

**Department of Legislative Services**  
Maryland General Assembly  
2014 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 467

(Senators Glassman and Middleton)

Finance

Health and Government Operations

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

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This bill requires the annual report by the Maryland Technology Development Corporation (TEDCO) and Stem Cell Research 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. The bill also makes clarifying changes.

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**Fiscal Summary**

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

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** The required summary must, to the extent practicable, meet the standards specified by the National Institutes of Health (NIH) for public disclosure of results and accomplishments of research projects. 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 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 commission includes 15 members, as directed by statute, who include the Attorney General or designee, patient advocates, individuals with experience in biotechnology, scientists who work for the University System of Maryland and The Johns Hopkins University and do not engage in stem cell research, bioethicists, and individuals with expertise in biomedical ethics as it relates to religion.

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. Several commission members work at institutions that are applying for funding; therefore, the commission has adopted conflict of interest guidelines to help members avoid inappropriately influencing commission decisions.

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 four types of grants, the fourth of which was just introduced in 2012: investigator research grants, exploratory grants, post-doctoral research grants, and pre-clinical or clinical 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. In fiscal 2013, the Stem Cell Research Fund supported 31 research grants that were approved from 171 applications. The Stem Cell Research Commission is in receipt of 151 applications for fiscal 2014 and has not yet made any awards. The Governor's proposed fiscal 2015 budget includes \$10.4 million in general funds to support grants under the Stem Cell Research Fund. This is the same level of funding provided in fiscal 2014 (but is approximately \$2 million less than was included in fiscal 2013).

NIH has broad requirements for grantee reporting that require, among other things, grantees to periodically submit financial and progress reports. NIH also requires grantees

to publish the results of research in peer-reviewed journals and to provide information to the public on the objectives, methodology, and findings of their NIH-supported research activities. Additionally, grantees must make an electronic version of the final, peer-reviewed manuscript available no later than 12 months after the official date of publication. Under NIH's data-sharing policy, NIH endorses the timely release and sharing of final research data no later than the acceptance for publication of the main findings of the research from the final data set. NIH has special provisions for data sets that must be limited due to privacy or policy concerns.

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### **Additional Information**

**Prior Introductions:** SB 368 of 2013 passed the Senate as amended and received a hearing in the House Health and Government Operations Committee, but no further action was taken. Its cross file, HB 779, received a hearing in the House Health and Government Operations Committee, but no further action was taken.

**Cross File:** None.

**Information Source(s):** Maryland Technology Development Corporation, National Institutes of Health, University of Maryland Medical System, Department of Legislative Services

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