

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 368

(Senators Peters and DeGrange)

Finance

Health and Government Operations

Maryland Stem Cell Research Fund - Annual Report - Government Transparency Requirements

This bill requires the annual report by the Maryland Technology Development Corporation (TEDCO) and Stem Cell Commission to include additional information regarding each award recipient. Specifically, the report must include the institution or company where each grant or loan recipient is employed; the year each grant or loan was awarded; the grant or loan number assigned to each award; and, if the funding period of a grant or loan recipient's award ended during the calendar year covered by the report, a general summary of the results and accomplishments of the State-funded research (including the number of patients treated as a direct result of the research). The bill also makes clarifying changes.

Fiscal Summary

State Effect: The bill does not directly affect governmental operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The required summary must (1) to the extent practicable, meet specified standards for public disclosure of results and accomplishments of research projects and (2) if applicable, include the number of patients treated as a result of the research. The summary may exclude any information that (1) is proprietary or confidential; (2) would jeopardize intellectual property rights of the grant or loan recipient; or (3) would inhibit or impair the recipient's ability to publish or commercialize the results of the research.

Current Law: Chapter 19 of 2006 (SB 144) created the Maryland Stem Cell Research Fund to promote State-funded stem cell research and cures through grants and loans to public and private entities in Maryland. Annually, the Governor may include in the budget bill an appropriation to the Stem Cell Research Fund. Chapter 19 also established an independent Stem Cell Research Commission under TEDCO. The Stem Cell Research Commission must contract with an independent scientific peer review committee of scientifically recognized stem cell research experts, which evaluates stem cell research proposals for the commission. Committee members may not reside in the State.

TEDCO and the commission must submit an annual report to the Governor and the General Assembly on the progress of State-funded stem cell research. The report must identify each award recipient, the amount of money received, and a description of the type of stem cell research performed by the recipient.

Background: The commission is authorized to award three types of grants: investigator research grants, exploratory grants, and post-doctoral research grants. Almost all of the grants have been awarded to The Johns Hopkins University and the University of Maryland, Baltimore.

In fiscal 2012, the Stem Cell Research Fund supported 40 research grants that were approved from 179 applications. The Stem Cell Research Commission is in receipt of 171 applications for fiscal 2013 and has not yet made awards. The Governor's proposed fiscal 2014 budget includes \$10.4 million in general funds to support grants under the Stem Cell Research Fund (approximately \$2 million less than was included in fiscal 2013).

Additional Information

Prior Introductions: HB 742 of 2011, a similar bill, received an unfavorable report from the House Health and Government Operations Committee.

Cross File: HB 779 (Delegate Tarrant, *et al.*) - Health and Government Operations.

Information Source(s): Maryland Technology Development Corporation, Department of Business and Economic Development, Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2013
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