

**Introduced by Senator Hill**

January 16, 2013

---

---

An act to amend Section 125290.40 of the Health and Safety Code, relating to stem cell research.

LEGISLATIVE COUNSEL'S DIGEST

SB 115, as introduced, Hill. Stem cell research: Independent Citizen's Oversight Committee.

The California Stem Cell Research and Cures Act, an initiative measure approved by the voters at the November 2, 2004, statewide general election as Proposition 71, establishes the California Institute for Regenerative Medicine, the purpose of which is, among other things, to make grants and loans for stem cell research. Existing law establishes the Independent Citizen's Oversight Committee (ICOC), which is required to perform various functions and duties with regard to the operation of the institute. Existing law authorizes the ICOC to annually modify its funding and finance programs to optimize the institute's ability to achieve the objective that its activities be revenue-positive for the state during its first 5 years of operation without jeopardizing the progress of its core medical and scientific research program.

This bill would make a nonsubstantive change to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 125290.40 of the Health and Safety Code
- 2 is amended to read:
- 3 125290.40. ICOC Functions

1 The ICOC shall perform the following functions:

2 (a) Oversee the operations of the institute.

3 (b) Develop annual and long-term strategic research and  
4 financial plans for the institute.

5 (c) Make final decisions on research standards and grant awards  
6 in California.

7 (d) Ensure the completion of an annual financial audit of the  
8 institute's operations.

9 (e) Issue public reports on the activities of the institute.

10 (f) Establish policies regarding intellectual property rights  
11 arising from research funded by the institute.

12 (g) Establish rules and guidelines for the operation of the ICOC  
13 and its working groups.

14 (h) Perform all other acts necessary or appropriate in the exercise  
15 of its power, authority, and jurisdiction over the institute.

16 (i) Select members of the working groups.

17 (j) Adopt, amend, and rescind rules and regulations to carry out  
18 the purposes and provisions of this chapter, and to govern the  
19 procedures of the ICOC. Except as provided in subdivision (k),  
20 these rules and regulations shall be adopted in accordance with  
21 the Administrative Procedure Act (Government Code, Title 2,  
22 Division 3, Part 1, Chapter 4.5, Sections 11371 et seq.).

23 (k) Notwithstanding the Administrative Procedure Act (APA),  
24 and in order to facilitate the immediate commencement of research  
25 covered by this chapter, the ICOC may adopt interim regulations  
26 without compliance with the procedures set forth in the APA. The  
27 interim regulations shall remain in effect for 270 days unless earlier  
28 superseded by regulations adopted pursuant to the APA.

29 (l) Request the issuance of bonds from the California Stem Cell  
30 Research and Cures Finance Committee and loans from the Pooled  
31 Money Investment Board.

32 (m) May annually modify its funding and finance programs to  
33 optimize the institute's ability to achieve the objective that its  
34 activities be revenue-positive for the ~~State of California~~ *state* during  
35 its first five years of operation without jeopardizing the progress  
36 of its core medical and scientific research program.

37 (n) Notwithstanding Section 11005 of the Government Code,  
38 accept additional revenue and real and personal property, including,  
39 but not limited to, gifts, royalties, interest, and appropriations that

1 may be used to supplement annual research grant funding and the  
2 operations of the institute.

3 (o) Under the guidance of the ICOC, the institute shall create a  
4 succession plan addressing changes in leadership of both the  
5 institute and the ICOC designed to minimize disruption and adverse  
6 impacts to the activities of the institute. A copy of the succession  
7 plan shall be transmitted to the Governor, Controller, and the  
8 Legislature within 30 days of its completion. The succession plan  
9 should include, but is not limited to:

- 10 (1) An assessment of leadership needs before beginning a search.  
11 (2) An outline of succession procedures.  
12 (3) Strategies to ensure successful knowledge transfer.

O