By: Senators Hollinger, Britt, Brochin, Conway, Currie, Exum, Forehand, Frosh, Garagiola, Gladden, Grosfeld, Jones, Kasemeyer, Kelley, Kramer, Lawlah, McFadden, Middleton, Pinsky, Ruben, and Teitelbaum

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Committee Report: Favorable with amendments
Senate action: Adopted with floor amendments
Read second time: March 8, 2006

CHAPTER_______

1 AN ACT concerning

Maryland Stem Cell Research Act of 2006

3 FOR the purpose of requiring certain persons to conduct certain research in a certain manner; prohibiting certain persons from conducting certain research that intentionally and directly leads to human cloning; establishing the Maryland Stem Cell Research Fund; providing for the purpose of the Fund; specifying that the Fund is a special, nonlapsing fund; specifying that the State Treasurer shall hold the Fund separately and that the Comptroller shall account for the Fund; specifying that certain proceeds shall be invested and reinvested in a certain manner; specifying that certain earnings shall be paid into the Fund; providing for the composition of the Fund; authorizing the Governor to include an appropriation to the Fund in the annual budget bill; requiring the Governor to include a certain appropriation in the annual budget bill; requiring the Department of Health and Mental Hygiene Maryland Technology Development Corporation to administer the Fund; providing that money in the Fund may only be used for certain purposes; requiring the Secretary of Health and Mental Hygiene to adopt certain regulations; establishing the Maryland Scientific Peer Review Committee; requiring the Committee to establish certain procedures, ensure that these procedures are based on certain guidelines, develop and implement a certain ranking and rating system, and make certain recommendations; providing for the membership of the Committee; authorizing the Committee to invite certain experts and certain consultants to certain meetings; requiring the Committee to select a certain chair; providing for the
filling of certain vacancies; requiring the members of the Committee to make
certain disclosures to the State Commission on Ethics; requiring the Committee
to meet at certain times in certain places; requiring the Department to provide
staff for the Committee; requiring the Corporation, in consultation with the Stem
Cell Research Commission, to adopt certain regulations; establishing the Stem
Cell Research Commission in the Department; providing that the Commission
is an independent commission that functions in the Corporation; providing for
the membership of the Commission; requiring the Governor to designate
members of the Commission to elect the chair of the Commission from among
the appointed members of the Commission; requiring the Department to provide
staff for the Commission; providing for the terms of certain members of the
Commission; specifying quorum requirements for the Commission; prohibiting a
member of the Commission from receiving compensation as a member of the
Commission; providing that a member of the Commission is entitled to certain
reimbursement for expenses; authorizing the Commission to employ a staff and
consult with experts under certain circumstances; requiring the members of the
Commission to make certain disclosures to the State Commission on Ethics;
requiring the Commission to carry out certain functions and duties; establishing
certain limitations on the powers of the Secretary of Business and Economic
Development; requiring the Commission to adopt certain regulations, establish
certain procedures, guidelines, criteria, standards, and requirements, make
certain recommendations, review certain grant and loan applications, and
conduct certain progress oversight reviews; requiring the Commission to
contract with an independent scientific peer review committee composed of
certain individuals; requiring the committee to review, evaluate, rank, and rate
certain research proposals based on certain procedures and guidelines and in a
certain manner; requiring the committee to make certain recommendations;
providing that a member of the committee is not eligible to receive a certain
grant or loan and may not reside in the State; providing that members of the
committee shall be subject to certain conflict of interest standards; requiring the
Commission to meet at certain times; providing for certain contingencies;
requiring a grantee to submit a certain approval; prohibiting the Department
Corporation from disbursing certain money under certain circumstances;
requiring certain reports; requiring certain health care practitioners to provide
certain individuals with certain information; prohibiting certain unused
material from being donated for State-funded stem cell research; requiring
certain individuals to provide certain consent to certain donations; providing
that certain provisions of law this Act may not be construed to prohibit the
creation of certain stem cell lines to be used for certain purposes; prohibiting the
purchase, sale, transfer, or obtaining of human embryos certain material for
valuable consideration; prohibiting the encouragement of the production of
human embryos certain material for certain research; prohibiting human
cloning; providing for certain penalties; defining certain terms; providing for the
staggering of certain terms; and generally relating to State-funded stem cell
research.

BY adding to

Article—Health—General

BY repealing and reenacting, without amendments, Article 83A - Business and Economic Development Section 1-101(a), (b), and (d) Annotated Code of Maryland (2003 Replacement Volume and 2005 Supplement)

BY adding to Article 83A - Business and Economic Development Section 5-2B-01 through 5-2B-13, inclusive, to be under the new subtitle "Subtitle 2B. Maryland Stem Cell Research Program" Annotated Code of Maryland (2003 Replacement Volume and 2005 Supplement)

Preamble

WHEREAS, An estimated 128,000,000 Americans suffer from the crippling physical, economic, and psychological burdens of chronic, degenerative, and acute diseases, including Alzheimer's disease, heart disease, diabetes, Parkinson's disease, spinal cord injuries, macular degeneration, ALS, multiple sclerosis, and cancer; and

WHEREAS, The costs of treatment and lost productivity of chronic, degenerative, and acute diseases in the United States constitute hundreds of billions of dollars every year, and estimates of the economic costs of these diseases do not account for the extreme human loss and suffering associated with these conditions; and

WHEREAS, Stem cell research offers immense promise for developing new medical therapies and a better understanding of these debilitating diseases and could lead to unprecedented treatments and potential cures for Alzheimer's disease, heart disease, diabetes, Parkinson's disease, cancer, and other diseases; and

WHEREAS, Approximately half of Maryland's families have a family member who has or will suffer from a serious, often critical or terminal, medical condition that could potentially be treated or cured with medical therapies derived from stem cell research; and

WHEREAS, Maryland's current health care system may not be able to meet the needs of these individuals in the future unless medical care can focus on early diagnosis, cure, and prevention rather than palliation of late-stage effects of the disease; and
WHEREAS, The United States and the State of Maryland have historically fostered open scientific inquiry and technological innovation, and this environment, coupled with the commitment of public and private resources, has made the United States the preeminent world leader in biomedicine and biotechnology; and

WHEREAS, Maryland ranks as the fourth-largest sector for biotechnology companies in the nation; and

WHEREAS, The biotechnology industry is a key component of the State's economy that provides employment in over 300 companies, many of which engage in some form of stem cell research; and

WHEREAS, The University of Maryland, Baltimore and The Johns Hopkins University are involved in stem cell research, with projects representing a combined total of approximately $10,000,000 in public and private funding; and

WHEREAS, The State's favorable research climate would be significantly diminished by limitations imposed on stem cell research; and

WHEREAS, Stem cell research, including the use of embryonic stem cells for medical research, raises significant ethical and policy concerns that must be carefully considered; and

WHEREAS, Public policy on stem cell research must balance ethical and medical considerations and must be based on an understanding of the science associated with stem cell research while grounded on a thorough consideration of the ethical concerns; and

WHEREAS, Stem cell research must be carefully crafted to ensure that researchers have the tools necessary to fulfill the promise of stem cell research; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article -- Health -- General

SUBTITLE 11. STEM CELL RESEARCH

Article 83A - Business and Economic Development

1-101.

(a) In this article the following words have the meanings indicated.

(b) "Department" means the Department of Business and Economic Development.

(d) "Secretary" means the Secretary of Business and Economic Development.
SUBTITLE 2B. MARYLAND STEM CELL RESEARCH PROGRAM.

20-1401, 5-2B-01.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "ADULT STEM CELL" MEANS A STEM CELL THAT:

(1) IS DERIVED FROM HUMAN TISSUE; AND

(2) IS OBTAINED AFTER BIRTH.

(C) "COMMISSION" MEANS THE STEM CELL RESEARCH COMMISSION IN THE DEPARTMENT.

(D) "COMMITTEE" MEANS THE MARYLAND INDEPENDENT SCIENTIFIC PEER REVIEW COMMITTEE THAT CONTRACTS WITH THE COMMISSION UNDER § 5-2B-06 OF THIS SUBTITLE.

(E) "CORPORATION" MEANS THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION.

(F) "EMBRYO" MEANS THE STAGE BETWEEN THE OVUM AND THE FETUS IN PRENATAL DEVELOPMENT.

(G) "FUND" MEANS THE MARYLAND STEM CELL RESEARCH FUND.

(H) "HUMAN CLONING" MEANS THE REPLICATION OF A HUMAN BEING THROUGH THE PRODUCTION OF A PRECISE GENETIC COPY OF NUCLEAR HUMAN DNA OR ANY OTHER HUMAN MOLECULE, CELL, OR TISSUE, IN ORDER TO CREATE A NEW HUMAN BEING OR TO ALLOW DEVELOPMENT BEYOND AN EMBRYO.

(I) "INSTITUTIONAL REVIEW BOARD" HAS THE MEANING STATED IN THE FEDERAL REGULATIONS ON THE PROTECTION OF HUMAN SUBJECTS.

(J) "OOCYTE" MEANS A FEMALE GERM CELL OR EGG.

(K) "STATE-FUNDED STEM CELL RESEARCH" MEANS STEM CELL RESEARCH CONDUCTED USING DONATED UNUSED HUMAN EMBRYOS WHICH WERE CREATED FOR INDIVIDUALS BEING TREATED FOR INFERTILITY AND FOR WHICH A GRANT FROM THE FUND IS SOUGHT OR AWARDED:

(1) MATERIAL OBTAINED IN ACCORDANCE WITH § 5-2B-10 OF THIS SUBTITLE;

(2) ADULT STEM CELLS.

(L) "STEM CELL" MEANS A HUMAN CELL THAT HAS THE ABILITY TO:

(1) DIVIDE INDEFINITELY;

(2) differentiate into a cell of a particular type.
(2) Give rise to many other types of specialized cells; and

(3) Give rise to new stem cells with identical potential.

"Valuable consideration" means financial gain or advantage in connection with material obtained in accordance with § 5-2B-10 of this subtitle.

(2) "Valuable consideration" does not include reasonable payment for the removal, processing, disposal, preservation, quality control, storage, transplantation, or grafting of embryonic or cadaveric fetal tissue.

20-1102. 5-2B-02.

(A) A person who conducts state-funded stem cell research shall conduct the research in a manner that considers the ethical and medical implications of the research.

(B) A person who conducts state-funded stem cell research may not engage in any research that intentionally and directly leads to human cloning.

20-1103. 5-2B-03.

(A) There is a Maryland stem cell research fund.

(B) The purpose of the fund is to promote state-funded stem cell research and cures through grants and loans to public and private entities in the state.

(C) The fund is a special, nonlapsing fund that is not subject to § 7-302 of the state finance and procurement article.

(D) The state treasurer shall hold the fund and the comptroller shall account for the fund.

(E) The proceeds of the fund shall be invested and reinvested in the same manner as other state funds.

(F) Any investment earnings shall be paid into the fund.

(G) The fund consists of:

1. An appropriation equal to at least $25,000,000 as provided in the state budget; and

2. Any other money from any other source accepted for the benefit of the fund.
(H) BEGINNING IN FISCAL YEAR 2008 AND IN EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION EQUAL TO AT LEAST $25,000,000 TO THE FUND.

(I) THE DEPARTMENT CORPORATION SHALL ADMINISTER THE FUND.

(J) MONEY IN THE FUND MAY ONLY BE EXPENDED TO:

1. AWARD GRANTS AND LOANS FOR STATE-FUNDED STEM CELL RESEARCH, IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE COMMISSION;

2. AWARD GRANTS AND LOANS FOR FACILITIES, CAPITAL LEASES, AND CAPITAL EQUIPMENT WHERE STATE-FUNDED STEM CELL RESEARCH IS CONDUCTED, IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE COMMISSION; AND

3. PAY THE COSTS NECESSARY TO ADMINISTER THE FUND.

(K) EXPENDITURES FROM THE FUND MAY ONLY BE MADE IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE GENERAL ASSEMBLY IN THE ANNUAL STATE BUDGET OR BY AN APPROVED BUDGET AMENDMENT.

(L) THE SECRETARY CORPORATION, IN CONSULTATION WITH THE COMMISSION, SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION, INCLUDING:

1. CRITERIA, STANDARDS, AND REQUIREMENTS FOR FUNDING APPLICATIONS AND THE AWARD OF GRANTS AND LOANS FROM THE FUND;

2. ESTABLISH PROCEDURES FOR MAKING THE DISBURSEMENT OF A GRANT CONTINGENT ON OBTAINMENT OF THE APPROVAL OF AN INSTITUTIONAL REVIEW BOARD; AND

3. STANDARDS FOR THE OVERSIGHT OF USE OF AWARDS.

(A) THERE IS A MARYLAND SCIENTIFIC PEER REVIEW COMMITTEE.

(B) THE COMMITTEE SHALL:

1. ESTABLISH PROCEDURES FOR THE REVIEW OF RESEARCH PROPOSALS FOR STATE-FUNDED STEM CELL RESEARCH;

2. ENSURE THAT THE PROCEDURES ESTABLISHED UNDER ITEM (1) OF THIS SUBSECTION ARE BASED ON THE GUIDELINES OF THE FEDERAL NATIONAL INSTITUTES OF HEALTH'S CENTER FOR SCIENTIFIC REVIEW;

3. DEVELOP AND IMPLEMENT A RANKING AND RATING SYSTEM THROUGH WHICH AN OBJECTIVE ASSESSMENT MAY BE MADE OF RESEARCH PROPOSALS REVIEWED UNDER ITEM (1) OF THIS SUBSECTION, AND
MAKE RECOMMENDATIONS TO THE COMMISSION, BASED ON THE
RANKINGS AND RATINGS AWARDED TO RESEARCH PROPOSALS UNDER ITEM (3) OF
THIS SUBSECTION, FOR THE AWARD AND DISBURSEMENT OF GRANTS UNDER THE
FUND.

THE COMMITTEE SHALL CONSIST OF THE FOLLOWING MEMBERS
SELECTED FROM THE SCIENTIFIC COMMUNITY:

1. TWO SHALL BE SELECTED BY THE SECRETARY;
2. TWO SHALL BE SELECTED BY THE SECRETARY OF BUSINESS
   AND ECONOMIC DEVELOPMENT;
3. TWO SHALL BE SELECTED BY THE JOHNS HOPKINS
   UNIVERSITY;
4. TWO SHALL BE SELECTED BY THE UNIVERSITY SYSTEM OF
   MARYLAND; AND
5. TWO SHALL BE SELECTED BY THE MARYLAND BIOSCIENCE
   ALLIANCE.

THE MEMBERS OF THE COMMITTEE SELECTED UNDER PARAGRAPH
(1) OF THIS SUBSECTION MAY BE FROM OUT OF STATE.

THE COMMITTEE MAY INVITE EXPERTS AND CONSULTANTS TO
ATTEND MEETINGS OF THE COMMITTEE.

THE COMMITTEE SHALL SELECT A CHAIR FROM AMONG ITS MEMBERS.

A VACANCY ON THE COMMITTEE SHALL BE FILLED BY THE PERSON
UNDER SUBSECTION (C)(1) OF THIS SECTION WHO HAD SELECTED THE FORMER
MEMBER OF THE COMMITTEE.

EACH MEMBER OF THE COMMITTEE SHALL DISCLOSE TO THE STATE
COMMISSION ON ETHICS WHETHER THE MEMBER IS EMPLOYED BY OR HAS A
FINANCIAL INTEREST IN AN ENTITY THAT MAY APPLY TO CONDUCT STATE-FUNDED
STEM CELL RESEARCH.

THE COMMITTEE SHALL MEET AT LEAST TWICE EACH YEAR, AT THE
TIMES AND PLACES THAT IT DETERMINES.

THE DEPARTMENT SHALL PROVIDE STAFF FOR THE COMMITTEE.

THERE IS A STEM CELL RESEARCH COMMISSION IN THE DEPARTMENT.

THE COMMISSION IS AN INDEPENDENT COMMISSION THAT FUNCTIONS IN
THE CORPORATION.
THE COMMISSION CONSISTS OF THE FOLLOWING MEMBERS:

(1) THE SECRETARY OR THE SECRETARY'S DESIGNEE;
(2) THE ATTORNEY GENERAL OR THE ATTORNEY GENERAL'S DESIGNEE;
(3) THE SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT OR THE SECRETARY'S DESIGNEE;
(4) THE STATE TREASURER OR THE TREASURER'S DESIGNEE;
(5) THE COMPTROLLER OR THE COMPTROLLER'S DESIGNEE; AND
(6) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR:
   (i) TWO WITH EXPERTISE IN THE FIELD OF BIOMEDICAL ETHICS;
   (ii) ONE WITH EXPERTISE IN THE FIELD OF BIOMEDICAL ETHICS AS IT RELATES TO RELIGION;
   (iii) ONE WHO WORKS AS A SCIENTIST AND ENGAGES IN STEM CELL RESEARCH FOR THE UNIVERSITY SYSTEM OF MARYLAND;
   (iv) ONE WHO WORKS AS A SCIENTIST AND ENGAGES IN STEM CELL RESEARCH FOR THE JOHNS HOPKINS UNIVERSITY;
   (v) ONE FROM THE MARYLAND BIOSCIENCE ALLIANCE; AND
   (vi) TWO CONSUMER MEMBERS.

(2) THREE PATIENT ADVOCATES, ONE APPOINTED BY THE GOVERNOR, ONE APPOINTED BY THE PRESIDENT OF THE SENATE, AND ONE APPOINTED BY THE SPEAKER OF THE HOUSE OF DELEGATES;

(3) THREE INDIVIDUALS WITH EXPERIENCE IN BIOTECHNOLOGY, ONE APPOINTED BY THE GOVERNOR, ONE APPOINTED BY THE PRESIDENT OF THE SENATE, AND ONE APPOINTED BY THE SPEAKER OF THE HOUSE OF DELEGATES;

(4) TWO INDIVIDUALS WHO WORK AS SCIENTISTS FOR THE UNIVERSITY SYSTEM OF MARYLAND AND DO NOT ENGAGE IN STEM CELL RESEARCH, APPOINTED BY THE UNIVERSITY SYSTEM OF MARYLAND;

(5) TWO INDIVIDUALS WHO WORK AS SCIENTISTS FOR THE JOHNS HOPKINS UNIVERSITY AND DO NOT ENGAGE IN STEM CELL RESEARCH, APPOINTED BY THE JOHNS HOPKINS UNIVERSITY; AND

(6) TWO BIOETHICISTS, ONE APPOINTED BY THE UNIVERSITY SYSTEM OF MARYLAND AND ONE APPOINTED BY THE JOHNS HOPKINS UNIVERSITY; AND
TWO INDIVIDUALS WITH EXPERTISE IN THE FIELD OF BIOMEDICAL ETHICS AS IT RELATES TO RELIGION, APPOINTED BY THE GOVERNOR.

THE GOVERNOR SHALL DESIGNATE THE CHAIR MEMBERS OF THE COMMISSION SHALL ELECT A CHAIR FROM AMONG THE APPOINTED MEMBERS OF THE COMMISSION.

THE DEPARTMENT SHALL PROVIDE STAFF FOR THE COMMISSION.

THE TERM OF AN APPOINTED MEMBER IS 2 YEARS.


AT THE END OF A TERM, AN APPOINTED MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

AN APPOINTED MEMBER MAY NOT SERVE MORE THAN TWO CONSECUTIVE FULL TERMS.

AN APPOINTED MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

A MAJORITY OF THE FULL AUTHORIZED MEMBERSHIP OF THE COMMISSION IS A QUORUM.

A MEMBER OF THE COMMISSION:

MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE COMMISSION; BUT

IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

THE COMMISSION MAY EMPLOY A STAFF, INCLUDING CONTRACTUAL STAFF, IN ACCORDANCE WITH THE STATE BUDGET.

THE COMMISSION MAY CONSULT WITH EXPERTS IN PERFORMING ITS DUTIES.

EACH MEMBER OF THE COMMISSION SHALL DISCLOSE TO THE STATE COMMISSION ON ETHICS WHETHER THE MEMBER IS EMPLOYED BY OR HAS A FINANCIAL INTEREST IN AN ENTITY THAT MAY APPLY TO CONDUCT STATE-FUNDED STEM CELL RESEARCH.

THE POWER OF THE SECRETARY OVER PLANS, PROPOSALS, AND PROJECTS OF UNITS IN THE DEPARTMENT DOES NOT INCLUDE THE POWER TO DISAPPROVE OR
MODIFY ANY DECISION OR DETERMINATION THAT THE COMMISSION MAKES UNDER AUTHORITY SPECIFICALLY DELEGATED BY LAW TO THE COMMISSION.

(B) THE POWER OF THE SECRETARY TO TRANSFER BY RULE, REGULATION, OR WRITTEN DIRECTIVE ANY STAFF, FUNCTIONS, OR FUNDS OF UNITS IN THE DEPARTMENT DOES NOT APPLY TO ANY STAFF, FUNCTIONS, OR FUNDS OF THE COMMISSION.

5-2B-06.

(A) THE COMMISSION SHALL CONTRACT WITH AN INDEPENDENT SCIENTIFIC PEER REVIEW COMMITTEE COMPOSED OF SCIENTIFICALLY RECOGNIZED EXPERTS IN THE FIELD OF STEM CELL RESEARCH.

(B) THE COMMITTEE SHALL REVIEW, EVALUATE, RANK, AND RATE RESEARCH PROPOSALS FOR STATE-FUNDED STEM CELL RESEARCH:

(1) BASED ON THE PROCEDURES AND GUIDELINES ESTABLISHED BY THE COMMISSION; AND

(2) IN A MANNER THAT GIVES DUE CONSIDERATION TO THE SCIENTIFIC, MEDICAL, AND ETHICAL IMPLICATIONS OF THE RESEARCH.

(C) THE COMMITTEE SHALL MAKE RECOMMENDATIONS TO THE COMMISSION, BASED ON THE RANKINGS AND RATINGS AWARDED TO RESEARCH PROPOSALS BY THE COMMITTEE, FOR THE AWARD AND DISBURSEMENT OF GRANTS UNDER THE FUND.

(D) A MEMBER OF THE COMMITTEE:

(1) IS NOT ELIGIBLE TO RECEIVE A GRANT OR LOAN FOR STATE-FUNDED STEM CELL RESEARCH FROM THE FUND; AND

(2) MAY NOT RESIDE IN THE STATE.

(E) MEMBERS OF THE COMMITTEE SHALL BE SUBJECT TO CONFLICT OF INTEREST STANDARDS THAT ARE AT LEAST AS STRINGENT AS THE STANDARDS ON CONFLICT OF INTEREST ADOPTED BY THE NATIONAL INSTITUTES OF HEALTH.

20-1106. 5-2B-07.

(A) THE COMMISSION SHALL:

(1) ADOPT REGULATIONS THAT ENSURE THAT ADULT STEM CELL AND STEM CELL RESEARCH FINANCED BY THE FUND COMPLIES WITH STATE LAW;

(2) RECOMMEND TO THE SECRETARY:

(2) DEVELOP CRITERIA, STANDARDS, AND REQUIREMENTS FOR THE INITIAL REVIEW OF GRANT AND LOAN APPLICATIONS BY THE COMMISSION;
(3) Review grant and loan applications to ensure that each application is complete and satisfies the criteria, standards, and requirements developed by the commission, including approval by an institutional review board;

(4) Establish procedures and guidelines to be used by the committee for the review, evaluation, ranking, and rating of research proposals for state-funded stem cell research;

(5) Ensure that the procedures and guidelines established under item (4) of this subsection are based on the guidelines of the national institutes of health center for scientific review;

(6) Establish criteria, standards, and requirements for consideration of funding grant and loan applications based on the rankings and ratings of the committee; and

(7) Establish standards for the oversight of use of awards;

(8) Review grant and loan applications based on criteria and standards adopted by the secretary;

(9) Make recommendations consistent with the criteria and standards adopted by the secretary established by the commission and based solely on the rankings and ratings of the committee regarding the award of grants and loans from the fund;

(10) To ensure that state funding does not duplicate or supplant existing funding, place a priority on funding stem cell research that is unlikely to receive timely or sufficient federal funding unencumbered by limitations that would impede the research;

(11) Establish standards for the oversight and use of awards;

(12) Conduct progress oversight reviews of grantees;

(13) Notify the secretary corporation regarding the submission by a grantee, or failure of a grantee, to submit institutional review board approval for a grant awarded under this subtitle; and

(14) Conduct progress oversight reviews of grantees.

(15) Develop guidelines on disclosure and recusal to be followed by members of the commission when considering grant and loan applications.

(B) The commission shall meet at least twice a year.
A grant awarded under this subtitle shall be contingent on:

(A) a grantee to the commission of approval from an institutional review board; and

(B) entrance into a memorandum of understanding between the grantee and the department that:

(I) establishes the scope of the state's ownership or other financial interest in the commercialization and other benefits of the results, products, inventions, and discoveries of state-funded stem cell research; and

(II) to the extent consistent with federal and state law, reflects the intellectual property policies of the institution.

(C) a grantee shall submit the approval required under subsection (a)(1) of this section within 6 months of the award of the grant.

(C) the department corporation may not disburse grant money to a grantee until:

(1) the approval required under subsection (a)(1) of this section has been obtained; and

(2) the memorandum of understanding required under subsection (a)(2) of this section has been obtained.

The department and the commission shall report to the governor and, in accordance with § 2-1246 of the state government article, to the general assembly on or before january 1 of each year on the progress of state-funded stem cell research conducted in accordance with this subtitle.

(A) on or before january 1 of each year, the corporation and the commission shall report to the governor and, in accordance with § 2-1246 of the state government article, to the general assembly on the progress of state-funded stem cell research conducted in accordance with this subtitle.

(B) the report shall identify:

(1) each grantee that received funding from the fund;

(2) the amount of funding awarded to each grantee; and
A DESCRIPTION OF THE TYPE OF STEM CELL RESEARCH PERFORMED
BY THE GRANTEE.

(A) A HEALTH CARE PRACTITIONER LICENSED UNDER THE HEALTH
OCCUPATIONS ARTICLE WHO TREATS INDIVIDUALS FOR INFERTILITY SHALL:

(1) PROVIDE INDIVIDUALS WITH INFORMATION SUFFICIENT TO ENABLE
THEM TO MAKE AN INFORMED AND VOLUNTARY CHOICE REGARDING THE
DISPOSITION OF HUMAN EMBRYOS; ANY UNUSED MATERIAL; AND

(2) PRESENT TO INDIVIDUALS THE OPTION OF:

(I) STORING OR DISCARDING UNUSED HUMAN EMBRYOS; ANY
Unused Material;

(II) DONATING UNUSED HUMAN EMBRYOS; ANY UNUSED MATERIAL
FOR CLINICAL PURPOSES IN THE TREATMENT OF INFERTILITY;

(III) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,
DONATING UNUSED HUMAN EMBRYOS; ANY UNUSED MATERIAL FOR RESEARCH
PURPOSES; AND

(IV) DONATING UNUSED HUMAN EMBRYOS; ANY UNUSED MATERIAL
FOR EMBRYO ADOPTION PURPOSES.

(B) ANY UNUSED MATERIAL DONATED FOR STATE-FUNDED STEM CELL
RESEARCH MAY NOT BE AN OOCYTE.

(C) AN INDIVIDUAL WHO DONATES UNUSED HUMAN EMBRYOS; ANY
UNUSED MATERIAL FOR RESEARCH PURPOSES UNDER SUBSECTION (A)(2) OF THIS
SECTION SHALL PROVIDE THE HEALTH CARE PRACTITIONER WITH WRITTEN
CONSENT FOR THE DONATION.

NOTHING IN THIS SUBTITLE SHALL BE CONSTRUED TO PROHIBIT THE
CREATION OF STEM CELL LINES TO BE USED FOR THERAPEUTIC RESEARCH
PURPOSES.

(A) A PERSON MAY NOT PURCHASE, SELL, TRANSFER, OR OBTAIN HUMAN
EMBRYOS; ANY MATERIAL DONATED IN ACCORDANCE WITH § 5-2B-10 OF THIS
SUBTITLE FOR VALUABLE CONSIDERATION UNDER THIS SUBTITLE.

(B) A PERSON MAY NOT GIVE VALUABLE CONSIDERATION TO ANOTHER
PERSON TO ENCOURAGE THE PRODUCTION OF HUMAN EMBRYOS; MATERIAL
DONATED IN ACCORDANCE WITH § 5-2B-10 OF THIS SUBTITLE FOR THE SOLE
PURPOSE OF MEDICAL RESEARCH.
(C) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 3 YEARS OR A FINE NOT EXCEEDING $50,000 OR BOTH.

(A) A PERSON MAY NOT CONDUCT OR ATTEMPT TO CONDUCT HUMAN CLONING.

(B) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A FELONY AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 10 YEARS OR A FINE NOT EXCEEDING $200,000 OR BOTH.

SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the appointed members of the Stem Cell Research Commission appointed by the Governor established under Section 1 of this Act shall expire as follows:

(1) three in 2008; and

(2) three in 2009; and

(3) two in 2010.

SECTION 3. AND BE IT FURTHER ENACTED, That the Maryland Technology Development Corporation shall:

(1) review the stem cell research program established under Section 1 of this Act; and

(2) report to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly on the feasibility and efficacy of maintaining the stem cell research program if significant federal funding for the program becomes available.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2006.