



# House of Representatives

General Assembly

**File No. 430**

*January Session, 2005*

Substitute House Bill No. 5912

*House of Representatives, April 19, 2005*

The Committee on Judiciary reported through REP. LAWLOR of the 99th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***AN ACT PROMOTING STEM CELL RESEARCH IN THE STATE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2005*) (a) There is established a  
2 Connecticut Advanced Cell Advisory Council. Said council shall  
3 consist of the chairperson of Connecticut Innovations, Incorporated, or  
4 said chairperson's designee, and twelve members appointed as  
5 follows: Four by the Governor, two by the president pro tempore of  
6 the Senate, two by the speaker of the House of Representatives, one by  
7 the majority leader of the Senate, one by the majority leader of the  
8 House of Representatives, one by the minority leader of the Senate and  
9 one by the minority leader of the House of Representatives. Ten of  
10 such appointed members shall (1) possess knowledge, skill and  
11 expertise in the field of embryonic, adult and umbilical cord stem cell  
12 research, (2) be working as researchers or scientists or in other  
13 capacities, for academic institutions, industry, nonprofit organizations  
14 or government to advance embryonic, adult and umbilical cord stem  
15 cell research in the state, and (3) have favorable reputations for such

16 knowledge, skill, expertise and experience. Two of such appointed  
17 members shall be experienced in the field of commerce, trade and  
18 business. All appointments to the council shall be made by November  
19 1, 2005. Each appointed member shall serve for a term of four years.  
20 Any vacancy on the council shall be filled by the appointing authority.

21 (b) The chairperson of Connecticut Innovations, Incorporated, or the  
22 chairperson's designee, shall serve as the chairperson of the council  
23 and shall schedule the first meeting of the council, which shall be held  
24 not later than December 1, 2005.

25 (c) Not later than June 30, 2006, and annually thereafter, the  
26 Connecticut Advanced Cell Advisory Council shall submit a report to  
27 the joint standing committees of the General Assembly having  
28 cognizance of matters relating to commerce and public health, in  
29 accordance with the provisions of section 11-4a of the general statutes.  
30 Said report shall (1) include an analysis of the status of embryonic,  
31 adult and umbilical cord stem cell research in the state, and (2)  
32 examine and identify specific ways to improve and promote for profit  
33 and not-for-profit embryonic, adult and umbilical cord stem cell  
34 research in the state, including, but not limited to, identifying both  
35 public and private funding sources for such research, maintaining  
36 existing embryonic, adult and umbilical cord stem cell related  
37 businesses, recruiting new embryonic, adult and umbilical cord stem  
38 cell related businesses to the state and recruiting scientists and  
39 researchers in such field to the state.

40 Sec. 2. (NEW) (*Effective July 1, 2005*) (a) There is established the  
41 "Stem Cell Research Fund", which shall be managed by Connecticut  
42 Innovations, Incorporated. The fund may contain any moneys required  
43 by law to be deposited in the fund and any funds received from any  
44 public or private contributions, gifts, grants, donations, bequests or  
45 devises. Investment earnings credited to the assets of the fund shall  
46 become part of the assets of the fund. The moneys in the fund shall be  
47 used by Connecticut Innovations, Incorporated to advance embryonic,  
48 adult and umbilical cord stem cell research in Connecticut pursuant to

49 subsection (b) of this section. Any balance remaining in the account at  
50 the end of any fiscal year shall be carried forward in the account for  
51 the next fiscal year.

52 (b) Connecticut Innovations, Incorporated shall use the moneys in  
53 the Stem Cell Research Fund, on the recommendation of the  
54 Connecticut Advanced Cell Advisory Council, to (1) develop a  
55 program to encourage the donation of funds to supplement state  
56 appropriations to the Stem Cell Research Fund, (2) establish and  
57 administer a stem cell research grant program under which grants  
58 shall be provided to research institutions for the advancement of  
59 embryonic, adult and umbilical cord stem cell and related research, (3)  
60 establish a separate peer review committee that shall review grants  
61 under said program, (4) establish and administer a stem cell research  
62 facilities fund for the construction of laboratory and related space, and  
63 (5) establish and administer a program for the purpose of investing in  
64 embryonic, adult and umbilical cord stem cell related businesses. The  
65 Commissioner of Public Health, or said commissioner's designee, shall  
66 be an ex-officio member of the peer review committee established  
67 under subdivision (3) of this subsection. Connecticut Innovations,  
68 Incorporated, shall carry out the provisions of this subsection in  
69 conjunction with other state, quasi-public agency and federal  
70 programs. The board of directors of Connecticut Innovations,  
71 Incorporated shall adopt written procedures, in accordance with the  
72 provisions of section 1-121 of the general statutes, for the allocation  
73 and expenditure of moneys under this section.

74 Sec. 3. (*Effective July 1, 2005*) The sum of ten million dollars is  
75 appropriated to the Stem Cell Research Fund established pursuant to  
76 section 2 of this act, from the General Fund, for each fiscal year, from  
77 the fiscal year ending June 30, 2006, until the fiscal year ending June 30,  
78 2015, inclusive.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005</i>	New section



The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect
CT Innovations Inc. (quasi-public)	See Below

**Municipal Impact:** None

**Explanation**

This bill appropriates \$10 million dollars a year, from FY 06 to FY 15, to a Stem Cell Research Fund. The fund is to be administered by Connecticut Innovations, Inc. (CII). At the current time, HB 6671, the Governor’s recommended budget does not appropriate FY 06 and FY 07 funds for a CII fund. It is anticipated that CII would need 2-3 additional employees, at a cost of \$125,000 - \$175,000, to administer the program. Funds are not specifically provided for the administrative costs of the program. Funding would need to be provided through the resources of CII and would result in a decrease of resources available for other CII programs and projects.

---

**OLR Bill Analysis**

sHB 5912

**AN ACT PROMOTING STEM CELL RESEARCH IN THE STATE****SUMMARY:**

This bill creates a fund to promote stem cell research in Connecticut and appropriates \$10 million to it annually for each of the next 10 fiscal years. Connecticut Innovations, Inc. (CII) must use the fund to support stem cell research and invest in its commercial application. CII is a quasi-public agency that provides funds to businesses and universities jointly developing new technologies. It also provides investment capital to individuals and businesses for this purpose.

The bill creates a 13-member council to promote, monitor, and report on stem cell research and development in the state and advise CII, whose chairman or designee must also chair the council. The governor and legislative leaders must appoint the council members, most of whom must be scientists and researchers specializing in stem cell research.

EFFECTIVE DATE: July 1, 2005

**STEM CELL RESEARCH FUND**

The bill establishes a fund for promoting stem cell research and appropriates \$10 million a year to it for FY 06 to FY 15. The fund may include money from other public and private sources, including contributions, gifts, grants, and donations. The money the fund earns on its investments must be credited to it. Any fiscal-year-end balances must be carried forward into the next fiscal year.

**STEM CELL RESEARCH PROGRAM**

CII must use the fund to:

1. grant funds to institutions conducting embryonic, adult, and umbilical cord stem cell research;

2. establish a separate peer review committee for reviewing these grants;
3. finance new laboratories and related spaces;
4. invest in stem-cell-related businesses; and
5. encourage donations supplementing state funds.

CII must do these things on the council's recommendation and in conjunction with state and federal programs and other state quasi-public agencies. Its board must adopt written procedures for allocating and spending the fund's assets. The public health commissioner or his designee serves as an ex-officio member of the peer review committee.

## **CONNECTICUT ADVANCED CELL ADVISORY COUNCIL**

### ***Membership***

The council consists of gubernatorial and legislative appointees, who must serve four-year terms. The governor must appoint four members; the Senate president pro tempore and the House speaker, two each; and the House and Senate majority and minority leaders, one each. The governor and the leaders must make their appointments by November 1, 2005 and fill any subsequent vacancy created by their appointees. CII's chairman or her designee must chair the council and schedule its first meeting by December 1, 2005.

Under the bill, 10 members must:

1. be experts in embryonic, adult, and umbilical cord stem cell research;
2. work as academic, government, nonprofit, or business researchers or scientists in this research field or in a related capacity; and
3. be known for their knowledge, skill, and expertise in this research field.

The remaining two members must have experience in commerce,

trade, and business.

**Annual Report**

The council must report on stem cell research to the Commerce and Public Health committees by June 30 annually, beginning in 2006. It must analyze the status of stem cell research and development in Connecticut and identify how it can be improved and promoted, including identifying new funding sources, retaining and attracting stem-cell-related businesses, and recruiting stem cell scientists and researchers.

**BACKGROUND**

**Related Bill**

The Public Health and Judiciary committees have favorably reported sSB 934, An Act Permitting Stem Cell Research and Banning the Cloning for Human Beings. Among other things, that bill sets conditions under which human embryonic stem cell research can be conducted in the state, makes \$10 million each in FYs 06 and 07 in the Biomedical Research Trust Fund available for grants to institutions for conducting stem cell research, and establishes committees for reviewing grant and approving grant applications and monitoring the research they fund.

**COMMITTEE ACTION**

Commerce Committee

Joint Favorable Substitute Change of Reference  
Yea 17    Nay 5

Judiciary Committee

Joint Favorable Report  
Yea 29    Nay 6