1	AN ACT
2	relating to the creation of the Dementia Prevention and Research
3	Institute of Texas.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Subtitle E, Title 2, Health and Safety Code, is
6	amended by adding Chapter 101A to read as follows:
7	CHAPTER 101A. DEMENTIA PREVENTION AND RESEARCH INSTITUTE OF TEXAS
8	SUBCHAPTER A. GENERAL PROVISIONS
9	Sec. 101A.001. DEFINITIONS. In this chapter:
10	(1) "Institute" means the Dementia Prevention and
11	Research Institute of Texas.
12	(2) "Oversight committee" means the Dementia
13	Prevention and Research Institute of Texas Oversight Committee.
14	(3) "Peer review committee" means the Dementia
15	Prevention and Research Institute of Texas Peer Review Committee.
16	(4) "Program integration committee" means the
17	Dementia Prevention and Research Institute of Texas Program
18	Integration Committee.
19	Sec. 101A.002. PURPOSES. The Dementia Prevention and
20	Research Institute of Texas is established to:
21	(1) create and expedite innovation in research on
22	dementia, Alzheimer's disease, Parkinson's disease, and related
23	disorders to improve the health of residents of this state, enhance
24	the potential for a medical or scientific breakthrough in research

on dementia, Alzheimer's disease, Parkinson's disease, and related 1 2 disorders, and enhance the research superiority of this state 3 regarding dementia, Alzheimer's disease, Parkinson's disease, and 4 related disorders; and 5 (2) attract, create, or expand research capabilities of eligible institutions of higher education and other public or 6 7 private entities by awarding grants to promote a substantial increase in research on dementia, Alzheimer's disease, Parkinson's 8 disease, and related disorders, strategies for prevention of 9 dementia, Alzheimer's disease, Parkinson's disease, and related 10 11 disorders, and the creation of exceptional jobs in this state. Sec. 101A.003. SUNSET PROVISION. The Dementia Prevention 12 13 and Research Institute of Texas is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence 14 as provided by that chapter, the institute is abolished and this 15 chapter expires September 1, 2035. 16 Sec. 101A.004. STATE AUDITOR. Nothing in this chapter 17 limits the authority of the state auditor under Chapter 321, 18 Government Code, or other law. 19 20 SUBCHAPTER B. POWERS AND DUTIES OF INSTITUTE 21 Sec. 101A.051. POWERS AND DUTIES. The institute: (1) <u>may award grants to institutions of learning</u>, 22 23 advanced medical research facilities, public or private persons, and collaboratives in this state to further the purposes of this 24 25 chapter and Section 68, Article III, Texas Constitution, including: (A) research, including translational and 26 27 clinical research, into the causes of, means of prevention of, and

1	treatment and rehabilitation for dementia, Alzheimer's disease,
2	Parkinson's disease, and related disorders;
3	(B) research, including translational research,
4	to develop therapies, protocols, medical pharmaceuticals, or
5	procedures for the substantial mitigation of the symptoms of
6	dementia, Alzheimer's disease, Parkinson's disease, and related
7	<u>disorders;</u>
8	(C) facilities, equipment, and other costs
9	related to research on dementia, Alzheimer's disease, Parkinson's
10	disease, and related disorders; and
11	(D) prevention programs and strategies to
12	mitigate the detrimental health impacts of dementia, Alzheimer's
13	disease, Parkinson's disease, and related disorders;
14	(2) may collaborate with relevant state agencies,
15	coordinating councils, and consortiums to enhance health care and
16	research for dementia, Alzheimer's disease, Parkinson's disease,
17	and related disorders;
18	(3) shall establish the appropriate standards and
19	oversight bodies to ensure money authorized under this chapter is
20	properly used for the purposes of this chapter;
21	(4) may employ necessary staff to provide to the
22	institute administrative support;
23	(5) may contract with another state agency to share
24	the cost of administrative services, including grant accounting,
25	grant monitoring, technical and document management of the grant
26	application review process, legal services, and compliance
27	services;

	S.B. No. 5
1	(6) shall monitor grant contracts authorized by this
2	chapter and ensure each grant recipient complies with the terms and
3	conditions of the contract;
4	(7) shall ensure all grant proposals comply with this
5	chapter and rules adopted under this chapter before the proposals
6	are submitted to the oversight committee for approval; and
7	(8) shall establish procedures to document compliance
8	by the institute, institute employees, and institute committee
9	members with all laws and rules governing the peer review process
10	and conflicts of interest.
11	Sec. 101A.052. CHIEF EXECUTIVE OFFICER; CHIEF COMPLIANCE
12	OFFICER; ADDITIONAL OFFICERS. (a) The oversight committee shall
13	hire a chief executive officer. The chief executive officer shall
14	perform the duties required by this chapter and the duties
15	designated by the oversight committee. The chief executive officer
16	must have a demonstrated ability to lead and develop academic,
17	commercial, and governmental partnerships and coalitions.
18	(b) The institute shall employ a chief compliance officer to
19	monitor compliance with this chapter and rules adopted under this
20	chapter and to report to the oversight committee incidents of
21	noncompliance.
22	(c) The chief executive officer may hire any other officer
23	position the chief executive officer determines necessary for the
24	institute's efficient operation.
25	Sec. 101A.053. ANNUAL PUBLIC REPORT; INTERNET POSTING. Not
26	later than January 31 of each year, the institute shall prepare and
27	submit to the governor, lieutenant governor, speaker of the house

of representatives, and standing committee of each house of the 1 2 legislature with primary jurisdiction over institute matters and 3 post on the institute's Internet website a report on: 4 (1) the institute's activities under this chapter; 5 (2) a list of recipients of grants awarded during the preceding state fiscal year and the grant amount awarded to each 6 7 recipient; 8 (3) any research accomplishments a grant recipient or 9 the recipient's partners achieved during the preceding state fiscal 10 year; 11 (4) an overview summary of the institute's most recent 12 audited financial statement; 13 (5) an assessment of the relationship between the 14 institute's grants and research program strategy; 15 (6) an estimate of the financial cost to this state of 16 dementia, Alzheimer's disease, Parkinson's disease, and related disorders during the most recent state fiscal year for which data is 17 18 available; 19 (7) a statement of the institute's compliance program 20 activities, including any proposed legislation or other recommendations identified through the activities; 21 22 (8) for the preceding state fiscal year: 23 (A) a list of any conflict of interest requiring recusal under this chapter or rules adopted under this chapter; 24 25 (B) any unreported conflict of interest confirmed by an investigation conducted under Section 101A.254, 26 27 including any institute actions regarding an unreported conflict of

interest and subsequent investigation; and 1 2 (C) any waivers granted through the process established under Section 101A.253; and 3 4 (9) the institute's future direction. 5 Sec. 101A.054. INDEPENDENT FINANCIAL AUDIT. (a) The institute shall annually commission a certified public accounting 6 7 firm to perform an independent financial audit of its activities. The institute shall provide the audit to the comptroller. 8 9 (b) The comptroller shall: 10 (1) review and evaluate the audit and annually issue a 11 public report of that review; and (2) make recommendations concerning the institute's 12 13 financial practices and performance. (c) The oversight committee shall review the annual 14 financial audit, the comptroller's public report and 15 16 recommendations, and the financial practices of the institute. 17 Sec. 101A.055. GRANT RECORDS; AUDIT OF ELECTRONIC GRANT MANAGEMENT SYSTEM. (a) <u>The institute shall maintain complete</u> 18 19 records of: 20 (1) each grant application submitted to the institute, including each application funded by the institute or withdrawn 21 after submission and the score the peer review committee assigns to 22 23 each reviewed application in accordance with rules adopted under 24 Section 101A.302; 25 (2) each grant recipient's financial reports, including the amount of matching money dedicated to the research 26 27 specified for the grant award;

S.B. No. 5

1	(3) each grant recipient's progress reports;
2	(4) the identity of each principal investor and owner
3	of each grant recipient as provided by institute rules to determine
4	any conflict of interest; and
5	(5) the institute's review of the grant recipient's
6	financial reports and progress reports.
7	(b) The institute shall keep each record described by
8	Subsection (a) until at least the 15th anniversary of the record's
9	date of issuance.
10	(c) The institute shall have prepared periodic audits of any
11	electronic grant management system used to maintain records of
12	grant applications and grant awards. The institute shall timely
13	address each weakness identified in an audit of the system.
14	Sec. 101A.056. GIFTS AND GRANTS. (a) The institute may
15	solicit and accept gifts and grants from any source for the purposes
16	of this chapter.
17	(b) The institute may not supplement the salary of any
18	institute employee or officer with a gift or grant the institute
19	receives.
20	Sec. 101A.057. PROHIBITED OFFICE LOCATION. An institute
21	employee may not have an office located in a facility owned by an
22	entity receiving or applying to receive money from the institute.
23	Sec. 101A.058. COMPLIANCE PROGRAM; INVESTIGATIONS. (a)
24	The institute shall establish a compliance program operating under
25	the direction of the institute's chief compliance officer to
26	monitor compliance with this chapter and rules adopted under this
27	chapter and for use in reporting incidents of noncompliance to the

1	oversight committee.
2	(b) The chief compliance officer or the officer's designee
3	shall attend and observe meetings of the peer review committee and
4	the program integration committee to ensure compliance with this
5	chapter and rules adopted under this chapter.
6	(c) The chief compliance officer shall submit a written
7	report to the oversight committee confirming each grant application
8	recommendation included on the list the program integration
9	committee submits under Section 101A.302(a)(2) complies with the
10	oversight committee's rules regarding grant award procedures. The
11	report must contain all relevant information on:
12	(1) the peer review process for the grant application;
13	(2) the score the peer review committee assigns to the
14	application;
ΤŦ	
15	(3) adherence to the conflict-of-interest
15	(3) adherence to the conflict-of-interest
15 16	(3) adherence to the conflict-of-interest notification and recusal process; and
15 16 17	(3) adherence to the conflict-of-interest notification and recusal process; and (4) confirmation that a recommended grant applicant
15 16 17 18	<pre>(3) adherence to the conflict-of-interest notification and recusal process; and</pre>
15 16 17 18 19	(3) adherence to the conflict-of-interest notification and recusal process; and (4) confirmation that a recommended grant applicant did not make any gift or grant prohibited by Section 101A.302(f). (d) To ensure each grant recipient complies with reporting
15 16 17 18 19 20	<pre>(3) adherence to the conflict-of-interest notification and recusal process; and</pre>
15 16 17 18 19 20 21	<pre>(3) adherence to the conflict-of-interest notification and recusal process; and (4) confirmation that a recommended grant applicant did not make any gift or grant prohibited by Section 101A.302(f). (d) To ensure each grant recipient complies with reporting requirements included in the grant contract and the rules adopted under this chapter, the institute shall implement a system to:</pre>
15 16 17 18 19 20 21 22	(3) adherence to the conflict-of-interest notification and recusal process; and (4) confirmation that a recommended grant applicant did not make any gift or grant prohibited by Section 101A.302(f). (d) To ensure each grant recipient complies with reporting requirements included in the grant contract and the rules adopted under this chapter, the institute shall implement a system to: (1) track the dates on which grant recipient reports
15 16 17 18 19 20 21 22 23	(3) adherencetotheconflict-of-interestnotification and recusal process; and(4) confirmation that a recommended grant applicantdid not make any gift or grant prohibited by Section 101A.302(f).(d) To ensure each grant recipient complies with reportingrequirements included in the grant contract and the rules adoptedunder this chapter, the institute shall implement a system to:(1) track the dates on which grant recipient reportsare due and are received by the institute; and
15 16 17 18 19 20 21 22 23 24	(3) adherencetotheconflict-of-interestnotification and recusal process; and(4) confirmation that a recommended grant applicantdid not make any gift or grant prohibited by Section 101A.302(f).(d) To ensure each grant recipient complies with reportingrequirements included in the grant contract and the rules adoptedunder this chapter, the institute shall implement a system to:(1) track the dates on which grant recipient reportsare due and are received by the institute; and(2) monitor the status of any required report a grant

S.B. No. 5 1 status of any required report a grant recipient does not timely 2 submit to the institute; and (2) notify the institute's general counsel and the 3 4 oversight committee of a grant recipient who has not complied with the grant contract reporting requirements to allow the institute to 5 suspend or terminate the contract as the institute determines 6 7 appropriate. (f) The chief compliance officer shall establish procedures 8 9 for investigating allegations against oversight committee members, institute employees or contractors, grant applicants, or grant 10 11 recipients for fraud, waste, or abuse of state resources. The procedures must include: 12 13 (1) private access to the compliance program office, 14 such as a telephone hotline; and 15 (2) to the extent possible, preservation of the 16 confidentiality of communications and the anonymity of a person who submits a compliance report related to fraud, waste, or abuse or 17 participates in a compliance investigation. 18 SUBCHAPTER C. OVERSIGHT COMMITTEE 19 20 Sec. 101A.101. COMPOSITION OF OVERSIGHT COMMITTEE. (a) The oversight committee is the institute's governing body. 21 22 (b) The oversight committee is composed of the following nine members: 23 24 (1)three members appointed by the governor; 25 (2) three members appointed by the lieutenant 26 governor; and 27 (3) three members appointed by the speaker of the

1 house of representatives. 2 (c) The oversight committee members must represent this 3 state's geographic and cultural diversity. 4 (d) In making appointments to the oversight committee, the governor, lieutenant governor, and speaker of the house of 5 6 representatives: 7 (1) must each appoint at least one person who is a 8 physician or a scientist with extensive experience working with dementia, Alzheimer's disease, Parkinson's disease, or related 9 disorders or in the field of public health; and 10 11 (2) should attempt to include persons affected by dementia, Alzheimer's disease, Parkinson's disease, or related 12 13 disorders or family members or caregivers of patients with dementia, Alzheimer's disease, Parkinson's disease, or related 14 disorders. 15 16 (e) A person may not be an oversight committee member if: (1) the person or the person's spouse is employed by or 17 participates in the management of an entity receiving money from 18 19 the institute; 20 (2) the person or the person's spouse owns or controls, 21 directly or indirectly, an interest in an entity receiving money from the institute; 22 23 (3) the person or the person's spouse uses or receives a substantial amount of tangible goods, services, or money from the 24 institute, other than reimbursement authorized by this chapter for 25 oversight committee membership, attendance, or expenses; or 26 27 (4) the person is a member of the Cancer Prevention and

1	Research Institute of Texas Oversight Committee established under
2	<u>Section 102.101.</u>
3	Sec. 101A.102. REMOVAL. (a) It is a ground for removal
4	from the oversight committee that a member:
5	(1) is ineligible for membership under Section
6	<u>101A.101(e);</u>
7	(2) cannot, because of illness or disability,
8	discharge the member's duties for a substantial part of the member's
9	term; or
10	(3) is absent from more than half of the regularly
11	scheduled oversight committee meetings the member is eligible to
12	attend during a calendar year without an excuse approved by a
13	majority vote of the committee.
14	(b) The validity of an oversight committee action is not
15	affected by the fact that the action is taken when a ground for
16	removal of a committee member exists.
17	(c) If the chief executive officer has knowledge that a
18	potential ground for removal of a committee member exists, the
19	chief executive officer shall notify the presiding officer of the
20	oversight committee of the potential ground. The presiding officer
21	shall then notify the appointing authority and the attorney general
22	that a potential ground for removal exists. If the potential ground
23	for removal involves the presiding officer, the chief executive
24	officer shall notify the next highest ranking officer of the
25	oversight committee, who shall then notify the appointing authority
26	and the attorney general that a potential ground for removal
27	exists.

1	Sec. 101A.103. TERMS; VACANCY. (a) Oversight committee
2	members appointed by the governor, lieutenant governor, and speaker
3	of the house serve at the pleasure of the appointing authority for
4	staggered six-year terms, with the terms of three members expiring
5	on January 31 of each odd-numbered year.
6	(b) If a vacancy occurs on the oversight committee, the
7	appropriate appointing authority shall appoint a successor in the
8	same manner as the original appointment to serve for the remainder
9	of the unexpired term. The appropriate appointing authority shall
10	appoint the successor not later than the 30th day after the date the
11	vacancy occurs.
12	Sec. 101A.104. OFFICERS. (a) The oversight committee
13	shall elect a presiding officer and assistant presiding officer
14	from among its members every two years. The oversight committee may
15	elect additional officers from among its members.
16	(b) The presiding officer and assistant presiding officer
17	may not serve in the position to which the officer was elected for
18	consecutive terms.
19	(c) The oversight committee shall:
20	(1) establish and approve duties and responsibilities
21	for committee officers; and
22	(2) develop and implement policies that distinguish
23	the responsibilities of the oversight committee and the committee's
24	officers from the responsibilities of the chief executive officer
25	and institute employees.
26	Sec. 101A.105. EXPENSES. An oversight committee member is
27	not entitled to compensation but is entitled to reimbursement for

1	actual and necessary expenses incurred in attending committee
2	meetings or performing other official duties authorized by the
3	presiding officer.
4	Sec. 101A.106. MEETINGS. (a) The oversight committee
5	shall hold at least one public meeting each quarter of the calendar
6	year, with appropriate notice and a formal public comment period.
7	(b) The oversight committee may conduct a closed meeting in
8	accordance with Subchapter E, Chapter 551, Government Code, to
9	discuss issues related to:
10	(1) managing, acquiring, or selling securities or
11	other revenue-sharing obligations realized under the standards
12	established as required by Section 101A.305; and
13	(2) an ongoing compliance investigation into issues
14	related to fraud, waste, or abuse of state resources.
15	Sec. 101A.107. POWERS AND DUTIES. (a) The oversight
16	committee shall:
17	(1) hire a chief executive officer;
18	(2) annually set priorities for each grant program
19	established under this chapter; and
20	(3) consider the priorities set under Subdivision (2)
21	in awarding grants under this chapter.
22	(b) The oversight committee shall adopt a code of conduct
23	applicable to each oversight committee member, program integration
24	committee member, peer review committee member, and institute
25	employee that includes provisions prohibiting the member,
26	employee, or member's or employee's spouse from:
27	(1) accepting or soliciting any gift, favor, or

	S.B. NO. 3
1	service that could reasonably influence the member or employee in
2	the discharge of official duties or that the member, employee, or
3	spouse knows or should know is being offered with the intent to
4	influence the member's or employee's official conduct;
5	(2) accepting employment or engaging in any business
6	or professional activity that would reasonably require or induce
7	the member or employee to disclose confidential information
8	acquired in the member's or employee's official position;
9	(3) accepting other employment or compensation that
10	could reasonably impair the member's or employee's independent
11	judgment in the performance of official duties;
12	(4) holding a personal investment or financial
13	interest that could reasonably create a substantial conflict
14	between the private interests and official duties of the member or
15	employee;
16	(5) intentionally or knowingly soliciting, accepting,
17	or agreeing to accept any benefit for exercising the member's
18	official powers or performing the member's or employee's official
19	duties in favor of another;
20	(6) directly or indirectly leasing to an entity that
21	receives a grant from the institute any property, capital
22	equipment, employee, or service;
23	(7) submitting a grant application for funding by the
24	institute;
25	(8) serving on the board of directors of an
26	organization established with a grant from the institute; or
27	(9) serving on the board of directors of a grant

1	recipient.
2	Sec. 101A.108. RULEMAKING AUTHORITY. The oversight
3	committee may adopt rules to administer this chapter.
4	Sec. 101A.109. FINANCIAL STATEMENT REQUIRED. Each
5	oversight committee member shall file with the chief compliance
6	officer a verified financial statement complying with Sections
7	572.022, 572.023, 572.024, 572.025, 572.0251, and 572.0252,
8	Government Code, as required of a state officer by Section 572.021
9	of that code.
10	SUBCHAPTER D. OTHER INSTITUTE COMMITTEES
11	Sec. 101A.151. PEER REVIEW COMMITTEE. (a) The oversight
12	committee shall establish a peer review committee. The chief
13	executive officer, with approval by a simple majority of the
14	oversight committee members, shall appoint as members to the peer
15	review committee:
16	(1) experts in fields related to dementia, Alzheimer's
17	disease, Parkinson's disease, or related disorders, including
18	research, health care, dementia, Alzheimer's disease, and
19	Parkinson's disease treatment and prevention, and other study
20	areas; and
21	(2) trained patient advocates who meet the
22	qualifications adopted under Subsection (c).
23	(b) The oversight committee shall adopt a written policy on
24	in-state or out-of-state residency requirements for peer review
25	committee members.
26	(c) The oversight committee shall adopt rules regarding the
27	qualifications required of a trained patient advocate for

	S.D. NO. J
1	membership on the peer review committee. The rules must require the
2	trained patient advocate to successfully complete science-based
3	training.
4	(d) A peer review committee member may receive an
5	honorarium. Subchapter B, Chapter 2254, Government Code, does not
6	apply to an honorarium the member receives under this chapter.
7	(e) The chief executive officer, in consultation with the
8	oversight committee, shall adopt a policy regarding honoraria and
9	document any change in the amount of honoraria paid to a peer review
10	committee member, including information explaining the basis for
11	that change.
12	(f) A peer review committee member may not serve on the
13	board of directors or other governing board of an entity receiving a
14	grant from the institute.
15	(g) Peer review committee members serve for terms as
16	determined by the chief executive officer.
17	Sec. 101A.152. PROGRAM INTEGRATION COMMITTEE. (a) The
18	institute shall establish a program integration committee to carry
19	out the duties assigned under this chapter.
20	(b) The program integration committee is composed of:
21	(1) the chief executive officer, who serves as the
22	presiding officer of the program integration committee;
23	(2) three senior-level institute employees
24	responsible for program policy and oversight, appointed by the
25	chief executive officer with the approval of a majority of the
26	oversight committee members; and
27	(3) the executive commissioner or the executive

1 commissioner's designee. Sec. 101A.153. HIGHER EDUCATION ADVISORY COMMITTEE. 2 3 (a) The higher education advisory committee is composed of the 4 following members: 5 (1) one member appointed by the chancellor of The University of Texas System; 6 7 (2) one member appointed by the chancellor of The 8 Texas A&M University System; 9 (3) one member appointed by the chancellor of the Texas Tech University System; 10 11 (4) one member appointed by the chancellor of the University of Houston System; 12 13 (5) one member appointed by the chancellor of the 14 Texas State University System; 15 (6) one member appointed by the chancellor of the 16 University of North Texas System; 17 (7) one member appointed by the president of Baylor 18 College of Med<u>icine; and</u> 19 (8) one member appointed by the president of Rice 20 University. (b) The higher education advisory committee shall advise 21 the oversight committee on issues, opportunities, the role of 22 higher education, and other subjects involving research on 23 dementia, Alzheimer's disease, Parkinson's disease, and related 24 25 disorders. Sec. 101A.154. AD HOC ADVISORY COMMITTEE. 26 (a) The 27 oversight committee, as necessary, may create additional ad hoc

S.B. No. 5

advisory committees composed of experts to advise the oversight 1 committee on issues relating to prevention of or research on 2 dementia, Alzheimer's disease, Parkinson's disease, and related 3 disorders or other issues related to dementia, Alzheimer's disease, 4 Parkinson's disease, or related disorders. 5 6 (b) Ad hoc committee members serve for the terms the 7 oversight committee determines. 8 Sec. 101A.155. EXPENSES. Members of the higher education 9 advisory committee created under Section 101A.153 or an ad hoc advisory committee created under Section 101A.154 serve without 10 compensation but are entitled to reimbursement for actual and 11 necessary expenses incurred in attending committee meetings or 12 13 performing other official duties authorized by the presiding 14 officer. 15 SUBCHAPTER E. DEMENTIA PREVENTION AND RESEARCH FUND 16 Sec. 101A.201. DEMENTIA PREVENTION AND RESEARCH FUND. (a) In this subchapter, "fund" means the Dementia Prevention and 17 Research Fund established under Section 68, Article III, Texas 18 Constitution. The fund is a special fund in the treasury outside 19 20 the general revenue fund to be administered by the institute. 21 (b) The fund consists of: 22 (1) money transferred to the fund under Section 68, 23 Article III, Texas Constitution; (2) money the legislature appropriates, credits, or 24 25 transfers to the fund; and (3) gifts and grants, including grants from the 26 27 federal government, and other donations received for the fund.

1	(c) The fund may only be used for the purposes authorized
2	under Section 68, Article III, Texas Constitution, including:
3	(1) the award of grants for research on or prevention
4	of dementia, Alzheimer's disease, Parkinson's disease, and related
5	disorders and research facilities in this state to conduct that
6	research;
7	(2) the purchase of, subject to the institute's
8	approval, research facilities by or for a state agency or grant
9	recipient; and
10	(3) the operation of the institute.
11	Sec. 101A.202. AUTHORIZED USE OF GRANT MONEY; LIMITATIONS.
12	(a) A grant recipient awarded money from the fund may use the money
13	for research consistent with the purposes of this chapter and in
14	accordance with a contract between the grant recipient and the
15	<u>institute.</u>
16	(b) Except as otherwise provided by this section, grant
17	money awarded under this chapter may be used for authorized
18	expenses, including:
19	(1) honoraria;
20	(2) travel;
21	(3) conference fees and expenses;
22	(4) consumable supplies;
23	(5) operating expenses;
24	(6) contracted research and development;
25	(7) capital equipment; and
26	(8) construction or renovation of state or private
27	facilities.

1	(c) A grant recipient awarded money under this chapter for
2	research on dementia, Alzheimer's disease, Parkinson's disease, or
3	related disorders may not spend more than five percent of the money
4	for indirect costs. In this subsection, "indirect costs" means
5	business expenses not readily identified with a particular grant,
6	contract, project, function, or activity that are necessary for the
7	general operation of the organization or the performance of the
8	organization's activities.
9	(d) Not more than five percent of the total amount of grant
10	money awarded under this chapter in a state fiscal year may be used
11	during that year for facility purchase, construction, remodel, or
12	renovation purposes, and those expenditures must benefit research
13	on dementia, Alzheimer's disease, Parkinson's disease, or related
14	<u>disorders.</u>
15	(e) Not more than 10 percent of the total amount of grant
16	money awarded under this chapter in a state fiscal year may be used
17	during that year for prevention projects and strategies to mitigate
18	the incidence of dementia, Alzheimer's disease, Parkinson's
19	disease, or related disorders.
20	SUBCHAPTER F. CONFLICTS OF INTEREST: DISCLOSURE; RECUSAL
21	Sec. 101A.251. CONFLICT OF INTEREST. (a) The oversight
22	committee shall adopt conflict-of-interest rules, based on
23	standards applicable to members of scientific review committees of
24	the National Institutes of Health, to govern oversight committee
25	members, program integration committee members, peer review
26	committee members, and institute employees.
27	(b) An oversight committee member, program integration

1	committee member, peer review committee member, or institute
2	employee shall recuse the member or employee, as provided by
3	Section 101A.252(a), (b), or (c), as applicable, if the member or
4	employee, or a person who is related to the member or employee
5	within the second degree of affinity or consanguinity, has a
6	professional or financial interest in an entity awarded a grant or
7	applying for a grant from the institute.
8	(c) For purposes of Subsection (b), a person has a
9	professional interest in an entity awarded a grant or applying for a
10	grant from the institute if the person:
11	(1) is a member of the board of directors, another
12	governing board, or any committee of the entity, or of a foundation
13	or similar organization affiliated with the entity, during the same
14	grant cycle;
15	(2) serves as an elected or appointed officer of the
16	entity;
17	(3) is an employee of or is negotiating future
18	employment with the entity;
19	(4) represents the entity;
20	(5) is a professional associate of a primary member of
21	the entity's project team;
22	(6) is, or within the preceding six years has been, a
23	student, postdoctoral associate, or part of a laboratory research
24	group for a primary member of the entity's project team;
25	(7) is engaged or is actively planning to be engaged in
26	collaboration with a primary member of the entity's project team;
27	or

	S.B. No. 5
1	(8) has long-standing scientific differences or
2	disagreements with a primary member of the entity's project team,
3	and those differences or disagreements:
4	(A) are known to the professional community; and
5	(B) could be perceived as affecting objectivity.
6	(d) For purposes of Subsection (b), a person has a financial
7	interest in an entity awarded a grant or applying for a grant from
8	the institute if the person:
9	(1) directly or indirectly owns or controls an
10	ownership interest, including sharing in profits, proceeds, or
11	capital gains, in an entity awarded a grant or applying for a grant
12	from the institute; or
13	(2) could reasonably foresee that an action taken by
14	the oversight committee, the program integration committee, a peer
15	review committee, or the institute could result in a financial
16	benefit to the person.
17	(e) Nothing in this chapter limits the oversight
18	committee's authority to adopt additional conflict-of-interest
19	standards.
20	Sec. 101A.252. DISCLOSURE OF CONFLICT OF INTEREST; RECUSAL.
21	(a) If an oversight committee member or program integration
22	committee member has a conflict of interest described by Section
23	101A.251 regarding an application before the member for review or
24	other action, the member:
25	(1) shall provide written notice to the chief
26	executive officer and the presiding officer of the oversight
27	committee or the next ranking member of the committee if the

presiding officer has the conflict of interest; 1 2 (2) shall disclose the conflict of interest in an open meeting of the oversight committee; 3 4 (3) shall recuse themselves from participating in the review, discussion, deliberation, and vote on the application; and 5 6 (4) may not access information regarding the matter to 7 be decided. (b) If a peer review committee member has a conflict of 8 9 interest described by Section 101A.251 regarding an application before the member's committee for review or other action, the 10 mem<u>ber</u>: 11 (1) shall provide written notice to the chief 12 13 executive officer of the conflict of interest; 14 (2) shall recuse themselves from participating in the 15 review, discussion, deliberation, and vote on the application; and 16 (3) may not access information regarding the matter to be decided. 17 18 (c) If an institute employee has a conflict of interest described by Section 101A.251 regarding an application before the 19 20 employee for review or other action, the employee: (1) shall provide written notice to the chief 21 22 executive officer of the conflict of interest; 23 (2) shall recuse themselves from participating in the review of the application; and 24 25 (3) may not access information regarding the matter to be decided. 26 27 (d) An oversight committee member, program integration

S.B. No. 5

1	committee member, peer review committee member, or institute
2	employee with a conflict of interest may seek a waiver as provided
3	by Section 101A.253.
4	(e) An oversight committee member, program integration
5	committee member, peer review committee member, or institute
6	employee who reports a potential conflict of interest or another
7	impropriety or self-dealing of the member or employee and who fully
8	complies with the recommendations of the institute's general
9	counsel and recusal requirements is considered in compliance with
10	the conflict-of-interest provisions of this chapter. The member or
11	employee is subject to other applicable laws, rules, requirements,
12	and prohibitions.
13	(f) An oversight committee member, program integration
14	committee member, peer review committee member, or institute
15	employee who intentionally violates this section is subject to
16	removal from further participation in the institute's grant review
17	process.
18	Sec. 101A.253. EXCEPTIONAL CIRCUMSTANCES REQUIRING
19	PARTICIPATION. The oversight committee shall adopt rules governing
20	the waiver of the conflict-of-interest requirements of this chapter
21	under exceptional circumstances for an oversight committee member,
22	program integration committee member, peer review committee
23	member, or institute employee. The rules must:
24	(1) authorize the chief executive officer or an
25	oversight committee member to propose granting a waiver by
26	submitting to the oversight committee's presiding officer a written
27	statement about the conflict of interest, the exceptional

	5.D. No. 5
1	circumstance requiring the waiver, and any proposed limitations to
2	the waiver;
3	(2) require a proposed waiver to be publicly reported
4	at an oversight committee meeting;
5	(3) require a majority vote of the oversight committee
6	members present and voting to grant a waiver;
7	(4) require any waiver granted to be included in the
8	annual report required by Section 101A.053; and
9	(5) require the institute to retain documentation of
10	each waiver granted.
11	Sec. 101A.254. INVESTIGATION OF UNREPORTED CONFLICTS OF
12	INTEREST. (a) An oversight committee member, program integration
13	committee member, peer review committee member, or institute
14	employee who becomes aware of an unreported potential conflict of
15	interest described by Section 101A.251 shall immediately notify the
16	chief executive officer of the potential conflict of interest. On
17	receipt of the notification, the chief executive officer shall
18	notify the institute's general counsel and the oversight
19	committee's presiding officer, who shall determine the nature and
20	extent of any unreported conflict.
21	(b) A grant applicant seeking an investigation regarding
22	whether a prohibited conflict of interest was not reported shall
23	file a written request with the chief executive officer. The
24	applicant must:
25	(1) include in the request all facts regarding the
26	alleged conflict of interest; and
27	(2) submit the request not later than the 30th day

S.B. N	Io. 5
--------	-------

1	after the date the chief executive officer presents to the
2	oversight committee final funding recommendations for the affected
3	grant cycle.
4	(c) On receipt of notification of an alleged conflict of
5	interest under Subsection (a) or (b), the institute's general
6	counsel shall:
7	(1) investigate the matter; and
8	(2) provide to the chief executive officer and the
9	oversight committee's presiding officer an opinion that includes:
10	(A) a statement of facts;
11	(B) a determination of whether a conflict of
12	interest or another impropriety or self-dealing exists; and
13	(C) if the opinion provides that a conflict of
14	interest or another impropriety or self-dealing exists,
15	recommendations for an appropriate course of action.
16	(d) If the conflict of interest, impropriety, or
17	self-dealing involves the oversight committee's presiding officer,
18	the institute's general counsel shall provide the opinion to the
19	next ranking oversight committee member who is not involved with
20	the conflict of interest, impropriety, or self-dealing.
21	(e) After receiving the opinion and consulting with the
22	oversight committee's presiding officer, the chief executive
23	officer shall take action regarding the recusal of the individual
24	from any discussion of or access to information related to the
25	conflict of interest or other recommended action related to the
26	impropriety or self-dealing. If the alleged conflict of interest,
27	impropriety, or self-dealing is held by, or is an act of, the chief

1	executive officer, the presiding officer of the oversight committee
2	shall take actions regarding the recusal or other action.
3	Sec. 101A.255. FINAL DETERMINATION OF UNREPORTED CONFLICT
4	OF INTEREST. (a) The chief executive officer or, if applicable,
5	the oversight committee's presiding officer shall make a
6	determination regarding the existence of an unreported conflict of
7	interest described by Section 101A.251 or other impropriety or
8	self-dealing. The determination must specify any actions to be
9	taken to address the conflict of interest, impropriety, or
10	self-dealing, including:
11	(1) reconsideration of the application; or
12	(2) referral of the application to another peer review
13	committee for review.
14	(b) The determination made under Subsection (a) is
15	considered final unless three or more oversight committee members
16	request that the issue be added to the agenda of the oversight
17	committee.
18	(c) The chief executive officer or, if applicable, the
19	oversight committee's presiding officer, shall provide to the grant
20	applicant requesting the investigation written notice of the final
21	determination, including any further actions to be taken.
22	(d) Unless specifically determined by the chief executive
23	officer or, if applicable, the presiding officer of the oversight
24	committee, or the oversight committee, the validity of an action
25	taken on a grant application is not affected by the fact that an
26	individual who failed to report a conflict of interest participated
27	in the action.

1	SUBCHAPTER G. PROCEDURE FOR AWARDING GRANTS
2	Sec. 101A.301. PEER REVIEW PROCESS FOR GRANT AWARD. The
3	institute shall establish a peer review process to evaluate and
4	recommend all grants the oversight committee awards under this
5	chapter.
6	Sec. 101A.302. GRANT AWARD RULES AND PROCEDURES. (a) The
7	oversight committee shall adopt rules regarding the procedure for
8	awarding grants to an applicant under this chapter. The rules must
9	require:
10	(1) the peer review committee to score grant
11	applications and make recommendations to the program integration
12	committee and the oversight committee regarding the award of
13	grants, including providing a prioritized list that:
14	(A) ranks the grant applications in the order the
15	peer review committee determines applications should be funded; and
16	(B) includes information explaining each grant
17	applicant's qualification under the peer review committee's
18	standards for recommendation; and
19	(2) the program integration committee to submit to the
20	oversight committee a list of grant applications the program
21	integration committee by majority vote approved for recommendation
22	that:
23	(A) includes documentation on the factors the
24	program integration committee considered in making the
25	recommendations;
26	(B) is substantially based on the list submitted
27	by the peer review committee under Subdivision (1); and

	S.B. No. 5
1	(C) to the extent possible, gives priority to
2	applications with proposals that:
3	(i) may lead to immediate or long-term
4	medical and scientific breakthroughs in the areas of prevention or
5	treatment for dementia, Alzheimer's disease, Parkinson's disease,
6	and related disorders;
7	(ii) strengthen and enhance fundamental
8	scientific research on dementia, Alzheimer's disease, Parkinson's
9	disease, and related disorders;
10	(iii) ensure a comprehensive coordinated
11	approach to research on dementia, Alzheimer's disease, Parkinson's
12	disease, and related disorders;
13	(iv) are interdisciplinary or
14	interinstitutional;
15	(v) align with state priorities and needs,
16	including priorities and needs outlined in other state agency
17	strategic plans, or that address federal or other major research
18	sponsors' priorities in scientific or technological research in the
19	fields of dementia, Alzheimer's disease, Parkinson's disease, and
20	related disorders;
21	(vi) are matched with money provided by a
22	private or nonprofit entity or institution of higher education;
23	(vii) are collaborative between any
24	combination of private and nonprofit entities, public or private
25	agencies or institutions in this state, and public or private
26	institutions outside this state;
27	(viii) benefit the residents of this state,

1 including a demonstrable economic development benefit to this 2 state; (ix) enhance research superiority 3 at institutions of higher education in this state by creating new 4 research superiority, attracting existing research superiority 5 from institutions outside this state and other research entities, 6 7 or attracting from outside this state additional researchers and 8 resources; and 9 (x) expedite innovation and product development, attract private sector entities to stimulate a 10 11 substantial increase in high-quality jobs, and increase higher education applied science or technology research capabilities. 12 13 (b) A peer review committee member may not attempt to use 14 the committee member's official position to influence a decision to approve or award a grant or contract to the committee member's 15 16 employer. 17 (c) A program integration committee member may not discuss a grant applicant recommendation with an oversight committee member 18 unless the program integration committee has submitted the list 19 20 required under Subsection (a)(2). Two-thirds of the oversight committee members present 21 (d) and voting must vote to approve each grant award recommendation of 22 23 the program integration committee. If the oversight committee does 24 not approve a grant award recommendation of the program integration 25 committee, a statement explaining the reasons the recommendation 26 was not followed must be included in the minutes of the meeting. 27 (e) The oversight committee may not award more than \$300

million in grants under this chapter in a state fiscal year. 1 2 (f) The oversight committee may not award a grant to an 3 applicant who has made a gift or grant to the institute, an oversight committee member, or an institute employee on or after 4 January 1, 2026. This section does not apply to gifts, fees, 5 6 honoraria, or other items also excepted under Section 36.10, Penal 7 Code. Sec. 101A.303. MULTIYEAR PROJECTS. (a) The oversight 8 9 committee may approve the award of grant money for a multiyear pr<u>oject.</u> 10 11 (b) The oversight committee shall specify the total amount 12 of money approved to fund the multiyear project. For purposes of 13 this chapter, the total amount is considered to have been awarded in the state fiscal year the peer review committee approved the 14 project. The institute shall disburse only the money to be spent 15 16 during that fiscal year. The institute shall disburse the remaining grant money as the money is needed in each subsequent 17 18 state fiscal year. Sec. 101A.304. CONTRACT TERMS. (a) Before disbursing 19 20 grant money awarded under this chapter, the institute shall execute a written contract with the grant recipient. The contract shall: 21 22 (1) specify that except for awards to state agencies or public institutions of higher education, if all or any part of 23 24 the grant amount is used to build a capital improvement: 25 (A) the state retains a lien or other interest in the capital improvement in proportion to the percentage of the 26 27 grant amount used to pay for the capital improvement; and

	S.B. No. 5
1	(B) the grant recipient shall, if the capital
2	improvement is sold:
3	(i) repay to this state the grant money used
4	to pay for the capital improvement, with interest at the rate and
5	according to the other terms provided by the contract; and
6	(ii) share with this state a proportionate
7	amount of any profit realized from the sale;
8	(2) specify that if the grant recipient has not used
9	awarded grant money for the purposes for which the grant was
10	intended, the recipient shall repay that grant amount and any
11	related interest applicable under the contract to this state at the
12	agreed rate and on the agreed terms;
13	(3) specify that if the grant recipient fails to meet
14	the terms and conditions of the contract, the institute may
15	terminate the contract using the written process prescribed in the
16	contract and require the recipient to repay the awarded grant money
17	and any related interest applicable under the contract to this
18	state at the agreed rate and on the agreed terms;
19	(4) include terms relating to intellectual property
20	rights consistent with the standards developed by the oversight
21	committee under Section 101A.305;
22	(5) require, in accordance with Subsection (b), the
23	grant recipient to dedicate an amount of matching money equal to
24	one-half of the amount of the grant awarded and specify the amount
25	of matching money to be dedicated;
26	(6) specify the period in which the grant award must be
27	spent; and

	S.B. No. 5
1	(7) include the specific deliverables of the project
2	that is the subject of the grant proposal.
3	(b) Before the institute may disburse grant money, the grant
4	recipient must certify the recipient has available an unexpended
5	amount of money equal to one-half of the grant amount dedicated to
6	the research specified in the grant proposal. The institute shall
7	adopt rules specifying a grant recipient's obligations under this
8	chapter. At a minimum, the rules must:
9	(1) allow an institution of higher education or a
10	private or independent institution of higher education, as those
11	terms are defined by Section 61.003, Education Code, a research
12	institute or center affiliated with the institution, or a
13	not-for-profit hospital system, to credit toward the recipient's
14	matching money the dollar amount equivalent to the difference
15	between the indirect cost rate negotiated by the federal government
16	for research grants awarded to the recipient and the indirect cost
17	<pre>rate authorized by Section 101A.202(c);</pre>
18	(2) specify that:
19	(A) the recipient of more than one grant award
20	under this chapter may provide matching money certification at an
21	institutional level;
22	(B) the recipient of a multiyear grant award may
23	yearly certify matching money; and
24	(C) grant money may not be disbursed to the
25	recipient until the annual certification of the matching money has
26	been approved;
27	(3) specify that money for certification purposes may

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

documentation supporting the source and use of the money required 1 2 by this subsection and to provide documentation to the institute on 3 request; and 4 (8) require the institute to establish a procedure to annually review the documentation supporting the source and use of 5 6 money reported in the required certification. 7 (c) The institute shall establish a policy on advance 8 payments to grant recipients. 9 (d) The oversight committee shall adopt rules to administer 10 this section. 11 Sec. 101A.305. PATENT ROYALTIES AND LICENSE REVENUES PAID 12 TO STATE. (a) The oversight committee shall establish standards 13 requiring all grant awards to be subject to an intellectual property agreement that allows this state to collect royalties, 14 income, and other benefits, including interest or proceeds 15 resulting from securities and equity ownership, realized as a 16 17 result of projects undertaken with grant money awarded under this 18 chapter. (b) In determining this state's interest 19 in any 20 intellectual property rights, the oversight committee shall balance the opportunity of this state to benefit from the patents, 21 royalties, licenses, and other benefits that result from basic 22 23 research, therapy development, and clinical trials with the need to 24 ensure that essential medical research is not unreasonably hindered by the intellectual property agreement and that the agreement does 25 not unreasonably remove the incentive of the individual researcher, 26 27 research team, or institution.

1 (c) The oversight committee may authorize the institute to 2 execute a contract with one or more qualified third parties for assistance with the management, accounting, and disposition of this 3 state's interest in securities, equities, royalties, income, and 4 other benefits realized from grant money awarded under this 5 chapter. The institute shall implement practices and procedures 6 7 for the management, accounting, and disposition of securities, equities, royalties, income, and other benefits the institute 8 9 determines are in this state's best interest.

10 <u>Sec. 101A.306. PREFERENCE FOR TEXAS SUPPLIERS. In a good</u> 11 <u>faith effort to achieve a goal of more than 50 percent of purchases</u> 12 <u>from suppliers in this state, the oversight committee shall</u> 13 <u>establish standards to ensure grant recipients purchase goods and</u> 14 <u>services from suppliers in this state to the extent reasonably</u> 15 possible.

Sec. 101A.307. HISTORICALLY UNDERUTILIZED BUSINESSES. The oversight committee shall establish standards to ensure grant recipients purchase goods and services from historically underutilized businesses as defined by Section 2161.001, Government Code, and any other applicable state law.

21 <u>Sec. 101A.308. GRANT COMPLIANCE AND PROGRESS EVALUATION.</u> 22 (a) The institute shall require as a condition of a grant awarded 23 under this chapter that the grant recipient submit to regular 24 inspection reviews of the grant project by institute employees to 25 ensure compliance with the terms of the grant contract and ongoing 26 progress, including the scientific merit of the research.

27 (b) The chief executive officer shall report at least

1	annually to the oversight committee on the progress and continued
2	merit of the projects awarded grants by the institute.
3	Sec. 101A.309. MEDICAL AND RESEARCH ETHICS. A project
4	awarded a grant under this chapter must comply with all applicable
5	federal and state laws regarding the conduct of the research or a
6	prevention project.
7	Sec. 101A.310. PUBLIC INFORMATION; CONFIDENTIAL
8	INFORMATION. (a) The following information is public information
9	and may be disclosed under Chapter 552, Government Code:
10	(1) a grant applicant's name and address;
11	(2) the amount of money requested in an applicant's
12	grant proposal;
13	(3) the type of research on dementia, Alzheimer's
14	disease, Parkinson's disease, or related disorders to be addressed
15	under a grant proposal; and
16	(4) any other information the institute designates
17	with the consent of a grant applicant.
18	(b) To protect the actual or potential value of information
19	submitted to the institute by an applicant for or recipient of a
20	grant under this chapter, the following information submitted by
21	the applicant or recipient is confidential and is not subject to
22	disclosure under Chapter 552, Government Code, or any other law:
23	(1) all information, other than the information
24	described under Subsection (a), contained in a grant application,
25	peer review evaluation, award contract, or progress report relating
26	to a product, device, or process, the application or use of the
27	product, device, or process, and all technological and scientific

	5.1. 10. 5
1	information, including computer programs, developed wholly or
2	partly by the applicant or recipient, regardless of whether
3	patentable or capable of being registered under copyright or
4	trademark laws, that has a potential for being sold, traded, or
5	licensed for a fee; and
6	(2) the plans, specifications, blueprints, and
7	designs, including related proprietary information, of a
8	scientific research and development facility.
9	(c) The following information is confidential and not
10	subject to disclosure under Chapter 552, Government Code:
11	(1) information that directly or indirectly reveals
12	the identity of an individual who reports fraud, waste, or abuse of
13	state resources to the institute's compliance program office, seeks
14	guidance from the office, or participates in an investigation
15	conducted under the compliance program;
16	(2) information that directly or indirectly reveals
17	the identity of an individual who is alleged to have or may have
18	planned, initiated, or participated in activities specified in a
19	report submitted to the office if, after completing an
20	investigation, the office determines the report to be
21	unsubstantiated or without merit; and
22	(3) other information collected or produced in a
23	compliance program investigation if releasing the information
24	would interfere with an ongoing compliance investigation.
25	(d) Subsection (c) does not apply to information related to
26	an individual who consents to the information's disclosure.
27	(e) Information made confidential or excepted from public

disclosure by this section may be made available, on request and in 1 2 compliance with applicable laws and procedures, to the following: 3 (1) a law enforcement agency or prosecutor; (2) a governmental agency responsible for 4 investigating the matter specified in a compliance report, 5 including the Texas Workforce Commission civil rights division or 6 7 the Equal Employment Opportunity Commission; or 8 (3) a committee member or institute employee who is 9 responsible under institutional policy for a compliance program investigation or for a review of a compliance program 10 11 investigation. (f) A disclosure under Subsection (e) is not a voluntary 12 13 disclosure for purposes of Section 552.007, Government Code. (g) The institute shall post on the institute's Internet 14 website records that pertain specifically to any gift, grant, or 15 other consideration provided to the institute, an institute 16 employee, or an oversight committee member, in the employee's or 17 member's official capacity. The posted information must include 18 each donor's name and the amount and date of the donor's donation. 19 20 SECTION 2. Section 51.955(c), Education Code, is amended to read as follows: 21 (c) Subsection (b)(1) does not apply to a research contract 22 between an institution of higher education and the Cancer 23 Prevention and Research Institute of Texas or Dementia Prevention 24 and Research Institute of Texas. 25 SECTION 3. Section 572.003(c), Government Code, is amended 26

S.B. No. 5

39

27

to read as follows:

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

1	CollegeWaco;	
2	(16)	the Texas Higher Education Coordinating Board;
3	(17)	the Texas Workforce Commission;
4	(18)	the board of trustees of the Teacher Retirement
5	System of Texas;	
6	(19)	the Credit Union Commission;
7	(20)	the School Land Board;
8	(21)	the board of the Texas Department of Housing and
9	Community Affairs	5;
10	(22)	the Texas Racing Commission;
11	(23)	the State Board of Dental Examiners;
12	(24)	the Texas Medical Board;
13	(25)	the Board of Pardons and Paroles;
14	(26)	the Texas State Board of Pharmacy;
15	(27)	the Department of Information Resources
16	governing board;	
17	(28)	the board of the Texas Department of Motor
18	Vehicles;	
19	(29)	the Texas Real Estate Commission;
20	(30)	the board of directors of the State Bar of Texas;
21	(31)	the Bond Review Board;
22	(32)	the Health and Human Services Commission;
23	(33)	the Texas Funeral Service Commission;
24	(34)	the board of directors of a river authority
25	created under the	Texas Constitution or a statute of this state;
26	(35)	the Texas Lottery Commission; [or]
27	(36)	the Cancer Prevention and Research Institute of

1 Texas<u>; or</u>

2

3

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

4 SECTION 4. (a) Not later than December 31, 2025, the 5 appropriate appointing authority shall appoint the members to the 6 Dementia Prevention and Research Institute of Texas Oversight 7 Committee as required by Section 101A.101, Health and Safety Code, 8 as added by this Act. The oversight committee may not act until a 9 majority of the appointed members have taken office.

10 Notwithstanding Section 101A.101, Health and Safety (b) 11 Code, as added by this Act, in making the initial appointments under 12 that section, the governor, lieutenant governor, and speaker of the 13 house of representatives shall, as applicable, designate one member of the Dementia Prevention and Research Institute of 14 Texas 15 Oversight Committee appointed by that person to serve a term 16 expiring January 31, 2027, one member appointed by that person to serve a term expiring January 31, 2029, and one member appointed by 17 that person to serve a term expiring January 31, 2031. 18

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

(d) Not later than January 31, 2026, the Dementia Prevention
and Research Institute of Texas Oversight Committee established
under Section 101A.101, Health and Safety Code, as added by this
Act, shall hold its first meeting at a location determined by the

1 presiding officer of the Dementia Prevention and Research Institute 2 of Texas Oversight Committee designated under Subsection (c) of 3 this section.

4 SECTION 5. If the voters approve the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, 5 providing for the establishment of the Dementia Prevention and 6 7 Research Institute of Texas, establishing the Dementia Prevention and Research Fund to provide money for research on and prevention 8 9 and treatment of dementia, Alzheimer's disease, Parkinson's disease, and related disorders in this state, and transferring to 10 11 that fund \$3 billion from state general revenue, the Dementia Prevention and Research Institute of Texas established by Chapter 12 13 101A, Health and Safety Code, as added by this Act, is eligible for funding to be deposited under the authority of Section 68, Article 14 III, Texas Constitution, for the institute to engage in any 15 16 activities serving the purposes of that constitutional provision.

SECTION 6. This Act takes effect December 1, 2025, but only 17 if the constitutional amendment proposed by the 89th Legislature, 18 Regular Session, 2025, providing for the establishment of the 19 20 Dementia Prevention and Research Institute of Texas, establishing the Dementia Prevention and Research Fund to provide money for 21 research on and prevention and treatment of dementia, Alzheimer's 22 disease, Parkinson's disease, and related disorders in this state, 23 24 and transferring to that fund \$3 billion from state general revenue is approved by the voters. If that amendment is not approved by the 25 voters, this Act has no effect. 26

President of the Senate Speaker of the House I hereby certify that S.B. No. 5 passed the Senate on March 5, 2025, by the following vote: Yeas 29, Nays 2; and that the Senate concurred in House amendment on May 12, 2025, by the following vote: Yeas 29, Nays 1.

Secretary of the Senate

I hereby certify that S.B. No. 5 passed the House, with amendment, on April 24, 2025, by the following vote: Yeas 121, Nays 23, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor