

By: Zaffirini

S.B. No. 998

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Alzheimer's 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. ALZHEIMER'S PREVENTION AND RESEARCH INSTITUTE OF TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

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

(1) "Institute" means the Alzheimer's Prevention and Research Institute of Texas.

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

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

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

(5) "Research plan" means the Texas Alzheimer's Prevention and Research Plan developed by the institute.

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

(1) create and expedite innovation in research on

1 Alzheimer's disease and related disorders to improve the health of
2 residents of this state, enhance the potential for a medical or
3 scientific breakthrough in research on Alzheimer's disease and
4 related disorders, and enhance the research superiority of this
5 state regarding Alzheimer's disease and related disorders;

6 (2) attract, create, or expand research capabilities
7 of eligible institutions of higher education and other public or
8 private entities by awarding grants to promote a substantial
9 increase in research on Alzheimer's disease and related disorders,
10 strategies for prevention of Alzheimer's disease and related
11 disorders, and the creation of exceptional jobs in this state; and

12 (3) develop and implement a research plan to foster
13 synergistic collaboration between eligible institutions of higher
14 education and their partners and other grant recipients in research
15 on Alzheimer's disease and related disorders.

16 Sec. 101A.003. SUNSET PROVISION. The Alzheimer's
17 Prevention and Research Institute of Texas is subject to Chapter
18 325, Government Code (Texas Sunset Act). Unless continued in
19 existence as provided by that chapter, the institute is abolished
20 and this chapter expires September 1, 2035.

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

24 SUBCHAPTER B. POWERS AND DUTIES OF INSTITUTE

25 Sec. 101A.051. POWERS AND DUTIES. (a) The institute:

26 (1) may award grants to institutions of learning,
27 advanced medical research facilities, public or private persons,

1 and collaboratives in this state to further the purposes of this
2 chapter and Section 68, Article III, Texas Constitution, including:

3 (A) implementation of the research plan;

4 (B) research, including translational and
5 clinical research, into the causes of, means of prevention of, and
6 treatment and rehabilitation for Alzheimer's disease and related
7 disorders;

8 (C) research, including translational research,
9 to develop therapies, protocols, medical pharmaceuticals, or
10 procedures for the substantial mitigation of the symptoms of
11 Alzheimer's disease and related disorders;

12 (D) facilities, equipment, supplies, salaries,
13 benefits, and other costs related to research on Alzheimer's
14 disease and related disorders; and

15 (E) prevention programs and strategies to
16 mitigate the detrimental health impacts of Alzheimer's disease and
17 related disorders;

18 (2) shall collaborate with relevant state agencies,
19 coordinating councils, and consortiums to enhance health care and
20 research for Alzheimer's disease and related disorders;

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

24 (4) shall employ necessary staff to provide to the
25 institute administrative support;

26 (5) may contract with another state agency to share
27 the cost of administrative services, including grant accounting,

1 grant monitoring, technical and document management of the grant
2 application review process, legal services, and compliance
3 services;

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

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

10 (8) shall establish procedures to document compliance
11 by the institute, institute employees, and institute committee
12 members with all laws and rules governing the peer review process
13 and conflicts of interest; and

14 (9) shall create a statewide research and clinical
15 data registry for research related to Alzheimer's disease and
16 related disorders.

17 (b) The institute shall implement, monitor, and, as
18 necessary, revise the research plan.

19 (c) The institute may collaborate as necessary with public
20 or private persons, including Texas Medical Center member
21 institutions, institutions of higher education, advanced medical
22 research facilities, and collaboratives in this state in carrying
23 out the institute's duties under this chapter.

24 Sec. 101A.052. CHIEF EXECUTIVE OFFICER; CHIEF COMPLIANCE
25 OFFICER; ADDITIONAL OFFICERS. (a) The oversight committee shall
26 hire a chief executive officer. The chief executive officer shall
27 perform the duties required by this chapter and the duties

1 designated by the oversight committee. The chief executive officer
2 must have a demonstrated ability to lead and develop academic,
3 commercial, and governmental partnerships and coalitions.

4 (b) The institute shall employ a chief compliance officer to
5 monitor compliance with this chapter and rules adopted under this
6 chapter and to report to the oversight committee incidents of
7 noncompliance.

8 (c) The chief executive officer may hire any other officer
9 position the chief executive officer determines necessary for the
10 institute's efficient operation.

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

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

18 (2) a list of recipients of grants awarded during the
19 preceding state fiscal year and the grant amount awarded to each
20 recipient;

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

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

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

1 (6) a statement of the institute's strategic research
2 plans;

3 (7) an estimate of the financial cost to this state of
4 Alzheimer's disease and related disorders during the most recent
5 state fiscal year for which data is available, including the
6 amounts this state spent related to Alzheimer's disease and related
7 disorders under Medicaid, the Teacher Retirement System of Texas,
8 and the Employees Retirement System of Texas;

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

12 (9) for the preceding state fiscal year:

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

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

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

21 (10) the institute's future direction.

22 Sec. 101A.054. INDEPENDENT FINANCIAL AUDIT. (a) The
23 institute shall annually commission a certified public accounting
24 firm to perform an independent financial audit of its activities.

25 (b) The oversight committee shall review the annual
26 financial audit.

27 Sec. 101A.055. GRANT RECORDS; AUDIT OF ELECTRONIC GRANT

1 MANAGEMENT SYSTEM. (a) The institute shall maintain complete
2 records of:

3 (1) each grant application submitted to the institute,
4 including each application funded by the institute or withdrawn
5 after submission and the score assigned to each application
6 reviewed by the peer review committee in accordance with rules
7 adopted under Section 101A.302;

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

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

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

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

17 (b) The institute shall keep each record described by
18 Subsection (a) until at least the 15th anniversary of the record's
19 date of issuance.

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

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

27 (b) The institute may not supplement the salary of any

1 institute employee or officer with a gift or grant the institute
2 receives.

3 Sec. 101A.057. OFFICE LOCATION. The institute's offices
4 shall be located at a National Institute on Aging-Designated
5 Alzheimer's Disease Research Center in Texas.

6 Sec. 101A.058. COMPLIANCE PROGRAM; INVESTIGATIONS. (a)
7 The institute shall establish a compliance program operating under
8 the direction of the institute's chief compliance officer to
9 monitor compliance with this chapter and rules adopted under this
10 chapter and for use in reporting incidents of noncompliance to the
11 oversight committee.

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

16 (c) The chief compliance officer shall submit a written
17 report to the oversight committee confirming each grant application
18 recommendation included on the list the program integration
19 committee submits under Section 101A.302(a)(2) complies with the
20 oversight committee's rules regarding grant award procedures. The
21 report must contain all relevant information on:

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

23 (2) the score the peer review committee assigns to the
24 application;

25 (3) adherence to the conflict-of-interest
26 notification and recusal process; and

27 (4) confirmation that a recommended grant applicant

1 did not make any gift or grant prohibited by Section 101A.302(f).

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

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

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

9 (e) The chief compliance officer shall:

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

13 (2) notify the institute's general counsel and the
14 oversight committee of a grant recipient who has not complied with
15 the grant contract reporting requirements to allow the institute to
16 suspend or terminate the contract as the institute determines
17 appropriate.

18 (f) The chief compliance officer shall establish procedures
19 for investigating allegations against oversight committee members,
20 institute employees or contractors, grant applicants, or grant
21 recipients for fraud, waste, or abuse of state resources. The
22 procedures must include:

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

25 (2) to the extent possible, preservation of the
26 confidentiality of communications and the anonymity of a person who
27 submits a compliance report related to fraud, waste, or abuse or

1 participates in a compliance investigation.

2 SUBCHAPTER C. OVERSIGHT COMMITTEE

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

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

5 (b) The oversight committee is composed of the following
6 nine members:

7 (1) three members appointed by the governor;

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

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

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

14 (d) In making appointments to the oversight committee, the
15 governor, lieutenant governor, and speaker of the house of
16 representatives:

17 (1) must each appoint at least one person who is a
18 physician or a scientist with extensive experience working with
19 Alzheimer's disease or related disorders or in the field of public
20 health; and

21 (2) should attempt to include persons affected by
22 Alzheimer's disease or related disorders or family members or
23 caregivers of patients with Alzheimer's disease or related
24 disorders.

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

27 (1) is employed by or participates in the management

1 of an entity receiving money from the institute;

2 (2) owns or controls, directly or indirectly, an
3 interest in an entity receiving money from the institute; or

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

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

10 (1) is ineligible for membership under Section
11 101A.101(e);

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

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

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

22 (c) If the chief executive officer has knowledge that a
23 potential ground for removal of a committee member exists, the
24 chief executive officer shall notify the presiding officer of the
25 oversight committee of the potential ground. The presiding officer
26 shall then notify the appointing authority and the attorney general
27 that a potential ground for removal exists. If the potential ground

1 for removal involves the presiding officer, the chief executive
2 officer shall notify the next highest ranking officer of the
3 oversight committee, who shall then notify the appointing authority
4 and the attorney general that a potential ground for removal
5 exists.

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

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

17 Sec. 101A.104. OFFICERS. (a) The oversight committee
18 shall elect a presiding officer and assistant presiding officer
19 from among its members every two years. The oversight committee may
20 elect additional officers from among its members.

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

24 (c) The oversight committee shall:

25 (1) establish and approve duties and responsibilities
26 for committee officers; and

27 (2) develop and implement policies that distinguish

1 the responsibilities of the oversight committee and the committee's
2 officers from the responsibilities of the chief executive officer
3 and institute employees.

4 Sec. 101A.105. EXPENSES. An oversight committee member is
5 not entitled to compensation but is entitled to reimbursement for
6 actual and necessary expenses incurred in attending committee
7 meetings or performing other official duties authorized by the
8 presiding officer.

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

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

15 (1) managing, acquiring, or selling securities or
16 other revenue-sharing obligations realized under the standards
17 established as required by Section 101A.305; and

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

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

22 (1) hire a chief executive officer;

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

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

27 (b) The oversight committee shall adopt a code of conduct

1 applicable to each oversight committee member, program integration
2 committee member, peer review committee member, and institute
3 employee that includes provisions prohibiting the member,
4 employee, or member's or employee's spouse from:

5 (1) accepting or soliciting any gift, favor, or
6 service that could reasonably influence the member or employee in
7 the discharge of official duties or that the member, employee, or
8 spouse knows or should know is being offered with the intent to
9 influence the member's or employee's official conduct;

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

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

17 (4) holding a personal investment or financial
18 interest that could reasonably create a substantial conflict
19 between the private interests and official duties of the member or
20 employee;

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

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

1 (7) submitting a grant application for funding by the
2 institute;

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

5 (9) serving on the board of directors of a grant
6 recipient.

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

9 Sec. 101A.109. FINANCIAL STATEMENT REQUIRED. Each
10 oversight committee member shall file with the chief compliance
11 officer a verified financial statement complying with Sections
12 572.022, 572.023, 572.024, 572.025, 572.0251, and 572.0252,
13 Government Code, as required of a state officer by Section 572.021
14 of that code.

15 SUBCHAPTER D. OTHER INSTITUTE COMMITTEES

16 Sec. 101A.151. PEER REVIEW COMMITTEE. (a) The oversight
17 committee shall establish a peer review committee. The chief
18 executive officer, with approval by a simple majority of the
19 oversight committee members, shall appoint as members to the peer
20 review committee:

21 (1) experts in fields related to Alzheimer's disease
22 or related disorders, including research, health care, disease
23 treatment and prevention, and other study areas; and

24 (2) trained patient advocates who meet the
25 qualifications adopted under Subsection (c).

26 (b) The oversight committee shall adopt a written policy on
27 in-state or out-of-state residency requirements for peer review

1 committee members.

2 (c) The oversight committee shall adopt rules regarding the
3 qualifications required of a trained patient advocate for
4 membership on the peer review committee. The rules must require the
5 trained patient advocate to successfully complete science-based
6 training.

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

10 (e) The chief executive officer, in consultation with the
11 oversight committee, shall adopt a policy regarding honoraria and
12 document any change in the amount of honoraria paid to a peer review
13 committee member, including information explaining the basis for
14 that change.

15 (f) A peer review committee member may not serve on the
16 board of directors or other governing board of an entity receiving a
17 grant from the institute.

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

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

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

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

26 (2) three senior-level institute employees
27 responsible for program policy and oversight, appointed by the

1 chief executive officer with the approval of a majority of the
2 oversight committee members; and

3 (3) the executive commissioner or the executive
4 commissioner's designee.

5 Sec. 101A.153. HIGHER EDUCATION ADVISORY COMMITTEE. (a)
6 The higher education advisory committee is composed of the
7 following members:

8 (1) two members appointed by the chancellor of The
9 University of Texas System to represent:

10 (A) The University of Texas Southwestern Medical
11 Center;

12 (B) The University of Texas Medical Branch at
13 Galveston;

14 (C) The University of Texas Health Science Center
15 at Houston;

16 (D) The University of Texas Health Science Center
17 at San Antonio; or

18 (E) The University of Texas Health Center at
19 Tyler;

20 (2) one member appointed by the chancellor of The
21 Texas A&M University System to represent:

22 (A) The Texas A&M University System Health
23 Science Center; or

24 (B) the teaching hospital for The Texas A&M
25 Health Science Center College of Medicine;

26 (3) one member appointed by the chancellor of the
27 Texas Tech University System to represent the Texas Tech University

1 Health Sciences Center;

2 (4) one member appointed by the chancellor of the
3 University of Houston System to represent the system;

4 (5) one member appointed by the chancellor of the
5 Texas State University System to represent the system;

6 (6) one member appointed by the chancellor of the
7 University of North Texas System to represent the system;

8 (7) one member appointed by the president of Baylor
9 College of Medicine; and

10 (8) one member appointed by the president of Rice
11 University.

12 (b) The higher education advisory committee shall advise
13 the oversight committee on issues, opportunities, the role of
14 higher education, and other subjects involving research on
15 Alzheimer's disease and related disorders.

16 Sec. 101A.154. AD HOC ADVISORY COMMITTEE. (a) The
17 oversight committee, as necessary, may create additional ad hoc
18 advisory committees composed of experts to advise the oversight
19 committee on issues relating to prevention of or research on
20 Alzheimer's disease and related disorders or other issues related
21 to Alzheimer's disease or related disorders.

22 (b) Ad hoc committee members serve for the terms the
23 oversight committee determines.

24 Sec. 101A.155. EXPENSES. Members of the higher education
25 advisory committee or an ad hoc advisory committee created under
26 Section 101A.154 serve without compensation but are entitled to
27 reimbursement for actual and necessary expenses incurred in

1 attending committee meetings or performing other official duties
2 authorized by the presiding officer.

3 SUBCHAPTER E. ALZHEIMER'S PREVENTION AND RESEARCH FUND

4 Sec. 101A.201. ALZHEIMER'S PREVENTION AND RESEARCH FUND.

5 (a) In this subchapter, "fund" means the Alzheimer's Prevention
6 and Research Fund established under Section 68, Article III, Texas
7 Constitution. The fund is a special fund in the treasury outside
8 the general revenue fund to be administered by the institute. The
9 institute may use money in the fund as authorized by this chapter
10 without further legislative appropriation.

11 (b) The fund consists of:

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

14 (2) money the legislature appropriates, credits, or
15 transfers to the fund;

16 (3) gifts and grants, including grants from the
17 federal government, and other donations received for the fund;

18 (4) patent, royalty, and license fees and other income
19 received under a contract executed as provided by Section 101A.304;
20 and

21 (5) investment earnings and interest earned on amounts
22 credited to the fund.

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

25 (1) the award of grants for research on or prevention
26 of Alzheimer's disease and related disorders and research
27 facilities in this state to conduct that research;

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

4 (3) the operation of the institute.

5 Sec. 101A.202. ROLE OF TEXAS TREASURY SAFEKEEPING TRUST
6 COMPANY. (a) In this section, "trust company" means the Texas
7 Treasury Safekeeping Trust Company.

8 (b) The trust company shall invest the fund in accordance
9 with this section.

10 (c) The trust company shall hold and invest the fund, and
11 any accounts established in the fund, for the institute taking into
12 consideration the authorized uses of money in the fund. The fund
13 may be invested with the state treasury pool and may be pooled with
14 other state assets for investment purposes.

15 (d) The overall objective for the investment of the fund is
16 to maintain sufficient liquidity to meet the needs of the fund while
17 striving to preserve the purchasing power of the fund over a full
18 economic cycle.

19 (e) The trust company has any power necessary to accomplish
20 the purposes of managing and investing the fund's assets. In
21 managing the fund's assets, through procedures and subject to
22 restrictions the trust company considers appropriate, the trust
23 company may acquire, exchange, sell, supervise, manage, or retain
24 any kind of investment that a prudent investor, exercising
25 reasonable care, skill, and caution, would acquire or retain in
26 light of the purposes, terms, distribution requirements, and other
27 circumstances of the fund then prevailing, taking into

1 consideration the investment of all the fund's assets rather than a
2 single investment.

3 (f) The expenses of managing the fund shall be paid from the
4 fund.

5 (g) The trust company annually shall provide to the
6 institute and the oversight committee a written report on the
7 investments of the fund.

8 (h) The trust company shall adopt an appropriate written
9 investment policy for the fund. The trust company shall present the
10 investment policy to the investment advisory board established
11 under Section 404.028, Government Code. The investment advisory
12 board shall submit to the trust company recommendations regarding
13 the policy.

14 (i) The institute annually shall provide to the trust
15 company a forecast of the cash flows into and out of the fund. The
16 institute shall provide updates to the forecasts as appropriate to
17 ensure the trust company is able to achieve the objective specified
18 by Subsection (d).

19 (j) The trust company shall disburse money from the fund as
20 the institute directs. The institute shall direct disbursements
21 from the fund on a semiannual schedule specified by the institute
22 and not more frequently than twice in any state fiscal year.

23 Sec. 101A.203. 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) salaries and benefits;

6 (3) travel;

7 (4) conference fees and expenses;

8 (5) consumable supplies;

9 (6) operating expenses;

10 (7) contracted research and development;

11 (8) capital equipment; and

12 (9) construction or renovation of state or private
13 facilities.

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

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

26 (e) Not more than 10 percent of the total amount of grant
27 money awarded under this chapter in a state fiscal year may be used

1 during that year for prevention projects and strategies to mitigate
2 the incidence of Alzheimer's disease or related disorders.

3 SUBCHAPTER F. CONFLICTS OF INTEREST: DISCLOSURE; RECUSAL

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

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

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

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

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

27 (3) is an employee of or is negotiating future

- 1 employment with the entity;
2 (4) represents the entity;
3 (5) is a professional associate of a primary member of
4 the entity's project team;
5 (6) is, or within the preceding six years has been, a
6 student, postdoctoral associate, or part of a laboratory research
7 group for a primary member of the entity's project team;
8 (7) is engaged or is actively planning to be engaged in
9 collaboration with a primary member of the entity's project team;
10 or
11 (8) has long-standing scientific differences or
12 disagreements with a primary member of the entity's project team,
13 and those differences or disagreements:
14 (A) are known to the professional community; and
15 (B) could be perceived as affecting objectivity.
16 (d) For purposes of Subsection (b), a person has a financial
17 interest in an entity awarded a grant or applying for a grant from
18 the institute if the person:
19 (1) directly or indirectly owns or controls an
20 ownership interest, including sharing in profits, proceeds, or
21 capital gains, in an entity awarded a grant or applying for a grant
22 from the institute; or
23 (2) could reasonably foresee that an action taken by
24 the oversight committee, the program integration committee, a peer
25 review committee, or the institute could result in a financial
26 benefit to the person.
27 (e) Nothing in this chapter limits the oversight

1 committee's authority to adopt additional conflict-of-interest
2 standards.

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

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

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

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

14 (3) recuse the member from participating in the
15 review, discussion, deliberation, and vote on the application and
16 from accessing information regarding the matter to 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 shall:

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

23 (2) recuse the member from participating in the
24 review, discussion, deliberation, and vote on the application and
25 from accessing information regarding the matter to be decided.

26 (c) If an institute employee has a conflict of interest
27 described by Section 101A.251 regarding an application before the

1 employee for review or other action, the employee:

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

4 (2) shall recuse the employee from participating in
5 the review of the application; and

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

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

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

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

26 Sec. 101A.253. EXCEPTIONAL CIRCUMSTANCES REQUIRING
27 PARTICIPATION. The oversight committee shall adopt rules governing

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

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

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

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

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

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

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

1 extent of any unreported conflict.

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

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

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

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

15 (1) investigate the matter; and

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

18 (A) a statement of facts;

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

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

24 (d) If the conflict of interest, impropriety, or
25 self-dealing involves the oversight committee's presiding officer,
26 the institute's general counsel shall provide the opinion to the
27 next ranking oversight committee member who is not involved with

1 the conflict of interest, impropriety, or self-dealing.

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

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

19 (1) reconsideration of the application; or
20 (2) referral of the application to another peer review
21 committee for review.

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

26 (c) The chief executive officer or, if applicable, the
27 oversight committee's presiding officer, shall provide to the grant

1 applicant requesting the investigation written notice of the final
2 determination, including any further actions to be taken.

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

9 SUBCHAPTER G. PROCEDURE FOR AWARDING GRANTS

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

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

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

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

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

27 (2) the program integration committee to submit to the

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

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

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

9 (C) to the extent possible, gives priority to
10 applications including proposals that:

11 (i) may lead to immediate or long-term
12 medical and scientific breakthroughs in the areas of prevention or
13 treatment for Alzheimer's disease and related disorders;

14 (ii) strengthen and enhance fundamental
15 scientific research on Alzheimer's disease and related disorders;

16 (iii) ensure a comprehensive coordinated
17 approach to research on Alzheimer's disease and related disorders;

18 (iv) are interdisciplinary or
19 interinstitutional;

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

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

27 (vii) are collaborative between any

1 combination of private and nonprofit entities, public or private
2 agencies or institutions in this state, and public or private
3 institutions outside this state;

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

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

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

17 (xi) address the goals of the research
18 plan.

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

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

27 (d) Two-thirds of the oversight committee members present

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (5) require, in accordance with Subsection (b), the
2 grant recipient to dedicate an amount of matching money equal to
3 one-half of the amount of the grant awarded and specify the amount
4 of matching money to be dedicated;

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

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

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

15 (1) allow an institution of higher education or a
16 private or independent institution of higher education, as those
17 terms are defined by Section 61.003, Education Code, or a research
18 institute or center affiliated with the institution, to credit
19 toward the recipient's matching money the dollar amount equivalent
20 to the difference between the indirect cost rate authorized by the
21 federal government for research grants awarded to the recipient and
22 the indirect cost rate authorized by Section 101A.203(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 Alzheimer's disease or
19 related 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 This section is not applicable to gifts, fees, honoraria, or other
25 items also excepted under Section 36.10, Penal Code.

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

1 (c) Subsection (b)(1) does not apply to a research contract
2 between an institution of higher education and the Cancer
3 Prevention and Research Institute of Texas or Alzheimer's
4 Prevention and Research Institute of Texas.

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

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

27 SECTION 4. Section 572.003(c), Government Code, is amended

1 to read as follows:

2 (c) The term means a member of:

3 (1) the Public Utility Commission of Texas;

4 (2) the Texas Commission on Environmental Quality;

5 (3) the Texas Alcoholic Beverage Commission;

6 (4) the Finance Commission of Texas;

7 (5) the Texas Facilities Commission;

8 (6) the Texas Board of Criminal Justice;

9 (7) the board of trustees of the Employees Retirement
10 System of Texas;

11 (8) the Texas Transportation Commission;

12 (9) the Texas Department of Insurance;

13 (10) the Parks and Wildlife Commission;

14 (11) the Public Safety Commission;

15 (12) the Texas Ethics Commission;

16 (13) the State Securities Board;

17 (14) the Texas Water Development Board;

18 (15) the governing board of a public senior college or
19 university as defined by Section 61.003, Education Code, or of The
20 University of Texas Southwestern Medical Center, The University of
21 Texas Medical Branch at Galveston, The University of Texas Health
22 Science Center at Houston, The University of Texas Health Science
23 Center at San Antonio, The University of Texas M. D. Anderson Cancer
24 Center, The University of Texas Health Science Center at Tyler,
25 University of North Texas Health Science Center at Fort Worth,
26 Texas Tech University Health Sciences Center, Texas State Technical
27 College--Harlingen, Texas State Technical College--Marshall, Texas

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

1 (36) the Cancer Prevention and Research Institute of
2 Texas; or

3 (37) the Alzheimer's Prevention and Research Institute
4 of Texas.

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

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

20 SECTION 6. If the voters approve the constitutional
21 amendment proposed by the 89th Legislature, Regular Session, 2025,
22 providing for the establishment of the Alzheimer's Prevention and
23 Research Institute of Texas, establishing the Alzheimer's
24 Prevention and Research Fund to provide money for research on and
25 prevention and treatment of Alzheimer's disease and related
26 disorders, and transferring \$3 billion from state general revenue
27 to that fund, the Alzheimer's Prevention and Research Institute of

1 Texas established by Chapter 101A, Health and Safety Code, as added
2 by this Act, is eligible for funding to be deposited under the
3 authority of Section 68, Article III, Texas Constitution, for the
4 institute to engage in any activities serving the purposes of that
5 constitutional provision.

6 SECTION 7. This Act takes effect December 1, 2025, but only
7 if the constitutional amendment proposed by the 89th Legislature,
8 Regular Session, 2025, providing for the establishment of the
9 Alzheimer's Prevention and Research Institute of Texas,
10 establishing the Alzheimer's Prevention and Research Fund to
11 provide money for research on and prevention and treatment of
12 Alzheimer's disease and related disorders in this state, and
13 transferring state general revenue to that fund is approved by the
14 voters. If that amendment is not approved by the voters, this Act
15 has no effect.