

**2009 Regular Legislative Session**  
**FISCAL ANALYSIS OF PROPOSED LEGISLATION**  
**Prepared by the Oregon Legislative Fiscal Office**

---

**MEASURE NUMBER:** HB 2598

**STATUS:** A Engrossed

**SUBJECT:** Establishing the Human Stem Cell Research Committee in the Department of Human Services

**GOVERNMENT UNIT AFFECTED:** Department of Human Services, Oregon Health and Science University, District Attorneys, Public Defense Services Commission, Oregon Judicial Department, Department of Correction

**PREPARED BY:** Kim To

**REVIEWED BY:** John Britton, John Borden, Doug Wilson

**DATE:** April 10, 2009

---

	<u>2009-2011</u>	<u>2011-2013</u>
<b>EXPENDITURES:</b>		
<b>Department of Human Services</b>		
Personal Services – General Fund	\$ 109,771	\$ 326,531
Services and Supplies – General Fund	\$ 49,595	\$ 90,012
<b>Total General Fund</b>	<b>\$ 159,366</b>	<b>\$ 416,543</b>
 <b>POSITIONS / FTE:</b>		
Administrative Specialist	1/0.29	1/ 1.0
Operations and Policy Analyst 4	1/0.50	1/ 1.0
Operations and Policy Analyst 2		1/0.50
<b>Total</b>	<b>2/0.79</b>	<b>3/2.50</b>

**EFFECTIVE DATE:** January 1, 2010

**LOCAL GOVERNMENT MANDATE:** This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**ANALYSIS:** This measure creates a nine-member Human Stem Cell Research Committee in the Department of Human Services (DHS). The bill appropriates \$159,366 General Fund to the Department for the biennium beginning July 1, 2009 to provide administrative support to the Committee.

The Committee is charged with developing procedures to ensure that research involving human stem cells in Oregon is conducted in accordance with federal regulations, requirements and guidelines. The Committee is directed to report procedures and guidelines to the Governor, the Legislative Assembly and the Oregon Health and Science University (OHSU).

The measure establishes the Human Stem Cell Research Fund separate and distinct from the General Fund. The Committee may solicit contributions to the Human Stem Cell Research Grand Fund from public and private sources. Moneys received from public and private contributions as well as interest earned by the Human Stem Cell Research Fund shall be credited to the fund. All moneys in this Fund are continuously appropriated to DHS to carry out the provisions of this measure.

The Committee may solicit, receive and review applications from public and private agencies, organizations and research institutions for grants from the Human Stem Cell Research Grant Fund to

conduct research programs in Oregon that focus on the development of treatments for debilitating diseases and spinal cord injuries using stem cells. The Department of Human Services is responsible for disbursing the moneys from the fund as directed by the Committee. The Committee is required to report to the Governor and the Legislature no later than January 1 of each odd-numbered year, summarizing the status of these grants.

The Committee must meet at least once every three months. Members of the Committee serve as volunteers and are not entitled to compensation or reimbursement for expenses.

If the bill passes, the Department of Human Services anticipates establishing two permanent full-time positions for the 2009-11 biennium to support the work of the Committee: one Operations and Policy Analyst 4 position and one Administrative Specialist 1 position (0.79 FTE and \$109,771 Personal Services General Funds for the 2009-11 biennium). A third permanent part-time Operations and Policy Analyst 2 position would be established in the 2011-13 biennium. The Administrative Specialist position would provide administrative support to the Committee. The two Operations and Policy Analyst positions would coordinate the rulemaking and grant processes. Services and Supplies include associated position costs (e.g., computers, facilities expenses), as well as Committee meeting, reporting and grant reviewing expenses.

This measure prohibits the use of donated human eggs and sperm to create human stem cells for use in research without written informed consent of the donor. The bill allows DHS to impose a civil penalty (up to \$10,000) for violation of this prohibition. Any amount collected is to be deposited in the Human Stem Cell Research Fund and may be used to offset program costs. The civil penalty amount collected is indeterminate at this time.

The measure defines the crime of reproductive cloning and creates a Class C felony of reproductive cloning. The District Attorneys, Public Defense Services, Oregon Judicial Department and the Department of Correction all report an indeterminate but minimal fiscal impact because the Criminal Justice Commission anticipates few human cloning cases and convictions.

The Oregon Health and Science University (OHSU) anticipates a minimal fiscal impact for their representation on the Committee.