



# Senate

General Assembly

**File No. 529**

January Session, 2011

Substitute Senate Bill No. 152

*Senate, April 14, 2011*

The Committee on Government Administration and Elections reported through SEN. SLOSSBERG of the 14th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING THE ESTABLISHMENT OF THE CONNECTICUT UMBILICAL CORD BLOOD COLLECTION BOARD.***

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

1 Section 1. (NEW) (*Effective from passage*) Sections 1 to 8, inclusive, of  
2 this act shall be known and may be cited as the "Connecticut Umbilical  
3 Cord Blood Collection Program Act".

4 Sec. 2. (NEW) (*Effective from passage*) The General Assembly finds  
5 that umbilical cord blood is rich in stem cells that may be used to treat  
6 blood cancers, such as leukemia, myeloma and lymphoma, and  
7 inherited immunodeficiencies and blood diseases, including sickle cell  
8 anemia, thalassemias, hemoglobinopathies, aplastic anemias and  
9 marrow failure disorders. Currently, such cord blood is most often  
10 discarded as medical waste. As a result, the current inventory of  
11 umbilical cord blood is insufficient to meet the medical demand and  
12 especially fails to provide matched units for many ethnic and racial  
13 groups, including multiethnic individuals. Therefore, the General

14 Assembly declares that it is in the public interest and shall be the  
15 public policy of this state to encourage and facilitate the donation,  
16 collection and storage of umbilical cord blood and to make such blood  
17 units available for medical research and treatment.

18 Sec. 3. (NEW) (*Effective from passage*) (a) There is established the  
19 Connecticut Umbilical Cord Blood Collection Board. The board shall  
20 not be construed to be a department, institution, agency or political  
21 subdivision of the state.

22 (b) The powers of the board shall be vested in and exercised by the  
23 following members:

24 (1) One appointed by the Governor, who shall be a medical director  
25 or chief scientist with knowledge of umbilical cord blood banking and  
26 affiliated with an entity that is recognized by the Department of Public  
27 Health;

28 (2) One appointed by the speaker of the House of Representatives,  
29 who shall be a licensed physician with experience in transplanting  
30 units of umbilical cord blood or other stem cells;

31 (3) One appointed by the president pro tempore of the Senate, who  
32 shall be a licensed physician who: (A) Has expertise and is currently  
33 practicing in obstetrics, (B) practices at a birthing hospital that  
34 participates in umbilical cord blood collection, and (C) is affiliated  
35 with a private university hospital;

36 (4) One appointed by the majority leader of the House of  
37 Representatives, who shall be a licensed physician who: (A) Has  
38 expertise and is currently practicing in obstetrics, (B) practices at a  
39 birthing hospital that participates in umbilical cord blood collection,  
40 and (C) is affiliated with a public university hospital;

41 (5) One appointed by the minority leader of the House of  
42 Representatives, who shall be a licensed physician who: (A) Has  
43 expertise and is currently practicing in obstetrics, and (B) practices at a  
44 birthing hospital that participates in umbilical cord blood collection;

45 (6) One appointed by the majority leader of the Senate, who shall be  
46 a member of a nonprofit umbilical cord blood foundation with  
47 knowledge of umbilical cord blood banking issues;

48 (7) One appointed by the minority leader of the Senate, who shall  
49 have expertise concerning the regulatory practices of the federal Food  
50 and Drug Administration and the federal Health Resources and  
51 Services Administration; and

52 (8) The Commissioner of Public Health, or the commissioner's  
53 designee.

54 (c) All initial appointments to the board shall be made on or before  
55 October 1, 2011. The member appointed by the Governor shall serve at  
56 the pleasure of the Governor but not longer than the term of office of  
57 the Governor or until the member's successor is appointed and has  
58 qualified, whichever term is longer. Each board member appointed by  
59 a member of the General Assembly shall serve in accordance with the  
60 provisions of section 4-1a of the general statutes. The Governor shall  
61 fill any vacancy for the unexpired term of a member appointed by the  
62 Governor. The appropriate legislative appointing authority shall fill  
63 any vacancy for the unexpired term of a member appointed by such  
64 authority. Any member shall be eligible for reappointment.

65 (d) The chairperson of the board shall be appointed by the Governor  
66 from among the members of the board. The chairperson shall schedule  
67 the first meeting of the board, which shall be held not later than  
68 November 1, 2011. Thereafter, meetings of the board shall be held  
69 quarterly and at such other time or times as the chairperson deems  
70 necessary.

71 (e) Appointed members may not designate a representative to  
72 perform in their absence their respective duties under this section. Any  
73 appointed member who fails to attend three consecutive meetings of  
74 the board or who fails to attend fifty per cent of all meetings of the  
75 board held during any calendar year shall be deemed to have resigned  
76 from the board. The appointing authority for any member may remove

77 such member for inefficiency, neglect of duty or misconduct in office  
78 after giving the member a written copy of the charges against the  
79 member and an opportunity to be heard, in person or by counsel, in  
80 the member's defense, upon not less than ten days' notice. If any  
81 member shall be so removed, the appointing authority for such  
82 member shall file in the office of the Secretary of the State a complete  
83 statement of charges made against such member and the appointing  
84 authority's findings on such statement of charges, together with a  
85 complete record of the proceedings.

86 (f) All members other than the Commissioner of Public Health may  
87 engage in private employment, or in a profession or business, subject  
88 to any applicable laws, rules and regulations of the state or federal  
89 government regarding official ethics or conflict of interest.

90 (g) Five members of the board shall constitute a quorum for the  
91 transaction of any business or the exercise of any power of the board.  
92 For the transaction of any business or the exercise of any power of the  
93 board, the board may act by a majority of the members present at any  
94 meeting at which a quorum is in attendance.

95 (h) The board may consult with such parties, public or private, as it  
96 deems desirable in exercising its duties.

97 (i) The board may adopt written policies and procedures to carry  
98 out its statutory purposes.

99 (j) Notwithstanding any provision of the general statutes, it shall not  
100 constitute a conflict of interest for a trustee, director, partner or officer  
101 of any person, firm or corporation, or any individual having a financial  
102 interest in a person, firm or corporation, to serve as a member of the  
103 board, provided such trustee, director, partner, officer or individual  
104 shall abstain from deliberation, action or vote by the board in specific  
105 respect to such person, firm or corporation.

106 Sec. 4. (NEW) (*Effective from passage*) (a) The purpose of the  
107 Connecticut Umbilical Cord Blood Collection Board is to establish, on

108 or before July 1, 2012, the umbilical cord blood collection program and  
109 thereafter administer the program. The umbilical cord blood collection  
110 program shall facilitate and promote the collection of units of umbilical  
111 cord blood from genetically diverse donors for public use. As used in  
112 this subsection, "public use" means (1) use of umbilical cord blood  
113 units by state, national and international cord blood registries and  
114 transplant centers in order to increase the likelihood of providing  
115 suitably matched donor umbilical cord blood units to patients in need  
116 of such units or research participants who are in need of a transplant,  
117 (2) biological research and new clinical use of stem cells derived from  
118 the blood and tissue of the umbilical cord, and (3) medical research  
119 that utilizes umbilical cord blood units that could not otherwise be  
120 used for transplantation or clinical use.

121 (b) In order to carry out its statutory purpose, the board may raise  
122 funds, apply for and accept any public or private grant money, accept  
123 contributions, enter into contracts and, within available resources, hire  
124 any necessary staff, including, but not limited to, an executive director.

125 Sec. 5. (NEW) (*Effective from passage*) (a) In order to achieve the  
126 umbilical cord blood collection goals of the program, the board shall,  
127 commensurate with available funds appropriated for the  
128 administration of the program, contract with one or more entities that  
129 have demonstrated the competence to collect and transport umbilical  
130 cord blood units in compliance with all applicable federal law and who  
131 meet all other requirements prescribed in this section. The board shall  
132 contract to establish or designate not less than two umbilical cord  
133 blood collection centers at fixed locations in the state. Any such fixed  
134 location collection center shall be located at a birthing hospital with  
135 three thousand seven hundred fifty or more births per year and where  
136 a disproportionate share of such births involve women from minority  
137 populations. The board shall, to the extent practicable, encourage the  
138 collection of units of umbilical cord blood at other nonfixed locations  
139 in the state as is practicable.

140 (b) Any contract entered into pursuant to subsection (a) of this

141 section shall: (1) Use a competitive process that identifies the best  
142 proposals submitted by applicant entities to achieve the collection and  
143 research objectives of the program; and (2) provide that (A) the state  
144 retains an interest in any umbilical cord blood collected in the state  
145 commensurate with its investment in the program, (B) income received  
146 by the board as a result of the contract shall be used to ensure that the  
147 umbilical cord blood collection program shall be self-sustaining not  
148 later than July 1, 2020, (C) any units of umbilical cord blood deemed  
149 unsuitable for transplantation shall be returned to the state for use in  
150 biological or medical research, and (D) any entity with whom the  
151 board contracts shall provide quarterly reports to the board that  
152 include, but are not limited to, information concerning: (i) The total  
153 number of umbilical cord blood units collected, (ii) the number of  
154 collected units deemed suitable for transplant, (iii) the number of  
155 collected units deemed suitable for research only, and (iv) the clinical  
156 outcomes of any transplanted units. Reports provided to the board  
157 pursuant to this subsection shall not include personally identifiable  
158 information.

159 (c) Any entity seeking to enter into a contract with the board shall,  
160 at a minimum, be in compliance with the requirements of the federal  
161 Food and Drug Administration pertaining to the manufacture of  
162 clinical-grade cord blood stem cell units for clinical indications.

163 (d) Any medical facility or research facility performing services on  
164 behalf of the board, pursuant to a contract entered into pursuant to  
165 subsection (a) of this section, shall comply with, and be subject to, state  
166 and federal law concerning the protection of medical information and  
167 personally identifiable information contained in, or obtained through,  
168 the umbilical cord blood collection inventory.

169 (e) For purposes of this section and section 4 of this act, the board  
170 shall not be considered a "state contracting agency", as defined in  
171 subdivision (28) of section 4e-1 of the general statutes.

172 Sec. 6. (NEW) (*Effective from passage*) There is established an account  
173 to be known as the "Umbilical Cord Blood Collection Account" which

174 shall be a separate, nonlapsing account within the General Fund. The  
175 account may contain any moneys required or permitted by law to be  
176 deposited in the account and any moneys received from any public or  
177 private contributions, gifts, grants, donations, bequests or devises to  
178 the account. The Connecticut Umbilical Cord Blood Collection Board  
179 may expend moneys from the account as is necessary to carry out the  
180 board's statutory purpose established by this act.

181 Sec. 7. (NEW) (*Effective from passage*) The members of the  
182 Connecticut Umbilical Cord Blood Collection Board shall submit to the  
183 joint standing committees of the General Assembly having cognizance  
184 of matters relating to public health and appropriations and the budgets  
185 of state agencies a copy of any audit of the board conducted by an  
186 independent auditing firm, not later than seven days after the audit is  
187 received by the board.

188 Sec. 8. (NEW) (*Effective from passage*) On or before January 1, 2012,  
189 and quarterly thereafter, the Connecticut Umbilical Cord Blood  
190 Collection Board shall report to the Governor and the joint standing  
191 committees of the General Assembly having cognizance of matters  
192 relating to public health and appropriations and the budgets of state  
193 agencies, in accordance with the provisions of section 11-4a of the  
194 general statutes, on the status and effectiveness of the umbilical cord  
195 blood collection program.

196 Sec. 9. Section 19a-32n of the general statutes is repealed and the  
197 following is substituted in lieu thereof (*Effective from passage*):

198 (a) A physician or other health care provider who provides health  
199 care services to a pregnant woman during the last trimester of her  
200 pregnancy, which health care services are directly related to her  
201 pregnancy, shall provide the woman with timely, relevant and  
202 appropriate information sufficient to allow her to make an informed  
203 and voluntary choice regarding options to bank or donate umbilical  
204 cord blood following the delivery of a newborn child.

205 (b) The Connecticut Umbilical Cord Blood Collection Board,



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The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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***OFA Fiscal Note***

***State Impact:*** None

***Municipal Impact:*** None

***Explanation***

The bill, which establishes a Connecticut Umbilical Cord Blood Collection Board and requires the Department of Public Health (DPH) Commissioner, or her designee, to be a member of the Board, does not result in a fiscal impact to DPH.

***The Out Years***

***State Impact:*** None

***Municipal Impact:*** None

**OLR Bill Analysis****sSB 152*****AN ACT CONCERNING THE ESTABLISHMENT OF THE CONNECTICUT UMBILICAL CORD BLOOD COLLECTION BOARD.*****SUMMARY:**

This bill creates the “Connecticut Umbilical Cord Blood Collection Board,” charged with establishing a state umbilical cord blood collection program. Board members are appointed by the governor and legislative leaders and include the Department of Public Health (DPH) commissioner.

The umbilical cord blood collection program must promote the collection of umbilical cord blood units from genetically diverse donors for public use. The board may raise funds and apply for and accept any public or private grant money. The board, based on the funding available, must contract with entities that have expertise in collecting and transporting umbilical cord blood units to establish or designate at least two collection centers in the state. The board, subject to appropriations, must engage in public education and marketing activities concerning cord blood.

The bill establishes a separate, nonlapsing General Fund account for this program. It also establishes auditing and reporting requirements.

EFFECTIVE DATE: Upon passage

**CONNECTICUT UMBILICAL CORD BLOOD COLLECTION BOARD*****Board Members***

The bill establishes an eight member Connecticut Umbilical Cord Blood Collection Board which is not a department, institution, agency or political subdivision of the state. Board members are as follows:

1. one appointed by the governor, who is a medical director or

- chief scientist with knowledge of umbilical cord blood banking and affiliated with an entity that is recognized by DPH;
2. one appointed by the House speaker, who is a licensed physician with experience in transplanting units of umbilical cord blood or other stem cells;
  3. one appointed by the Senate president pro tempore, who is a licensed physician who (a) has expertise and is currently practicing in obstetrics at a birthing hospital that participates in umbilical cord blood collection and (b) is affiliated with a private university hospital;
  4. one appointed by the House majority leader, who is a licensed physician who (a) has expertise and is currently practicing in obstetrics at a birthing hospital that participates in umbilical cord blood collection, and (b) is affiliated with a public university hospital;
  5. one appointed by the House minority leader, who is a licensed physician who has expertise and is currently practicing in obstetrics at a birthing hospital that participates in umbilical cord blood collection;
  6. one appointed by the Senate majority leader, who is a member of a nonprofit umbilical cord blood foundation with knowledge of umbilical cord blood banking issues;
  7. one appointed by the Senate minority leader, who has expertise concerning the regulatory practices of the federal Food and Drug Administration (FDA) and the federal Health Resources and Services Administration; and
  8. the DPH commissioner, or her designee.

### ***Appointment Terms***

All initial board appointments must be made by October 1, 2011. The governor's appointee serves at his pleasure but not longer than his

term of office or until the member's successor is appointed and has qualified, whichever term is longer. Each legislator-appointed board member serves at the pleasure of the appointing authority. The appointing authority must fill any vacancy for the unexpired term of a member he or she appoints. Any member can be reappointed.

The governor appoints the board chairperson from the board members. The chairperson must schedule the first meeting, which must be held by November 1, 2011. Afterwards, board meetings must be held quarterly and at other times the chairperson deems necessary.

Appointed members cannot designate anyone to represent them in their absence. Any appointed member who misses three consecutive meetings or 50% of all meetings held during any calendar year is considered to have resigned. The appointing authority may remove a member for inefficiency, neglect of duty, or misconduct in office after giving the member a written copy of the charges against the member and an opportunity to be heard, in person or by counsel, in the member's defense, with not less than 10 days' notice. If any member is removed in this manner, the appointing authority must file with the secretary of the state (1) a complete statement of charges made against the member, (2) the appointing authority's findings on the statement of charges, and (3) a complete record of the proceedings.

### ***Transacting Business***

A quorum is five members. In order to transact any business or exercise any powers, the board may act by a majority of the members present at any meeting at which a quorum is present.

The board may consult with public or private parties it considers desirable in exercising its duties.

The board may adopt written policies and procedures to carry out its statutory purposes.

### ***Conflict of Interest***

All members, other than the DPH commissioner, can be privately

employed, or in a profession or business, subject to any applicable state or federal laws, rules, and regulations concerning regarding official ethics or conflict of interest.

The bill specifies that it is not a conflict of interest for a trustee, director, partner, or officer of any person, firm, or corporation or any individual having a financial interest in a person, firm, or corporation, to serve as a board member, provided the individual abstains from deliberation, action, or vote by the board in specific respect to such person, firm, or corporation.

## **UMBILICAL CORD BLOOD COLLECTION PROGRAM**

### ***Purposes***

The board must establish, by July 1, 2012, the umbilical cord blood collection program and administer it. The program must facilitate and promote the collection of units of umbilical cord blood from genetically diverse donors for public use. "Public use" means

1. use of umbilical cord blood units by state, national, and international cord blood registries and transplant centers in order to increase the likelihood of providing suitably matched donor umbilical cord blood units to patients in need of such units or research participants who are in need of a transplant,
2. biological research and new clinical use of stem cells derived from the blood and tissue of the umbilical cord, and
3. medical research that uses umbilical cord blood units that could not otherwise be used for transplantation or clinical use.

### ***Powers***

The board may raise funds, apply for and accept any public or private grant money; accept contributions; enter into contracts; and, within available resources, hire any necessary staff, including an executive director.

### ***Contracting With Collection Centers***

The board must, based on available funds appropriated for program administration, contract with one or more entities that have demonstrated competence in collecting and transporting umbilical cord blood units in compliance with all applicable federal law and who meet all other requirements of the bill. The board must contract to establish or designate at least two umbilical cord blood collection centers at fixed state locations. A location collection center must be at a birthing hospital with 3,750 or more births per year and where a disproportionate share of such births involve women from minority populations. The board must, to the extent practicable, encourage the collection of units of umbilical cord blood at other nonfixed state locations.

Any contract must be initiated through a competitive process that identifies the best proposals submitted by applicant entities to achieve the program's collection and research objectives. It must provide that

1. the state retains an interest in any umbilical cord blood collected in the state commensurate with its investment in the program;
2. income received by the board as a result of the contract be used to ensure that the umbilical cord blood collection program is self-sustaining by July 1, 2020;
3. umbilical cord blood units deemed unsuitable for transplantation be returned to the state for use in biological or medical research; and
4. any entity the board contracts with must provide quarterly reports to the board that include information on the total number of umbilical cord blood units collected, the number of collected units suitable for transplant, the number suitable for research only, and the clinical outcomes of any transplanted units.

Reports must not include personally identifiable information.

Any entity seeking to enter into a contract with the board must, at a

minimum, be in compliance with FDA requirements concerning the manufacture of clinical-grade cord blood stem cell units for clinical indications.

Any medical or research facility performing services on behalf of the board pursuant to a contract must comply with, and is subject to, state and federal law on protecting medical information and personally identifiable information contained in, or obtained through, the umbilical cord blood collection inventory.

The board is not considered a “state contracting agency,” as defined in of the general statutes (CGS § 4e-1).

### **UMBILICAL CORD BLOOD COLLECTION ACCOUNT**

The bill establishes the “Umbilical Cord Blood Collection Account” as a separate, nonlapsing General Fund account. The account may contain any moneys required or permitted by law to be deposited in it and any moneys received from any public or private contributions, gifts, grants, donations, bequests, or devises. The board may spend account funds as necessary to carry out the board’s purpose.

### **AUDITS AND REPORTS**

Board members must provide the Public Health and Appropriations committees a copy of any board audit conducted by an independent auditing firm within seven days after the board receives the audit.

By January 1, 2012, and quarterly thereafter, the board must report to the governor and the Public Health and Appropriations committees on the status and effectiveness of the Umbilical Cord Blood Collection Program.

### **PUBLIC EDUCATION AND MARKETING**

The board must, within available appropriations, undertake public education and marketing activities that promote and raise awareness among physicians and pregnant women of the umbilical cord blood collection program.

**BACKGROUND*****Umbilical Cord Blood***

Umbilical cord blood has stem cells that may be used to treat blood cancers, such as leukemia, myeloma and lymphoma, and inherited immunodeficiencies and blood diseases, including sickle cell anemia, thalassemias, hemoglobinopathies, aplastic anemias, and marrow failure disorders. Cord blood is often discarded as medical waste.

**COMMITTEE ACTION**

Public Health Committee

Joint Favorable Substitute Change of Reference

Yea 26 Nay 0 (03/07/2011)

Government Administration and Elections Committee

Joint Favorable

Yea 14 Nay 0 (03/30/2011)