
27 royalties, licenses, and other benefits that result from basic

1 research, therapy development, and clinical trials with the need to  
2 ensure that essential medical research is not unreasonably hindered  
3 by the intellectual property agreement and that the agreement does  
4 not unreasonably remove the incentive of the individual researcher,  
5 research team, or institution.

6 (c) The oversight committee may authorize the institute to  
7 execute a contract with one or more qualified third parties for  
8 assistance with the management, accounting, and disposition of this  
9 state's interest in securities, equities, royalties, income, and  
10 other benefits realized from grant money awarded under this  
11 chapter. The institute shall implement practices and procedures  
12 for the management, accounting, and disposition of securities,  
13 equities, royalties, income, and other benefits the institute  
14 determines are in this state's best interest.

15 Sec. 101A.306. PREFERENCE FOR TEXAS SUPPLIERS. In a good  
16 faith effort to achieve a goal of more than 50 percent of purchases  
17 from suppliers in this state, the oversight committee shall  
18 establish standards to ensure grant recipients purchase goods and  
19 services from suppliers in this state to the extent reasonably  
20 possible.

21 Sec. 101A.307. HISTORICALLY UNDERUTILIZED BUSINESSES. The  
22 oversight committee shall establish standards to ensure grant  
23 recipients purchase goods and services from historically  
24 underutilized businesses as defined by Section [2161.001](#),  
25 Government Code, and any other applicable state law.

26 Sec. 101A.308. GRANT COMPLIANCE AND PROGRESS EVALUATION.  
27 (a) The institute shall require as a condition of a grant awarded

1 under this chapter that the grant recipient submit to regular  
2 inspection reviews of the grant project by institute employees to  
3 ensure compliance with the terms of the grant contract and ongoing  
4 progress, including the scientific merit of the research.

5 (b) The chief executive officer shall report at least  
6 annually to the oversight committee on the progress and continued  
7 merit of the projects awarded grants by the institute.

8 Sec. 101A.309. MEDICAL AND RESEARCH ETHICS. A project  
9 awarded a grant under this chapter must comply with all applicable  
10 federal and state laws regarding the conduct of the research or a  
11 prevention project.

12 Sec. 101A.310. PUBLIC INFORMATION; CONFIDENTIAL  
13 INFORMATION. (a) The following information is public information  
14 and may be disclosed under Chapter 552, Government Code:

15 (1) a grant applicant's name and address;

16 (2) the amount of money requested in an applicant's  
17 grant proposal;

18 (3) the type of research on dementia or related  
19 disorders to be addressed under a grant proposal; and

20 (4) any other information the institute designates  
21 with the consent of a grant applicant.

22 (b) To protect the actual or potential value of information  
23 submitted to the institute by an applicant for or recipient of a  
24 grant under this chapter, the following information submitted by  
25 the applicant or recipient is confidential and is not subject to  
26 disclosure under Chapter 552, Government Code, or any other law:

27 (1) all information, other than the information

1 described under Subsection (a), contained in a grant application,  
2 peer review evaluation, award contract, or progress report relating  
3 to a product, device, or process, the application or use of the  
4 product, device, or process, and all technological and scientific  
5 information, including computer programs, developed wholly or  
6 partly by the applicant or recipient, regardless of whether  
7 patentable or capable of being registered under copyright or  
8 trademark laws, that has a potential for being sold, traded, or  
9 licensed for a fee; and

10 (2) the plans, specifications, blueprints, and  
11 designs, including related proprietary information, of a  
12 scientific research and development facility.

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

15 (1) information that directly or indirectly reveals  
16 the identity of an individual who reports fraud, waste, or abuse of  
17 state resources to the institute's compliance program office, seeks  
18 guidance from the office, or participates in an investigation  
19 conducted under the compliance program;

20 (2) information that directly or indirectly reveals  
21 the identity of an individual who is alleged to have or may have  
22 planned, initiated, or participated in activities specified in a  
23 report submitted to the office if, after completing an  
24 investigation, the office determines the report to be  
25 unsubstantiated or without merit; and

26 (3) other information collected or produced in a  
27 compliance program investigation if releasing the information

1 would interfere with an ongoing compliance investigation.

2 (d) Subsection (c) does not apply to information related to  
3 an individual who consents to the information's disclosure.

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

7 (1) a law enforcement agency or prosecutor;

8 (2) a governmental agency responsible for  
9 investigating the matter specified in a compliance report,  
10 including the Texas Workforce Commission civil rights division or  
11 the Equal Employment Opportunity Commission; or

12 (3) a committee member or institute employee who is  
13 responsible under institutional policy for a compliance program  
14 investigation or for a review of a compliance program  
15 investigation.

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

18 (g) The institute shall post on the institute's Internet  
19 website records that pertain specifically to any gift, grant, or  
20 other consideration provided to the institute, an institute  
21 employee, or an oversight committee member, in the employee's or  
22 member's official capacity. The posted information must include  
23 each donor's name and the amount and date of the donor's donation.

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

26 (c) Subsection (b)(1) does not apply to a research contract  
27 between an institution of higher education and the Cancer

1 Prevention and Research Institute of Texas or Dementia Prevention  
2 and Research Institute of Texas.

3 SECTION 3. Section 572.003(c), Government Code, is amended  
4 to read as follows:

5 (c) The term means a member of:

- 6 (1) the Public Utility Commission of Texas;
- 7 (2) the Texas Commission on Environmental Quality;
- 8 (3) the Texas Alcoholic Beverage Commission;
- 9 (4) the Finance Commission of Texas;
- 10 (5) the Texas Facilities Commission;
- 11 (6) the Texas Board of Criminal Justice;
- 12 (7) the board of trustees of the Employees Retirement  
13 System of Texas;
- 14 (8) the Texas Transportation Commission;
- 15 (9) the Texas Department of Insurance;
- 16 (10) the Parks and Wildlife Commission;
- 17 (11) the Public Safety Commission;
- 18 (12) the Texas Ethics Commission;
- 19 (13) the State Securities Board;
- 20 (14) the Texas Water Development Board;
- 21 (15) the governing board of a public senior college or  
22 university as defined by Section 61.003, Education Code, or of The  
23 University of Texas Southwestern Medical Center, The University of  
24 Texas Medical Branch at Galveston, The University of Texas Health  
25 Science Center at Houston, The University of Texas Health Science  
26 Center at San Antonio, The University of Texas M. D. Anderson Cancer  
27 Center, The University of Texas Health Science Center at Tyler,

1 University of North Texas Health Science Center at Fort Worth,  
2 Texas Tech University Health Sciences Center, Texas State Technical  
3 College--Harlingen, Texas State Technical College--Marshall, Texas  
4 State Technical College--Sweetwater, or Texas State Technical  
5 College--Waco;

6 (16) the Texas Higher Education Coordinating Board;

7 (17) the Texas Workforce Commission;

8 (18) the board of trustees of the Teacher Retirement  
9 System of Texas;

10 (19) the Credit Union Commission;

11 (20) the School Land Board;

12 (21) the board of the Texas Department of Housing and  
13 Community Affairs;

14 (22) the Texas Racing Commission;

15 (23) the State Board of Dental Examiners;

16 (24) the Texas Medical Board;

17 (25) the Board of Pardons and Paroles;

18 (26) the Texas State Board of Pharmacy;

19 (27) the Department of Information Resources  
20 governing board;

21 (28) the board of the Texas Department of Motor  
22 Vehicles;

23 (29) the Texas Real Estate Commission;

24 (30) the board of directors of the State Bar of Texas;

25 (31) the Bond Review Board;

26 (32) the Health and Human Services Commission;

27 (33) the Texas Funeral Service Commission;



1           (34) the board of directors of a river authority  
2 created under the Texas Constitution or a statute of this state;

3           (35) the Texas Lottery Commission; [~~or~~]

4           (36) the Cancer Prevention and Research Institute of  
5 Texas; or

6           (37) the Dementia Prevention and Research Institute of  
7 Texas.

8           SECTION 4. (a) Not later than December 31, 2025, the  
9 appropriate appointing authority shall appoint the members to the  
10 Dementia Prevention and Research Institute of Texas Oversight  
11 Committee as required by Section 101A.101, Health and Safety Code,  
12 as added by this Act. The oversight committee may not act until a  
13 majority of the appointed members have taken office.

14           (b) Notwithstanding Section 101A.101, Health and Safety  
15 Code, as added by this Act, in making the initial appointments under  
16 that section, the governor, lieutenant governor, and speaker of the  
17 house of representatives shall, as applicable, designate one member  
18 of the Dementia Prevention and Research Institute of Texas  
19 Oversight Committee appointed by that person to serve a term  
20 expiring January 31, 2027, one member appointed by that person to  
21 serve a term expiring January 31, 2029, and one member appointed by  
22 that person to serve a term expiring January 31, 2031.

23           (c) Notwithstanding Section 101A.104, Health and Safety  
24 Code, as added by this Act, the governor shall designate a member  
25 the governor appoints under Subsection (b) of this section to serve  
26 as the initial presiding officer of the Dementia Prevention and  
27 Research Institute of Texas Oversight Committee.

1 (d) Not later than January 31, 2026, the Dementia Prevention  
2 and Research Institute of Texas Oversight Committee established  
3 under Section 101A.101, Health and Safety Code, as added by this  
4 Act, shall hold its first meeting at a location determined by the  
5 presiding officer of the Dementia Prevention and Research Institute  
6 of Texas Oversight Committee designated under Subsection (c) of  
7 this section.

8 SECTION 5. If the voters approve the constitutional  
9 amendment proposed by the 89th Legislature, Regular Session, 2025,  
10 providing for the establishment of the Dementia Prevention and  
11 Research Institute of Texas, establishing the Dementia Prevention  
12 and Research Fund to provide money for research on and prevention  
13 and treatment of dementia and related disorders in this state, and  
14 transferring to that fund \$3 billion from state general revenue,  
15 the Dementia Prevention and Research Institute of Texas established  
16 by Chapter 101A, Health and Safety Code, as added by this Act, is  
17 eligible for funding to be deposited under the authority of Section  
18 68, Article III, Texas Constitution, for the institute to engage in  
19 any activities serving the purposes of that constitutional  
20 provision.

21 SECTION 6. This Act takes effect December 1, 2025, but only  
22 if the constitutional amendment proposed by the 89th Legislature,  
23 Regular Session, 2025, providing for the establishment of the  
24 Dementia Prevention and Research Institute of Texas, establishing  
25 the Dementia Prevention and Research Fund to provide money for  
26 research on and prevention and treatment of dementia and related  
27 disorders in this state, and transferring to that fund \$3 billion

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1 from state general revenue is approved by the voters. If that  
2 amendment is not approved by the voters, this Act has no effect.