

**74th OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: HB 2801-B

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Galizio
Carrier – Senate: Sen. Walker**

Action: Do Pass the A-Engrossed Measure as Amended and Be Printed B-Engrossed

Vote: 15 – 6 – 0

House – Yeas: D. Edwards, Galizio, Nathanson, Nolan, Shields

– Nays: Garrard, Hanna, Jenson, Morgan

– Exc:

Senate – Yeas: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson, Schrader, Verger, Westlund

– Nays: Whitsett, Winters

– Exc:

Prepared By: Eric Luther Moore, Department of Administrative Services

Reviewed By: Steve Bender, Legislative Fiscal Office

Meeting Date: 6/15/07

Agency

Department of Human Services

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Biennium

2007-09

Senators: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson,
Schrader, Verger, Westlund, Whitsett, Winters

Senator Kurt Schrader, Co-Chair

Representatives: D. Edwards, Galizio, Garrard, Hanna, Jenson,
Morgan, Nathanson, Nolan, Shields

Representative Mary Nolan, Co-Chair

Representative Larry Galizio, Education Subcommittee Chair

Budget Summary

	2005-07	2007-09			Percentage Committee
	Legislatively Approved Budget (1)	Governor's Budget	Committee Recommendation	Difference from Governor's Budget	Change from Governor's Budget
<u>Department of Human Services</u>					
<u>Health Services</u>					
General Fund	-	-	\$ 130,016	+130,016	0%
<u>Department Wide Support Services</u>					
General Fund	-	-	\$ 29,350	+29,350	0%
Total	-	-	\$ 159,366	+159,366	0%

Position Summary

<u>Department of Human Services</u>					
<u>Health Services</u>					
Authorized Positions	-	-	2	+2	0%
Full-time Equivalent (FTE) Positions	-	-	0.76	+0.76	0%

Summary of Revenue Changes

House Bill 2801 creates the Human Stem Cell Research Grant Fund (Fund) separate from the General Fund. Moneys received from contributions to the Fund from public and private sources will be deposited into the fund. Interest earned by the Fund is credited to the Fund and the Fund is continuously appropriated to the Department of Human Services. No dollars were appropriated to the Fund for the 2007-09 biennium.

Summary of Subcommittee Action

The measure creates the Human Stem Cell Research Committee in the Department of Human Services (DHS), Public Health Division (PHD), consisting of 13 Governor appointed members. DHS is to provide administrative support to the Committee. The Committee is authorized to:

- Develop guidelines for human stem cell research in the state. The bill requires these guidelines to be developed by April 1, 2009. The guidelines will be reported to the Legislature, Governor, and to Oregon Health Science University (OHSU).
- Develop recommendations about the nature of, and method for, providing informed consent to human stem cell research, and report these recommendations by April 1, 2009 to the Legislature, Governor, and to OHSU.

- Administer a grant program to award moneys for human stem cell research projects conducted in Oregon. The Committee is also authorized to solicit donations from public and private sources to fund and support these grants.

The bill also establishes the Human Stem Cell Research Grant Fund, for receipt and distribution of funds for purposes of funding the stem cell research grant program and other Committee activities.

The bill prohibits human eggs or sperm, donated for assisted reproduction, from being used to create stem cells for research purposes without donor consent, and authorizes DHS to impose penalties of up to \$10,000 for violations of this law. Civil penalties will be deposited into the Fund.

The Subcommittee appropriated \$159,366 General Fund to DHS, to carry out Committee operations in the 2007-09 biennium. This funding will support two half-time positions within DHS-PHD, that include one Public Health Physician 1 (0.38 full-time equivalent) and one Administrative Specialist 2 (0.38 full-time equivalent), for the last 18 months of the 2007-09 biennium. These positions will provide staff support to the committee for an assumed 8 meetings during the biennium. A third half-time position may also be necessary in the 2009-11 biennium to oversee rulemaking and grant processes, but was not approved for the 2007-09 biennium. The third position may be requested by DHS through a policy package for the 2009-11 biennium.

The Subcommittee did not appropriate General Fund for research grants, and the Committee is not authorized to award any grants of private funds prior to July 1, 2009. Under the measure, General Fund could be appropriated for use in stem cell research, but may not be deposited into the Fund. The effect of this is that unexpended General Fund would revert back to the General Fund and interest earned on any General Fund appropriation would be credited back to the General Fund.

Summary of Performance Measure Action

None.