

BEFORE THE
INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
TO THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE
ORGANIZED PURSUANT TO THE
CALIFORNIA STEM CELL RESEARCH AND CURES ACT
REGULAR MEETING

LOCATION: THE TECH MUSEUM OF INNOVATION
201 S. MARKET STREET
SAN JOSE, CALIFORNIA

DATE: MONDAY, MAY 23, 2005
10:17 A.M.

REPORTER: BETH C. DRAIN, CSR
CSR. NO. 7152

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1 SAN JOSE, CALIFORNIA; MONDAY, MAY 23, 2005

2 10:17 A.M.

3

4 CHAIRMAN KLEIN: WE ARE CALLING THE MEETING
5 TO ORDER. MY UNDERSTANDING IS THAT ENOUGH PLANES HAVE
6 ARRIVED THAT WE NOW HAVE A QUORUM. IN WELCOMING
7 EVERYONE TODAY TO THE SAN JOSE TECH MUSEUM, I WOULD
8 LIKE TO CALL YOUR ATTENTION TO THE FACT THAT UPSTAIRS
9 IN THE MUSEUM THERE IS A FABULOUS GENETICS EXHIBIT.
10 AND AFTER THE HEARING, ANY BOARD MEMBERS THAT ARE
11 AVAILABLE, THE STAFF OF THE TECH MUSEUM HAS OFFERED TO
12 PROVIDE US A TOUR OF THAT GENETICS EXHIBIT. IT'S
13 SOMETHING THAT THEY AND THE CITY OF SAN JOSE SHOULD BE
14 EXTREMELY PROUD OF.

15 MEREDITH TAYLOR, THE ACTING PRESIDENT AND CEO
16 OF THE TECH MUSEUM OF INNOVATION AND HER TEAM ARE HERE.
17 MEREDITH, COULD YOU STAND FOR A MOMENT? MEREDITH BACK
18 THERE. MEREDITH IS STANDING RIGHT OUTSIDE. WHEN SHE
19 COMES IN BACK IN, I WILL INTRODUCE HER.

20 MAYOR GONZALES OF THE CITY OF SAN JOSE COULD
21 NOT BE HERE TODAY, NOR COULD THE VICE MAYOR. THE MAYOR
22 PERSONALLY SPOKE WITH ME AND THANKED US FOR HOLDING THE
23 MEETING IN SAN JOSE, AND HE HAS EMPHASIZED THAT SAN
24 JOSE IS LOOKING AT THE BAY AREA HEADQUARTERS, AND THE
25 OPPORTUNITY TO PARTICIPATE IN STEM CELL RESEARCH WITH

1 INSTITUTIONS OF THE BAY AREA HAS A TREMENDOUS
2 OPPORTUNITY. FROM HIS PERSPECTIVE, WE SHOULD PURSUE
3 THIS OPPORTUNITY ON A GLOBAL SCALE AND LEVERAGE THESE
4 OPPORTUNITIES WITH GLOBAL RESOURCES. HE WAS RECENTLY
5 IN CAMBRIDGE TO ADVANCE CERTAIN INITIATIVES OF THE CITY
6 OF SAN JOSE.

7 THE MAYOR, AS HIS PERSONAL REPRESENTATIVE AND
8 AS REPRESENTATIVE OF THE SAN JOSE CITY COUNCIL, HAS
9 SENT COUNCILMAN FORREST WILLIAMS. FORREST WILLIAMS HAS
10 A DOCTORATE IN ELECTRICAL ENGINEERING AND COMPUTER
11 SCIENCE. HE WAS WITH IBM FOR 35 YEARS WORKING ON THE
12 FRONTIERS OF STORAGE DEVELOPMENT. HE HAS NOW EMBARKED
13 ON ENHANCING AND SUPPORTING A NEW FRONTIER IN
14 BIOMEDICAL SCIENCE. THE BIOSCIENCE INCUBATOR IS, IN
15 FACT, IN HIS DISTRICT IN SAN JOSE. AND HE IS CHARGED
16 AS THE CHAIRMAN OF THE DRIVING STRONG ECONOMY
17 COMMITTEE, SO HE LOOKS AT BIOSCIENCE FROM A NUMBER OF
18 HUMAN AND ECONOMIC PERSPECTIVES.

19 I'D LIKE TO ASK FORREST WILLIAMS IF HE WOULD
20 MAKE SOME WELCOMING COMMENTS.

21 DR. WILLIAMS: THANK YOU, CHAIRMAN BOB KLEIN.
22 I'D LIKE TO WELCOME ALL OF YOU HERE TO THE CITY OF SAN
23 JOSE. THE CITY OF SAN JOSE IS AN INNOVATIVE PLACE.
24 IT'S CREATIVE. WE HAVE KNOWN THIS FROM THE BEGINNING.
25 WE ARE HERE TO SUPPORT THIS EFFORT. THE VOTERS OF THE

1 STATE OF CALIFORNIA OVERWHELMINGLY SAID WE WANT YOU TO
2 DO THIS. YOU HAVE PUT THE APPROPRIATE CONTROLS IN THE
3 MEASURE TO INDICATE HOW YOU WILL MANAGE THIS PROJECT.

4 YOU ALSO SAID, THE VOTERS ALSO SAID THAT WE
5 BELIEVE THAT YOU WILL PROVIDE THE MEDICAL AND ETHICAL
6 STANDARDS FOR THIS PROPOSITION. IT ALSO SAID THAT YOU
7 WOULD HAVE A STRONG CONFLICT OF INTEREST POLICY. THEY
8 WERE CONFIDENT THAT YOU HAVE THE ABILITY TO DO THAT,
9 AND WE WANT YOU TO MOVE FORWARD.

10 YOUR ACTIVITY HAS BEEN LIKE A WHIRLWIND. YOU
11 HAVEN'T STOPPED SINCE THE PROPOSITION BECAME A BALLOT
12 FOR THE VOTERS' PERSPECTIVE. WE'RE PROUD OF THAT.
13 WE'RE HERE TO SERVE YOU, WORK WITH YOU, DO WHATEVER IT
14 IS THAT YOU NEED IN TERMS OF MAKING AND MOVING THIS
15 PROPOSITION AHEAD.

16 THE ICOC BOARD IN TERMS OF ITS INDEPENDENCE,
17 ITS OVERSIGHT, IT IS SIGNIFICANT. AND WE BELIEVE THAT
18 IN THE FUTURE THAT YOU WILL HAVE ALL OF THE NECESSARY
19 HANDLES THAT WILL ALLOW YOU TO PLAY IN THAT REALM OF
20 IMPOSSIBILITIES AND BRING REALITY TO THE THINGS THAT
21 THE PEOPLE OF THE STATE OF CALIFORNIA NEED. WE BELIEVE
22 IT'S THE NEXT FRONTIER.

23 I ALWAYS LIKE TO REFER TO THE WRIGHT
24 BROTHERS. YOU CAN IMAGINE WHAT WAS SAID WHEN THEY SAID
25 WE'RE GOING TO FLY. AND THEY WOULD SAY BIRDS FLY

1 BECAUSE THAT WAS THE THOUGHT OF MAN AT THE REALM OF
2 IMPOSSIBILITY, LOOKING AT IMPOSSIBILITY, BUT THEY
3 PURSUED THE IMPOSSIBLE TO BRING IT TO REALITY. SO
4 TODAY WE CANNOT COMPREHEND OF NOT HAVING AN AIRPLANE.

5 SO I WANT YOU TO BE IN THAT REALM, AND I WANT
6 YOU TO BRING FORTH TO THE PEOPLE OF THE STATE OF
7 CALIFORNIA, WITH ALL OF OUR HELP, THE THINGS THAT
8 THEY'VE ASKED YOU TO PROVIDE. WE REALLY, REALLY,
9 REALLY, REALLY APPRECIATE YOU BRINGING THE HEADQUARTERS
10 OF CIRM TO THE BAY AREA. WE WILL BE HERE FOR THAT, AND
11 WE WILL STRIVE FOR ALL THAT YOU NEED IN ORDER TO BE
12 SUCCESSFUL. I WANT TO THANK YOU AGAIN ON BEHALF OF THE
13 MAYOR AND THE CITY OF SAN JOSE, AND ALL MY COLLEAGUES
14 FOR BEING HERE TODAY. AND WE LOOK FORWARD TO CONTINUED
15 SUCCESS IN THE FUTURE. THANK YOU.

16 (APPLAUSE.)

17 CHAIRMAN KLEIN: I BELIEVE WE ALSO HAVE THE
18 BENEFIT OF CONGRESSMAN MIKE HONDA'S OFFICE SENDING A
19 REPRESENTATIVE HERE TODAY. IS THAT REPRESENTATIVE
20 HERE? IF YOU WOULD STAND FOR A MOMENT. THANK YOU VERY
21 MUCH FOR COMING.

22 ON OUR AGENDA WE PREVIOUSLY SUGGESTED THAT
23 OUR EXECUTIVE SESSION WOULD BE POTENTIALLY THREE HOURS.
24 WE EXPECT IT WILL BE AN HOUR TO AN HOUR AND A HALF, AND
25 WE'RE GOING TO MOVE ITEM 11 TO IMMEDIATELY AFTER

1 LUNCH -- ITEM 10 TO IMMEDIATELY AFTER LUNCH. OTHERWISE
2 WE WILL MOVE FORWARD WITH THE AGENDA AS STATED.

3 MELISSA KING, WOULD YOU PLEASE LEAD US
4 THROUGH THE PLEDGE OF ALLEGIANCE.

5 (THE PLEDGE OF ALLEGIANCE.)

6 CHAIRMAN KLEIN: MELISSA KING, WOULD YOU
7 PLEASE LEAD US IN THE ROLL CALL.

8 MS. KING: DAVID BALTIMORE.

9 DR. BALTIMORE: HERE.

10 MS. KING: ROBERT BIRGENEAU. SUSAN BRYANT.

11 DR. BRYANT: HERE.

12 MS. KING: KEITH BLACK. MICHAEL FRIEDMAN.
13 MICHAEL GOLDBERG. BRIAN HENDERSON.

14 DR. HENDERSON: HERE.

15 MS. KING: ED HOLMES.

16 DR. HOLMES: HERE.

17 MS. KING: DAVID KESSLER.

18 DR. KESSLER: HERE.

19 MS. KING: BOB KLEIN.

20 CHAIRMAN KLEIN: HERE.

21 MS. KING: SHERRY LANSING. GERALD LEVEY.

22 DR. LEVEY: HERE.

23 MS. KING: TED LOVE.

24 DR. LOVE: HERE.

25 MS. KING: RICHARD MURPHY.

1 DR. MURPHY: HERE.
2 MS. KING: TINA NOVA.
3 DR. NOVA: HERE.
4 MS. KING: ED PENHOET.
5 DR. PENHOET: HERE.
6 MS. KING: PHIL PIZZO. CLAIRE POMEROY.
7 DR. POMEROY: HERE.
8 MS. KING: PHYLLIS PRECIADO. FRANCISCO
9 PRIETO.
10 DR. PRIETO: HERE.
11 MS. KING: JEANNIE FONTANA FOR JOHN REED.
12 DR. FONTANA: HERE.
13 MS. KING: JOAN SAMUELSON.
14 MS. SAMUELSON: HERE.
15 MS. KING: DAVID SERRANO-SEWELL.
16 MR. SERRANO-SEWELL: HERE.
17 MS. KING: JEFF SHEEHY.
18 MR. SHEEHY: HERE.
19 MS. KING: JONATHAN SHESTACK.
20 MR. SHESTACK: HERE.
21 MS. KING: OSWALD STEWARD. LEON THAL. GAYLE
22 WILSON.
23 MS. WILSON: HERE.
24 MS. KING: JANET WRIGHT.
25 DR. WRIGHT: HERE.

1 MS. KING: JUST A QUICK NOTE TO THE BOARD.
2 THE MICROPHONES ARE ACTIVATED BY YOUR VOICE, AND YOU
3 NEED TO BE RELATIVELY CLOSE TO THEM, NOT TOO CLOSE LIKE
4 I AM TO THIS ONE RIGHT NOW, FOR THEM TO BE ACTIVATED.
5 AND PROBABLY NO MORE THAN TWO AT ONCE WILL BE
6 ACTIVATED. AS SOON AS YOU STOP SPEAKING, IT WILL ALLOW
7 SOMEBODY TO START SPEAKING AND ACTIVATE THEIR
8 MICROPHONE. THEY'RE AUTOMATIC. THANK YOU.

9 CHAIRMAN KLEIN: THANK YOU VERY MUCH. I
10 REMIND THE PUBLIC THAT COMMENTS ARE LIMITED TO THREE
11 MINUTES, BUT WE WELCOME WRITTEN SUBMISSIONS. AND WE'RE
12 HAPPY TO MAKE THOSE SUBMISSIONS AVAILABLE TO THE
13 PUBLIC.

14 ARE THERE ANY PUBLIC COMMENTS BEFORE WE GO
15 INTO THE AGENDA?

16 MR. REED: MY NAME DON REED. LIKE EVERYONE
17 IN AMERICA, I HAVE A REASON TO DEFEND THE CALIFORNIA
18 INSTITUTE OF REGENERATIVE MEDICINE. MY SISTER BARBARA
19 HAS CANCER. BECAUSE OF THE CIRM, SHE NOW HAS HOPE
20 INSTEAD OF ONLY ENDLESS SURGERIES AND LEUKEMIA BROUGHT
21 ON BY RADIATION THERAPY.

22 MY SON ROMAN IS PARALYZED. BECAUSE OF THE
23 CIRM, HE BELIEVES HE WILL WALK AGAIN. HOW DO WE FEEL
24 ABOUT ATTACKS ON OUR OWN CALIFORNIA INSTITUTE OF
25 REGENERATIVE MEDICINE? WE MUST FEEL SOMEWHAT LIKE THE

1 WAY THE ENGLISH PEOPLE FELT IN WORLD WAR II WHEN NAZIS
2 WERE RAINING BOMBS ON LONDON.

3 TO PARAPHRASE WINSTON CHURCHILL WHEN HE SPOKE
4 AT THE IMPENDING NAZI INVASION, WE WILL FIGHT. WE WILL
5 FIGHT NOT WITH GUNS OR VIOLENCE, BUT WITH E-MAILS, WITH
6 LETTERS TO EDITORS, WITH ORGANIZATIONS LARGE AND SMALL
7 ACROSS THIS NATION BECAUSE THIS IS FOR EVERYONE. WE
8 WILL NEVER SURRENDER. WE WILL SO BEAR OURSELVES THAT
9 THE CIRM LASTS FOR A THOUSAND YEARS. MEN WILL STILL
10 SAY THIS WAS THEIR FINEST HOUR. THANK YOU ALL FOR YOUR
11 LEADERSHIP. WE ARE WITH YOU. WE ARE READY.

12 CHAIRMAN KLEIN: THANK YOU VERY MUCH. ANY
13 ADDITIONAL PUBLIC COMMENT?

14 I'D LIKE TO GO INTO ITEM 4, CONSENT ITEMS.
15 LAST MONTH'S BOARD MEETING MINUTES ARE ON OUR CONSENT
16 CALENDAR. IS THERE ANYONE WHO WOULD LIKE TO MAKE A
17 MOTION TO PASS THIS CONSENT ITEM?

18 MR. SERRANO-SEWELL: SO MOVED.

19 CHAIRMAN KLEIN: IT'S BEEN MOVED. IS THERE A
20 SECOND?

21 DR. HOLMES: SECOND.

22 CHAIRMAN KLEIN: MOVED AND SECONDED. IS
23 THERE ANY DISCUSSION?

24 DR. PRIETO: MR. CHAIRMAN, JUST ONE COMMENT.
25 I NOTICE SHERRY LANSING IS MARKED AS ABSENT ON THE ROLL

1 CALL. I BELIEVE SHE WAS PRESENT AT THE MEETING.

2 CHAIRMAN KLEIN: YES. SHE DID COME IN AFTER
3 THE ROLL CALL, SO WE'LL MAKE THAT CORRECTION. ANY
4 OTHER COMMENTS?

5 MS. WILSON: THEY HAVE ME AS ABSENT TOO, AND
6 I WAS THERE.

7 CHAIRMAN KLEIN: YES. OKAY. ANY PUBLIC
8 COMMENTS ON THIS ITEM? IS THE BOARD PREPARED TO CALL
9 THE QUESTION ON THIS ITEM? ALL IN FAVOR. OPPOSED?

10 AGENDA ITEM 5 IS CONSIDERATION OF THE
11 ADOPTION OF THE NATIONAL ACADEMY OF SCIENCE MEDICAL AND
12 ETHICAL STANDARDS AS THE CALIFORNIA INSTITUTE OF
13 REGENERATIVE MEDICINE INTERIM STANDARDS.

14 I WOULD LIKE TO PROVIDE SOME BACKGROUND ON
15 THIS, AND THEN TURN TO ZACH HALL FOR A SPECIFIC REPORT
16 ON THIS ITEM.

17 AS THE BOARD MEMBERS KNOW, A WEEK AFTER THE
18 ELECTION IN NOVEMBER 2D, 2004, I SPOKE TO BRUCE
19 ALBERTS, THE PRESIDENT OF THE NATIONAL ACADEMY OF
20 SCIENCE, WHICH INCLUDES, OF COURSE, THE NATIONAL
21 INSTITUTE OF MEDICINE AND THE NATIONAL ACADEMY OF
22 ENGINEERING, ABOUT CONVENING AN OPEN MEETING IN IRVINE
23 FOR THE PUBLIC, THE PRESS, AND INTERESTED PARTIES THAT
24 HAD PARTICIPATED IN THE PASSAGE OF PROP 71 TO REALLY
25 HIGHLIGHT AND FOCUS ON THE BEST MEDICAL AND ETHICAL

1 STANDARDS IN THE NATION.

2 IN AN UNPRECEDENTED FOCUSED ACTION, THE
3 NATIONAL ACADEMY SCHEDULED AND PUT FORTH A WORKSHOP IN
4 IRVINE ON DECEMBER 6TH AND 7TH. NEVER BEFORE IN THEIR
5 HISTORY OR RECENT HISTORY HAVING PULLED TOGETHER A
6 NATIONAL WORKSHOP ON THAT SHORT NOTICE. BUT TWO FULL
7 DAYS WERE SPENT, AND THEIR PAPERS WENT UP ON WEBSITES
8 RELATED TO THE PROP 71 CAMPAIGN. THERE WERE HEARINGS
9 AROUND THE STATE FOR THOSE IDEAS TO BE DISCUSSED.

10 CONCURRENT WITH THAT, THE NATIONAL ACADEMY
11 HAD MOBILIZED A NATIONAL TEAM OF THE BEST AND THE
12 BRIGHTEST, INCLUDING MANY OF THE PEOPLE AT THE WORKSHOP
13 ON DECEMBER 6TH AND 7TH, IN A TASK FORCE TO PRODUCE
14 MODEL NATIONAL STANDARDS IN THE HOPES THAT IF
15 CALIFORNIA ADOPTED THOSE STANDARDS, THAT THE OTHER
16 STATES WOULD FOLLOW AND WE'D HAVE CONSISTENT STANDARDS
17 ACROSS THE NATION, WHICH WOULD FACILITATE THE MOVEMENT
18 BACK AND FORTH OF THE SCIENCE IN STEM CELL RESEARCH.

19 THE INDIVIDUALS INVOLVED IN WORKING ON THE
20 TASK FORCE UNDER THE NATIONAL ACADEMY'S PROCEDURES
21 CANNOT DISCUSS THE MATERIALS WHILE THEY ARE ON THE TASK
22 FORCE, BUT WE DID HAVE THE OPPORTUNITY TO RETAIN AS A
23 CONSULTANT TO THIS BOARD ALTA CHARO, ONE OF THE LEADING
24 MEDICAL ETHICISTS OF THE NATION, WHO IS NOW A MEMBER OF
25 OUR STANDARDS WORKING GROUP, TO HELP GUIDE US THROUGH A

1 BOARD WORKSHOP ON MEDICAL ETHICS AND A BOARD
2 PRESENTATION ON MEDICINE ETHICS, AS WELL AS STAFF WORK
3 THAT WAS DONE IN REVIEWING THESE POSITIONS.

4 AT THIS POINT THE ISSUE BEFORE US IS THAT I
5 WOULD LIKE TO RECOMMEND THAT THE BOARD APPROVE THE
6 NATIONAL ACADEMY STANDARDS AS A MODEL FOR THE NATION OF
7 THE HIGHEST AND BEST STANDARDS IN STEM CELL RESEARCH.
8 THIS IS A PROPOSAL THAT WILL COME UNDER DISCUSSION IN
9 THIS MEETING AFTER DR. HALL HAS MADE A PRESENTATION,
10 AFTER BOARD DISCUSSION, AND PUBLIC DISCUSSION. BUT I
11 WOULD LIKE TO EMPHASIZE THAT THIS IS INTENDED TO BE AN
12 ADOPTION ON A PROSPECTIVE BASIS; AND THAT IS, IT IS NOT
13 INTENDED THAT THESE STANDARDS WOULD INVALIDATE OR
14 OTHERWISE TAKE OUT OF THE PROCESS ANY STEM CELL LINES
15 OR BIOLOGICAL MATERIALS OR RESEARCH THAT WAS DEVELOPED
16 BEFORE THESE STANDARDS, BUT IT WOULD BE APPLIED GOING
17 FORWARD.

18 AND THE PROPOSAL IS SPECIFICALLY UNDER
19 CONSIDERATION THAT WE WOULD ADOPT THE STANDARDS, AND
20 THEN SEND THEM TO OUR STANDARDS WORKING GROUP, WHO
21 WOULD GO THROUGH A 270-DAY PERIOD OF PUBLIC HEARINGS
22 FOR CONSIDERATION OF REFINEMENTS TO THE STANDARDS.
23 THERE ARE SPECIFIC COMMENTS I WOULD LIKE TO TAKE AFTER
24 DR. HALL'S COMMENTS FROM DR. BALTIMORE. BUT WE HAVE AN
25 OUTSTANDING OPPORTUNITY FOR CALIFORNIA HERE TO AGAIN

1 LEAD THE NATION WITH THE HIGHEST AND BEST MEDICAL
2 STANDARDS THAT HAVE BEEN DEVELOPED BY THE BEST AND THE
3 BRIGHTEST OF OUR NATION. DR. HALL.

4 DR. HALL: WHAT I'D LIKE TO DO IS TO LEAD YOU
5 BRIEFLY THROUGH THE GUIDELINES. I APOLOGIZE. I HAD
6 UNDERSTOOD IN PREPARING THIS THAT YOU ALL HAD COPIES OF
7 THEM AS PART OF YOUR MATERIAL TODAY. THEY ARE
8 AVAILABLE.

9 SO WE CAN GO THROUGH FAIRLY QUICKLY, BUT LET
10 ME JUST BEGIN BY SAYING THAT WITH THE DEFECTION OF NIH
11 FROM THE FIELD OF HUMAN EMBRYONIC STEM CELL RESEARCH OR
12 AT LEAST FROM MUCH OF IT, WHAT RESULTED WAS A SORT OF
13 PATCHWORK OF LOCAL GUIDELINES DEvised BY DIFFERENT
14 INSTITUTIONS IN DIFFERENT PLACES. AND THERE HAS BEEN
15 AN ABSENCE OF GENERALLY AGREED UPON GUIDELINES AND A
16 NATIONAL CONSENSUS.

17 IN ORDER TO ADDRESS THIS ISSUE AND TO PROMOTE
18 RESPONSIBLE STEM CELL RESEARCH, THE NATIONAL ACADEMIES
19 UNDERTOOK TO DEVELOP THE GUIDELINES. AND THEY, THROUGH
20 THE NATIONAL RESEARCH COUNCIL AND THE INSTITUTE OF
21 MEDICINE, APPOINTED A COMMITTEE CO-CHAired BY RICHARD
22 HYNES OF MIT, A DISTINGUISHED BIOLOGIST, AND JONATHAN
23 MORENO, OF THE UNIVERSITY OF VIRGINIA, A VERY
24 DISTINGUISHED BIOETHICIST. THE TEN MEMBERS ON THE
25 COMMITTEE INCLUDED JANET ROWLEY, WHO IS ON OUR

1 STANDARDS WORKING GROUP, AS YOU KNOW; AND BOB KLEIN,
2 THE CHAIRMAN, ALTA CHARO, WHO IS A LIAISON TO THE
3 ORIGINAL STANDARDS COMMITTEE AT THE NATIONAL ACADEMY,
4 IS ALSO A MEMBER OF OUR STANDARDS WORKING GROUP.

5 THE COMMITTEE HELD A TWO-DAY WORKSHOP ON THE
6 ISSUES. IT USED THE WEB AND OTHER MEANS TO SOLICIT
7 PUBLIC OPINION AND INVITED A NUMBER OF SPEAKERS TO
8 APPEAR BEFORE IT, AND THEN CARRIED OUT A SERIES OF
9 DRAFTING MEETINGS AND EXECUTIVE SESSION ABOUT WHICH THE
10 REPORT WAS DRAFTED. IT WAS THEN REVIEWED BY 14 EXPERT
11 REVIEWERS, AND THE GUIDELINES WERE ANNOUNCED ON APRIL
12 26TH.

13 OUR STANDARDS COMMITTEE WILL GO THROUGH WHAT
14 I PRESUME WILL BE A ROUGHLY SIMILAR PROCESS OVER THE
15 NEXT SIX TO NINE MONTHS TO ADOPT OUR LONG-TERM
16 STANDARDS. IN THE MEANTIME, AS THE CHAIRMAN SAID, WE
17 WOULD LIKE TO ADOPT THESE INTERIM STANDARDS FOR HUMAN
18 EMBRYONIC STEM CELL WORK.

19 NOW, THE ISSUES THAT THE COMMITTEE ADDRESSED
20 WITH THEIR GUIDELINES ARE THE DONATION OF BLASTOCYSTS,
21 GAMETES, AND SOMATIC CELLS, THE CHARACTERIZATION OF
22 STEM CELLS, SAFE HANDLING AND STORAGE OF BLASTOCYSTS
23 AND STEM CELL MATERIAL, THE PREREQUISITES TO HUMAN
24 EMBRYONIC STEM CELL RESEARCH, APPROPRIATE USES OF HUMAN
25 EMBRYONIC STEM CELL LINES, AND LIMITATIONS ON THEIR

1 USE, AND, FINALLY, SAFEGUARDS AGAINST MISUSE.

2 NOW, THEIR PRINCIPAL RECOMMENDATION WAS THAT
3 THERE BE A DUAL LEVEL OF OVERSIGHT, THE FIRST BEING AT
4 THE INSTITUTIONAL LEVEL AND THE SECOND AT THE NATIONAL
5 LEVEL. I WILL ADDRESS NATIONAL LEVEL IN JUST A FEW
6 MOMENTS, BUT LET ME TALK FIRST ABOUT THE LOCAL
7 INSTITUTIONAL REGULATORY MECHANISM THAT THEY SUGGESTED
8 BECAUSE MUCH OF THEIR REPORT IS ORGANIZED AROUND THIS.

9 THEY SUGGESTED THAT RESEARCH INSTITUTIONS
10 SHOULD ESTABLISH WHAT THEY CALL EMBRYONIC STEM CELL
11 RESEARCH OVERSIGHT COMMITTEES, ESCRO COMMITTEES,
12 SIMILAR TO IRB COMMITTEES, BUT DISTINCT FROM THEM AND
13 SERVING A DIFFERENT FUNCTION, AND I'LL ADDRESS THAT
14 MORE IN JUST A MOMENT.

15 THE ESCRO IS TO HAVE OVERSIGHT OF ALL HUMAN
16 EMBRYONIC STEM CELL RESEARCH AT A PARTICULAR
17 INSTITUTION. IT IS TO DETERMINE APPROPRIATE LEVEL OF
18 REVIEW. IT IS TO REVIEW AND APPROVE RESEARCH PROTOCOLS
19 TO MAKE SURE THAT THERE IS COMPLIANCE WITH OTHER
20 REGULATORY BODIES, IF NEEDED, TO MAINTAIN A REGISTRY,
21 FACILITATE EDUCATION, AND TO ENSURE THAT INAPPROPRIATE
22 RESEARCH IS NOT DONE.

23 NOW, THE ESCRO COMMITTEES, ARE, FIRST OF ALL,
24 TO ENSURE THAT THE PROVENANCE OF HUMAN EMBRYONIC STEM
25 CELLS IS DOCUMENTED; THAT IS, FOR EACH LINE THAT'S

1 USED, TO KNOW WHERE IT CAME FROM AND UNDER WHAT
2 CONDITIONS IT WAS CREATED. THIS WILL BE A VERY
3 IMPORTANT PART OF THEIR ACTIVITIES.

4 SECONDLY, THERE SHOULD BE NO RESEARCH IN
5 WHICH HUMAN EMBRYONIC STEM CELLS ARE INTRODUCED INTO A
6 NONHUMAN PRIMATE BLASTOCYST OR IN WHICH ANY KIND OF
7 EMBRYONIC STEM CELL IS INTRODUCED INTO A HUMAN
8 BLASTOCYST.

9 THIRDLY, NO ANIMAL IN WHICH HUMAN EMBRYONIC
10 STEM CELLS HAVE BEEN INTRODUCED AT ANY STAGE OF
11 DEVELOPMENT SHOULD BE ALLOWED TO BREED.

12 NOW, THEY DO FORESEE THE NEED AND USEFULNESS
13 OF HAVING TO PUT HUMAN EMBRYONIC STEM CELLS INTO OTHER
14 ANIMALS, FOR EXAMPLE, MICE, FOR PARTICULAR EXPERIMENTAL
15 PURPOSES. THAT IS TO BE REGULATED CAREFULLY BY THE
16 COMMITTEE, BUT IN ANY CASE ANY ANIMAL THAT HAS
17 UNDERGONE THIS PROCEDURE SHOULD NOT BE ALLOWED TO
18 PROPAGATE.

19 SO THE OTHER FUNCTIONS OF THIS COMMITTEE ARE
20 TO MAINTAIN A REGISTRY OF THE INVESTIGATORS AND THEIR
21 RESEARCH AT THE PARTICULAR INSTITUTION, AND THEN TO
22 ENSURE SUITABLE STANDARDS FOR WORK TO BE DONE AT
23 INTERNATIONAL COLLABORATIONS WHERE GUIDELINES MAY BE
24 DIFFERENT. WE ANTICIPATE THAT THERE WILL BE
25 COLLABORATION ACROSS INTERNATIONAL BOUNDARIES. FOR

1 THOSE OF YOU WHO MAY HAVE NOTICED, THE KOREAN PAPER
2 THAT WAS PUBLISHED LAST FRIDAY IN "SCIENCE" HAD ONE
3 AMERICAN AUTHOR WHO'S AT THE UNIVERSITY OF PITTSBURGH,
4 AND WHO INCIDENTALLY MADE THE COMMENT THAT IF HE WERE
5 TO DO THIS WORK IN HIS HOME STATE, HE WOULD BE A FELON.
6 BUT AT ANY RATE, WE ANTICIPATE INTERNATIONAL
7 COLLABORATIONS.

8 WE HAVE BEEN IN CONTACT WITH INVESTIGATORS
9 FROM A NUMBER OF COUNTRIES, AND SO THIS IS TO ENSURE
10 THAT ANY LINE THAT, FOR EXAMPLE, HAS BEEN DERIVED UNDER
11 THE GUIDELINES OF ANOTHER COUNTRY ARE SUITABLE FOR USE
12 HERE. IN FACT, THEY SAY THAT THE COMMITTEES MAY WISH
13 TO ADOPT MORE STRICT GUIDELINES IN LINE WITH THOSE IN
14 FOREIGN COUNTRIES, IF APPROPRIATE.

15 NOW, THE OTHER POINT IS THAT ALL BIOLOGICAL
16 MATERIALS AND HOW THEY'RE PROCURED NEED TO BE OVERSEEN
17 BY THE ESCRO COMMITTEE. AND THEY POINT OUT THAT IRB'S
18 MAY NOT WAIVE THE REQUIREMENTS FOR INFORMED CONSENT FOR
19 ANYONE WHO DONATES BIOLOGICAL MATERIAL. THAT IS, THE
20 IRB MUST BE SURE THAT ANY DONOR OF A GAMETE GIVES
21 INFORMED CONSENT, AND THERE'S NO EXCEPTION TO THIS
22 GUIDELINE, EITHER EGG, SPERM, OR SOMATIC CELLS.

23 WHERE APPROPRIATE, INSTITUTIONAL GUIDELINES
24 FOR RECOMBINANT DNA RESEARCH AND ANIMAL CARE SHOULD BE
25 FOLLOWED, AND THEY RECOMMEND THAT GOOD LABORATORY

1 PRACTICES SHOULD BE FOLLOWED WHERE POSSIBLE.

2 FINALLY, RESEARCH LEADING TO CLINICAL
3 APPLICATION MUST BE IN COMPLIANCE WITH FDA REGULATIONS.

4 THEY HAVE SEVERAL RECOMMENDATIONS RELATED TO
5 DONATION OF BIOLOGICAL MATERIALS. CONSENT MUST BE
6 OBTAINED FROM ALL GAMETE DONORS. NO CASH OR IN-KIND
7 PAYMENTS MAY BE PROVIDED FOR DONATING BLASTOCYSTS. AND
8 THEN THEY NOTED IN THE GUIDELINES ACTUALLY THAT THEY
9 WERE FOLLOWING PROPOSITION 71 IN PROPOSING THAT NO
10 REIMBURSEMENT ABOVE DIRECT EXPENSES TO WOMEN WHO DONATE
11 OOCYTES FOR RESEARCH PURPOSES.

12 AND FINALLY, CONSENT FOR THE BLASTOCYST
13 DONATION SHOULD BE OBTAINED AT THE TIME OF DONATION,
14 CANNOT BE OBTAINED RETROACTIVELY.

15 FURTHER, THEY GIVE A NUMBER OF EXPLICIT
16 MINIMAL GUIDELINES FOR INFORMED CONSENT. THEY ARE VERY
17 EXPLICIT THAT ANY DECISIONS MADE ABOUT DONATION OF
18 MATERIALS FOR RESEARCH SHOULD BE ABSOLUTELY SEPARATED
19 FROM ANY DECISIONS MADE ABOUT MEDICAL CARE FOR A
20 PATIENT. THAT IS, A DECISION TO EITHER TO PARTICIPATE
21 OR NOT TO PARTICIPATE SHOULD BE INDEPENDENT OF ANY
22 HEALTHCARE PROCEDURE OR ANY FERTILITY PROCEDURE THAT A
23 PATIENT MAY BE UNDERGOING. AND THEY SUGGEST, IN FACT,
24 THAT THIS IS BEST DONE IF THE PEOPLE INVOLVED ARE
25 ENTIRELY SEPARATE.

1 THEY HAVE A COMBINATION FOR CLINICAL
2 PERSONNEL WHO MAY HAVE A CONSCIENTIOUS OBJECTION TO
3 HUMAN EMBRYONIC STEM CELL RESEARCH, AND THEY SHOULD NOT
4 BE REQUIRED TO PARTICIPATE IN PROVIDING DONOR
5 INFORMATION OR SECURING CONSENT.

6 AND FINALLY, THE GUIDELINES SAY THAT
7 RESEARCHERS MAY NOT REQUEST THAT MORE OOCYTES BE
8 DONATED THAN ARE REQUIRED FOR REPRODUCTIVE SUCCESS AND
9 HAVE IT EXPLICIT FOR THIRD PARTIES.

10 TWO RECOMMENDATIONS RELATED TO CELL BANKS.
11 UNIFORM GUIDELINES FOR INFORMED CONSENT AND
12 SELF-CULTURE RECORDS SHOULD BE ADOPTED WHERE HUMAN
13 EMBRYONIC STEM CELLS ARE TO BE DEPOSITED IN A BANK. IN
14 OTHER WORDS, WHEN THESE BANKS ARE ESTABLISHED, ANY
15 RESEARCHER OR INVESTIGATOR THAT RECEIVES A CELL LINE
16 FROM THEM CAN BE ASSURED THAT THE LINE WAS DERIVED
17 UNDER APPROPRIATE CONDITIONS. AND THERE ARE ALSO SOME
18 PRIVACY ISSUES HERE WHICH I WILL NOT GO INTO, BUT ARE
19 OUTLINED IN THE REPORT.

20 AND THEN FINALLY, THEY SAID THAT ANY CELL
21 BANK FACILITY SHOULD HAVE SPECIFIC RECOMMENDATIONS FOR
22 OBTAINING AND STORING CELL LINES IN ORDER TO DO THEIR
23 BUSINESS.

24 THEY HAVE TWO GENERAL RECOMMENDATIONS. ONE
25 IS TO ENSURE THE GENETIC DIVERSITY AMONG CELL LINES TO

1 PROVIDE POTENTIAL HEALTH BENEFITS TO ALL IN OUR
2 SOCIETY.

3 AND FINALLY, THEY SUGGEST THAT THERE BE A
4 NATIONAL BODY THAT EXERTS CONTINUING ASSESSMENT AND
5 DISCUSSION OF THE GUIDELINES. NOW, THE NATIONAL
6 ACADEMIES REPORT DID NOT GIVE ANY SUGGESTION OF WHO
7 THAT BODY MIGHT BE. A NUMBER OF US FEEL THAT THEY ARE,
8 IN FACT, THE LOGICAL BODY TO DO THIS. I THINK GIVEN
9 THE CURRENT SITUATION IN THE FEDERAL GOVERNMENT,
10 PARTICULARLY THE NIH IS NOT IN ANY POSITION TO DO IT,
11 AND I THINK THE CARE AND RESPONSIBILITY WITH WHICH
12 THEY'VE GONE ABOUT THIS TASK RECOMMENDS THEM, I THINK
13 WE DO NOT WANT A VACUUM THERE FOR PEOPLE RUSHING IN TO
14 DO THIS. AND SO WITH YOUR PERMISSION, I JUST WOULD
15 LIKE TO SAY THAT I WILL SEND A LETTER TO THE NATIONAL
16 ACADEMY ON BEHALF OF CIRM RECOMMENDING THAT THE
17 NATIONAL ACADEMIES PROVIDE THIS NATIONAL OVERSIGHT
18 COMMITTEE.

19 MR. CHAIRMAN, THESE ARE THE GUIDELINES IN
20 SHORT FORM OF THE NATIONAL ACADEMY OF SCIENCES REPORT.
21 I'D BE HAPPY TO ANSWER ANY QUESTIONS IF YOU HAVE THEM.

22 CHAIRMAN KLEIN: THANK YOU VERY MUCH, DR.
23 HALL. I WOULD LIKE TO POINT OUT THAT IF ONE WERE
24 LOOKING FOR THE REFERENCE IN THE NATIONAL ACADEMY
25 REPORT TO THE SPECIFIC ATTRIBUTION OF THE STANDARD THAT

1 PROHIBITS COMPENSATION FOR EGG DONORS, IT'S
2 APPROXIMATELY PAGE 72. IT DEPENDS ON YOUR TEXT PRINT
3 SIZE, BUT IT IS REMARKABLE THAT THE NATIONAL ACADEMIES
4 WOULD POINT TO A STATE WITH A HIGHER STANDARD AND POINT
5 TO PROPOSITION 71 AS THE HIGH STANDARD THEY CHOSE AS
6 THE MODEL FOR PROHIBITING COMPENSATION FOR EGG DONORS
7 TO MAKE CERTAIN THAT THIS DONATION IS MOTIVATED BY THE
8 MORAL DESIRE TO ADVANCE MEDICAL RESEARCH TO REDUCE
9 SUFFERING.

10 IN ADDITION, TO THE EXTENT THAT THERE'S ANY
11 SPECIFIC ITEM IN THESE RECOMMENDATIONS THAT IS MORE
12 LIBERAL THAN THE INITIATIVE ITSELF, FOR EXAMPLE, WHERE
13 14 DAYS IS SPECIFIED AS THE LIMIT OF CELL DIVISION, AND
14 THE INITIATIVE SPECIFIES 12 DAYS, THEN THE INITIATIVE'S
15 MORE RESTRICTIVE STANDARD AS A MATTER OF STATE LAW
16 WOULD CONTINUE TO APPLY. WE HAVE A MORE CONSERVATIVE
17 STANDARD IN THIS REGARD.

18 I'D LIKE TO CALL DR. DAVID BALTIMORE FOR HIS
19 COMMENTS TO BEGIN THE BOARD DISCUSSION.

20 DR. BALTIMORE: FIRST OF ALL, LET ME SAY THAT
21 I THINK THAT THESE ARE A TERRIFIC SET OF GUIDELINES TO
22 GO FORWARD WITH, AND I HAVE NO PARTICULAR PROBLEM WITH
23 ANY OF THEM. AND I THINK THEY HAVE VERY THOUGHTFULLY
24 DEALT WITH MANY OF THE ISSUES.

25 THERE'S ONE NIT IN HERE WHICH IS THE

1 REQUIREMENT THAT ALL INSTITUTIONS CONDUCTING RESEARCH
2 SHOULD ESTABLISH AN ESCRO COMMITTEE, EMBRYONIC STEM
3 CELL RESEARCH OVERSIGHT COMMITTEE. AND AS BRIAN
4 HENDERSON AND I WERE TALKING ABOUT THIS ON THE WAY
5 HERE, WE THOUGHT IT MIGHT BE PREFERABLE TO HAVE ONE
6 COMMITTEE THAT DEALT WITH A NUMBER OF INSTITUTIONS
7 BECAUSE IT'S VERY HARD, PARTICULARLY CALTECH, TO FIND
8 PEOPLE WHO ARE INVOLVED IN ASSISTED REPRODUCTION AND
9 THE OTHER PARTICULAR EXPERTISE WHICH IS INDICATED IN
10 THIS OUTLINE FOR THE COMMITTEE.

11 ACTUALLY THE GUIDELINES DON'T PROHIBIT THAT.
12 AND SINCE I DON'T THINK WE WANT TO GET INTO A
13 DISCUSSION OF THE DETAILS OF THIS, SO I DON'T WANT TO
14 OPEN IT UP, I JUST SORT OF WANT TO PUT ON THE RECORD
15 THE UNDERSTANDING THAT A COMMITTEE COULD REPRESENT MORE
16 THAN ONE INSTITUTION.

17 CHAIRMAN KLEIN: DR. HALL, MY UNDERSTANDING
18 IS THAT THERE IS NOT ANYTHING IN THE GUIDELINES THAT
19 WOULD PREVENT HAVING A MUCH HIGHER QUALITY BENEFIT OF
20 INTERINSTITUTIONAL COMMITTEES AND THAT, THEREFORE,
21 MOVING FORWARD WITH THIS, UNDERSTANDING THAT
22 INTERINSTITUTIONAL COMMITTEES COULD FILL THIS ROLE
23 WOULD BE QUITE APPROPRIATE; IS THAT CORRECT?

24 DR. HALL: I THINK SO. I DON'T THINK THE
25 GUIDELINES SPEAK TO THIS IN ANY EXPLICIT WAY. BUT I

1 SEE NO PROHIBITION AGAINST THIS.

2 CHAIRMAN KLEIN: SO THAT WOULD BE ONE OF THE
3 BASIC UNDERSTANDINGS WE HAVE HERE IN THIS MOTION.

4 YES, JOAN SAMUELSON.

5 MS. SAMUELSON: I CAN UNDERSTAND THAT WE
6 MIGHT HAVE THE NECESSITY OF GOING AHEAD AND APPROVING
7 THESE GUIDELINES AND HAVE SOMETHING IN PLACE, AND I'M
8 PREPARED TO DO THAT. I JUST WONDER IF WE HAVE THE
9 POSSIBLE OPPORTUNITY OF HAVING OUR OWN STANDARDS
10 WORKING GROUP REVIEW THESE GUIDELINES AND GIVE US THE
11 BENEFIT OF THEIR EVALUATION BEFORE WE DO SO.

12 CHAIRMAN KLEIN: YES. THE CHAIRMAN OF OUR
13 STANDARDS WORKING GROUP HAS, IN FACT, REVIEWED THEM.
14 DR. HALL, WOULD YOU LIKE TO REPORT ON -- DEAN KESSLER,
15 DR. KESSLER, REPORT ON THAT COMMUNICATION AND ANY
16 ADDITIONAL COMMUNICATIONS WITH DR. HALL.

17 DR. KESSLER: JOAN, I THINK THE FEELING IS,
18 OF COURSE, THE STANDARDS WORKING GROUP WILL HAVE THE
19 OPPORTUNITY TO REVIEW THESE. AND, IN FACT, THEY ARE
20 GOING TO REVIEW THESE IN GREAT DEPTH. WITH THE
21 TRAINING GRANTS THAT WE'VE INITIATED THAT PROCESS, I
22 THINK IT WOULD BE UNFAIR TO THE WORKING GROUP IF WE
23 REQUIRE THEM TO DO THAT REVIEW IN HASTE.

24 SO I THINK WHAT WE WANT TO DO IS TO HAVE
25 SOMETHING IN PLACE, CERTAINLY SOMETHING THAT HAS HAD

1 THE KIND OF THOUGHTFUL AND DELIBERATE CONSIDERATION AS
2 THE NAS AND, IN FACT, TO DO EXACTLY WHAT YOU'RE ASKING,
3 BUT TO GIVE THEM TIME. NOT TO SAY FIRST MEETING YOU
4 HAVE TO ADOPT SOMETHING WITHOUT THE ABILITY TO DO THAT
5 IN-DEPTH. I THINK THAT'S MY SENSE OF THE PREFERENCE OF
6 THE LEADERSHIP. DR. HALL MAY WANT TO COMMENT.

7 DR. HALL: I SPOKE TO HARRIET RABB, WHO IS
8 THE CO-CHAIR OF OUR COMMITTEE, ABOUT THIS, AND THAT WAS
9 VERY MUCH THE FEELING THAT SHE EXPRESSED. I THINK
10 SHE'S STRONGLY SUPPORTIVE OF THE GUIDELINES. SHE SAID
11 THAT SHE FORESAW THAT THE WORKING GROUP WOULD START
12 WITH THIS. IN CONSIDERING WHAT THE PERMANENT
13 GUIDELINES WOULD BE, THAT THEY WOULD BEGIN WITH A SORT
14 OF IN-DEPTH EXAMINATION OF THIS. AND JUST AS
15 DR. KESSLER SAID, OUR INTENT IS TO HAVE SOMETHING IN
16 PLACE THAT WE CAN MOVE FORWARD WITH. SHE FELT THAT
17 RATHER THAN SAYING, YOU KNOW, WE'VE CALLED YOU HERE TO
18 QUICKLY LOOK OVER AND APPROVE THESE, THAT SHE WOULD
19 PREFER IF THE COMMITTEE TOOK THAT STEP AND THEN THEY
20 COULD GO FORWARD WITH THAT IN-DEPTH INVESTIGATION.

21 I THINK ALL THESE ISSUES WILL BE GONE INTO
22 VERY, VERY CAREFULLY.

23 CHAIRMAN KLEIN: I THINK THAT SPECIFICALLY
24 THE INITIATIVE SPELLS OUT THAT THE PROCESS WE HAVE IS
25 ONE WHERE THE PUBLIC AND THE RESEARCH INSTITUTIONS HAVE

1 THE BENEFIT OF IMMEDIATE CLARITY ON THE GUIDELINES
2 BECAUSE WE ADOPT INTERIM GUIDELINES, WHICH WOULD BE THE
3 NATIONAL ACADEMY GUIDELINES HERE, BUT THEN WE HAVE THIS
4 EXTRAORDINARILY LONG PUBLIC HEARING AND REVIEW PROCESS
5 TO BRING IN THE PUBLIC COMMENTS, THE INFORMATION
6 BROUGHT UP BY THE PRESS. WE HAVE AN ADMINISTRATIVE
7 PROCEDURES ACT REQUIREMENT THAT WE ACTUALLY PUBLISH
8 WHAT'S CONTEMPLATED OF CHANGES, THAT THOSE CHANGES THEN
9 BE COMMENTED ON THROUGH A PUBLIC HEARING PROCESS, AND
10 THEN WE GO THROUGH AND ADOPT FINAL GUIDELINES.

11 SO THE INTENT HERE IS TO GIVE THE PUBLIC THE
12 ADVANTAGE OF UNDERSTANDING THAT WE HAVE A NATIONAL
13 GROUP OF TREMENDOUS CREDENTIALS WHICH WAS -- NOT ONLY
14 DREW UP THOSE GUIDELINES, WAS THEN REVIEWED BY ANOTHER
15 PUBLIC REVIEW GROUP THAT EVERYONE KNOWS THROUGH THE
16 PUBLICATION WHO THEY ARE WITH THEIR CREDENTIALS. SO
17 WE'VE GONE THROUGH THE DRAWING UP, THE CRITICAL REVIEW
18 WITHIN THE NAS, THE CRITICAL REVIEW BY THEM BY THE
19 REVIEW GROUP, AND AS PUBLICATION, THOSE HAVE BEEN
20 REVIEWED BY OUR CHAIRMAN OF OUR STANDARDS GROUP WORKING
21 GROUP. AND IT IS CONTEMPLATED THAT IN THE 270-DAY
22 PERIOD, WE WILL HAVE A COMPLETE VETTING IN THE PUBLIC
23 FORUM.

24 DR. HALL: LET ME JUST POINT OUT THAT IF WE
25 ARE GET THE TRAINING GRANTS OUT THIS FALL, INSTITUTIONS

1 CAN'T SET THESE COMMITTEES UP IN A DAY. AND BECAUSE OF
2 PROPOSITION 71, THE CALIFORNIA INSTITUTIONS ACTUALLY
3 WILL BE LEADING THE COUNTRY IN SETTING THESE VARIOUS
4 COMMITTEES UP. SO I THINK BY US PASSING THE STANDARDS
5 NOW AS AN INTERIM STANDARD, THAT BASICALLY GIVES NOTICE
6 TO INSTITUTIONS HERE IS WHAT YOU WILL BE EXPECTED TO
7 DO, AND IT GIVES THE INSTITUTIONS TIME TO RESPOND IN A
8 THOUGHTFUL AND CAREFUL WAY TO ASSEMBLE THEIR COMMITTEES
9 SO THAT BY THE FALL THEY ARE IN PLACE SHOULD THAT
10 BECOME NECESSARY.

11 CHAIRMAN KLEIN: ADDITIONAL BOARD COMMENT?

12 DR. PRIETO: DR. HALL, I WAS WONDERING IF THE
13 GUIDELINES ADDRESS HOW INSTITUTIONS SHOULD GO ABOUT
14 APPOINTING THEIR ESCRO COMMITTEES OR IF WE WANT TO
15 PROVIDE SOME GUIDANCE.

16 DR. HALL: IT DOES NOT. IT LISTS THE KINDS
17 OF PERSONNEL THAT MIGHT BE THERE, MEMBERS OF THE LAY
18 PUBLIC, EXPERTS IN REPRODUCTIVE MEDICINE, MOLECULAR
19 BIOLOGISTS, DEVELOPMENTAL BIOLOGISTS, ETHICISTS. SO IT
20 DESCRIBES A VARIETY OF THE KINDS OF PEOPLE THAT MIGHT
21 BE ON SUCH A COMMITTEE.

22 I THINK THE GENERAL SENSE IS THAT
23 INSTITUTIONS WOULD TREAT IT AS SIMILAR IN-KIND TO AN
24 IRB, AN INSTITUTIONAL REVIEW BOARD, WHICH OVERSEES ALL
25 PATIENT-BASED RESEARCH OR RESEARCH INVOLVING HUMANS.

1 SO OTHER THAN JUST TO SAY THE GENERIC
2 SUGGESTIONS FOR THE KINDS OF PEOPLE WHO SHOULD BE ON
3 IT, IT MAKES NO EXPLICIT SUGGESTION FOR THAT.

4 CHAIRMAN KLEIN: DURING THE PUBLIC HEARING
5 PROCESS, WE WILL HAVE THAT WELL DEVELOPED.

6 MR. SHESTACK: IS THERE ACTUALLY, JUST TO
7 UNDERSTAND, THIS IS A RECOMMENDATION TO THE ESCRO
8 COMMITTEES. IT'S NOT PROSCRIPTIVE. IS THERE ANY
9 REASON WHY ONE COULDN'T -- WHY THE STANDARDS GROUP, FOR
10 INSTANCE, MIGHT NOT DECIDE TO RECOMMEND THAT THE STATE
11 OF CALIFORNIA FORM ONE CALIFORNIA ESCRO COMMITTEE TO
12 MAKE THINGS MOVE FASTER RATHER THAN EVERY INSTITUTION
13 HAVE TO DO IT?

14 CHAIRMAN KLEIN: DURING THE PUBLIC HEARING
15 PROCESS, THAT'S CLEARLY AN OPTION. IT'S THERE. IN
16 FACT, YOU MIGHT HAVE AN OPTION WHERE YOU HAVE A
17 STATEWIDE AND THEN YOU HAVE A LOCAL OPTION. SO WHEN
18 IT'S APPROPRIATE, THE INSTITUTION CAN DECIDE TO JOIN
19 THE STATEWIDE GROUP OR EXERCISE THE LOCAL OPTION IF
20 THEY HAVE TREMENDOUS LOCAL INSTITUTIONAL CAPACITY.

21 DR. HALL: LET ME JUST SAY THAT, HAVING DEALT
22 WITH ISSUES LIKE THIS IN OTHER CASES BEFORE, IT IS VERY
23 IMPORTANT FOR INTERINSTITUTIONAL COLLABORATION THAT ONE
24 INSTITUTION BE ABLE TO ACCEPT THE APPROVAL BY ANOTHER
25 INSTITUTION. I HAVE SEEN THIS WITH IRB'S WHERE

1 PARTICIPATING A INSTITUTION HAD TO HAVE ITS IRB PASS ON
2 IT, AND IT MAKES FOR A VERY, VERY CUMBERSOME PROCEDURE.
3 SO IF WE CAN ESTABLISH A SORT OF COMMONALITY SO THAT IF
4 SOMEBODY AT UCLA WANTS TO COLLABORATE WITH SOMEBODY AT
5 STANFORD AND IT'S ALREADY BEEN APPROVED, WE DON'T HAVE
6 TO GO THROUGH IT ALL OVER AGAIN.

7 I THINK ONE OF THE POINTS OF HAVING THE
8 NATIONAL ACADEMY GUIDELINES IS THAT IF WE HAVE THESE
9 CONSENSUS GUIDELINES NATIONALLY, THEN A PROCESS LIKE
10 THAT IS MUCH EASIER TO DO AND WILL EXTEND, NOT ONLY
11 WITHIN CALIFORNIA, BUT BEYOND CALIFORNIA BORDERS. I
12 THINK IT'S VERY MUCH IN OUR INTEREST TO WANT THAT TO
13 HAPPEN IN CALIFORNIA; THAT IS, IN THE INTEREST OF THE
14 CIRM.

15 CHAIRMAN KLEIN: ADDITIONAL BOARD COMMENTS?
16 DR. KESSLER AND THEN DR. BRYANT.

17 DR. KESSLER: ZACH, I WAS WATCHING THE, I
18 STILL DO THIS, THE SUNDAY SHOWS YESTERDAY. AND
19 OBVIOUSLY THE NATION IS FOCUSED ON STEM CELL,
20 ESPECIALLY THIS WEEK. AND THERE WAS TALK ABOUT, OKAY,
21 IF YOU ALLOW CERTAIN LINES TO BE USED OR YOU EXPAND
22 CERTAIN LINES OR YOU ALLOW THOSE EMBRYOS THAT ARE THE
23 RESULT OF IN VITRO FERTILIZATION, THERE IS, QUOTE, A
24 SLIPPERY SLOPE HERE. HELP -- ONE OF OUR JOBS IS TO BE
25 ABLE TO EDUCATE THE AMERICAN PUBLIC AND THEY HAVE

1 CONFIDENCE IN WHERE THE LINES ARE HERE ON WHAT IS
2 ETHICALLY PERMISSIBLE AND WHAT IS NOT ETHICALLY
3 PERMISSIBLE.

4 USING WORDS LIKE PRIMITIVE STREAK MAY BE FINE
5 FOR DEVELOPMENTAL BIOLOGISTS AND NEUROLOGISTS. IT'S
6 NOT GREAT FOR THE AVERAGE CITIZEN. SO I WAS WONDERING
7 WHETHER YOU COULD, AND I KNOW THIS MAY BE A LITTLE
8 HARD, HELP TALK FOR A MOMENT OR TWO WHAT DOES THE
9 PUBLIC HAVE TO KNOW ABOUT THESE GUIDELINES? WHERE DOES
10 IT DRAW THE LINE?

11 DR. HALL: I THINK ONE THING THEY'RE VERY
12 CLEAR ON IS THE FACT THAT NO ONE BELIEVES THAT
13 REPRODUCTIVE CLONING SHOULD GO FORWARD. AND ONE OF THE
14 EXPLICIT -- ACTUALLY IT WAS NOT INCLUDED IN THAT
15 SECTION OF THE REPORT THAT I READ FROM, BUT ONE OF THE
16 EXPLICIT PROHIBITIONS WAS AGAINST PUTTING ANY PRODUCT
17 INTO A HUMAN UTERUS. AND UNDERSTAND THAT WHENEVER ONE
18 HAS A BLASTOCYST DEVELOPED IN VITRO, WHETHER THROUGH IN
19 VITRO FERTILIZATION OR THROUGH NUCLEAR TRANSFER, AS
20 LONG AS THAT IS IN VITRO, NOTHING IS GOING TO HAPPEN AS
21 FAR AS FORMATION OF AN INTACT ORGANISM. THAT CANNOT
22 HAPPEN.

23 SO YOU -- IN ORDER TO EVEN APPROACH THAT, IT
24 HAS TO BE IMPLANTED INTO A UTERUS. I THINK THAT IS AN
25 ABSOLUTE BARRIER ACTUALLY. NO IMPLANTATION SHOULD BE A

1 VERY CLEAR AND BRIGHT LINE. AND THEN THE OTHER, WHICH
2 YOU MENTIONED, WHICH CAN BE HANDLED EITHER THROUGH A
3 DESCRIPTION OF DAYS OF DEVELOPMENT OR THROUGH THE MORE
4 ARCANE LANGUAGE THAT YOU DESCRIBE, IS THAT EVEN IN
5 VITRO, NOTHING SHOULD BE ALLOWED TO HAPPEN PAST 12
6 DAYS, LET'S SAY.

7 AND SO THIS MEANS THAT THERE IS NOTHING
8 RECOGNIZABLY ORGANISM-LIKE AT THAT POINT. IT IS STILL
9 A CLUMP OF CELLS.

10 DR. KESSLER: SO WHEN THE PUBLIC HEARS THE
11 WORD "THERAPEUTIC CLONING" VERSUS "REPRODUCTIVE
12 CLONING," WHAT ARE THEY SUPPOSED TO UNDERSTAND?

13 DR. HALL: WELL, THAT THERE'S NO ATTEMPT TO
14 PRODUCE AN ORGANISM HERE. THERE'S AN ATTEMPT TO
15 PRODUCE A CELL LINE THAT CAN BE USED FOR RESEARCH OR
16 THAT CAN BE USED FOR THERAPY.

17 ONE OF THE COMMENTARIES ON THE KOREAN ARTICLE
18 POINTED OUT THAT THERAPEUTIC CLONING IS AT THIS MOMENT
19 A MISNOMER, AND THAT WE DON'T HAVE A PROVEN THERAPY
20 THAT CAN BE DERIVED FROM THIS, BUT SHOULD BE MORE
21 ACCURATELY CALLED FOR RESEARCH. BUT I THINK THE REASON
22 WE ARE ALL HERE IS BECAUSE OF THE POSSIBLE THERAPEUTIC
23 USE OF THESE, AND THAT'S WHAT'S OF INTEREST TO US.

24 SO I THINK THE QUESTION IS WHETHER THE INTENT
25 IS TO HAVE AN ORGANISM DERIVED OR TO HAVE CELL LINES

1 DERIVED. AND AS I SAY, THE ABSOLUTE BARRIER THERE IS
2 IMPLANTATION.

3 DR. KESSLER: EVEN UNDER THE KOREAN STUDY,
4 THE USE OF THE WORD "CLONING," I THINK, IS WHERE A LOT
5 OF CONFUSION IN THE AMERICAN PUBLIC'S MIND, WHAT THAT
6 MEANS. SO YOU'RE SAYING THAT YOU CANNOT HAVE -- ONCE
7 YOU'RE DOING THIS IN VITRO, IT'S NOT POSSIBLE TO
8 HAVE --

9 DR. HALL: SOMETHING LIKE A BABY GROW IN A
10 PETRIE DISH. IS THAT WHAT YOU ARE ASKING? NO,
11 ABSOLUTELY NOT.

12 DR. KESSLER: SO IS THIS CLOSING?

13 DR. HALL: WELL, THAT'S THE WHOLE POINT OF
14 SAYING THAT IT SHOULD BE THE 12 DAYS OR 14 DAYS, THAT
15 NOTHING SHOULD BE ALLOWED IN VITRO BEYOND THAT BECAUSE
16 THERE IS NOTHING THAT IS RECOGNIZABLY LIKE AN EMBRYO
17 BEFORE THAT PERIOD OF TIME JUST BY VISUAL INSPECTION.

18 DR. KESSLER: SO WE'RE NOT CLONING HUMAN
19 BEINGS?

20 DR. HALL: NO. WE'RE TAKING CELLS OUT AT A
21 VERY EARLY STAGE OF DEVELOPMENT AND CLONING CELLS.

22 DR. KESSLER: CLONING CELLS.

23 DR. HALL: YES, THAT'S THE DISTINCTION THAT
24 YOU'RE DRIVING AT. I WAS SLOW IN GETTING THE POINT YOU
25 WERE LOOKING FOR, BUT WE'RE CLONING CELLS. WE'RE NOT

1 CLONING ORGANISMS, WITHOUT DOUBT.

2 CHAIRMAN KLEIN: AND I THINK, DR. HALL, IT'S
3 APPROPRIATE FOR THE PUBLIC TO, IN ORDER TO VISUALIZE
4 THIS, TO REALIZE THAT THE POINT OF A NEEDLE REALLY
5 DWARFS THE SIZE OF THESE CELLS WE'RE TALKING ABOUT.

6 DR. HALL: IT IS -- YES. TO ALL APPEARANCES
7 IT'S A CLUMP OF CELLS THAT ARE UNDIFFERENTIATED.

8 CHAIRMAN KLEIN: I HAD SUGGESTED THAT DR.
9 SUSAN BRYANT WOULD BE NEXT AND THEN GO TO --

10 DR. BRYANT: THIS IS CHANGING THE TOPIC
11 SLIGHTLY BACK TO THE EARLIER TOPIC ABOUT WHERE THE
12 ESCRO SHOULD RESIDE. AND I WAS JUST WONDERING WHAT
13 PEOPLE ON THE ICOC FEEL ABOUT HAVING A CIRM ESCRO THAT
14 WOULD TAKE CARE OF THAT LEVEL OF REVIEW FOR ALL
15 RECIPIENTS OF THAT GRANT.

16 CHAIRMAN KLEIN: I THINK, DR. RICHARD MURPHY.

17 DR. MURPHY: SUSAN, I WOULD THINK THAT THAT
18 WOULD BE A VERY BAD IDEA. I THINK THAT INSTITUTIONS
19 NEED TO HAVE AN INDEPENDENT COMMITTEE THAT LOOKS AT --
20 UNDER RESPONSIBLE GUIDELINES THAT LOOKS AT THE ISSUES
21 THAT ARE COMING UP WITHIN THAT ORGANIZATION. I LIKE
22 DAVID'S IDEA OR WHOEVER'S IDEA IT WAS, MAYBE ZACH, THAT
23 THOSE OF US WHO ARE IN BASIC RESEARCH INSTITUTIONS
24 SHOULD INDEED HAVE ACCESS TO FOLKS WHO ARE IN COMPANION
25 ORGANIZATIONS, BUT THAT DO HAVE A CLINICAL COMPONENT.

1 I THINK FOR US TO RELY ON A CIRM COMMITTEE
2 WOULD DELAY THE PROCESS TREMENDOUSLY. I THINK IT WOULD
3 TAKE AWAY HOME RULE, WHICH IS CRITICAL. AND I THINK
4 THAT THE CIRM COMMITTEE WOULD HAVE SO MUCH TO DO, THAT
5 DECISIONS WOULD NEVER GET MADE.

6 DR. BRYANT: I UNDERSTAND AND AGREE.

7 CHAIRMAN KLEIN: DR. PRIETO.

8 DR. PRIETO: RESPONDING TO DR. KESSLER'S
9 COMMENTS, I THINK THERE'S A SIMPLER AND MORE DIRECT WAY
10 TO PHRASE THIS IN WHAT WE SAY TO THE PUBLIC. I THINK
11 THAT SOME PEOPLE INVOLVED IN THIS RESEARCH HAVE SAID
12 THAT USE OF THE WORD "CLONING" IS UNFORTUNATE, AND
13 THAT'S WHY OTHER TERMINOLOGY LIKE NUCLEAR TRANSFER HAS
14 COME UP. BUT I THINK THE MORE DIRECT THING TO SAY IS
15 THAT THESE ARE CELLS THAT HAVE NEVER SEEN AND WILL
16 NEVER SEE THE INSIDE OF A UTERUS, AND THAT WE WILL NOT
17 FUND RESEARCH WHERE THAT OCCURS.

18 DR. HALL: IT WAS POINTED OUT TO ME, JUST TO
19 MAKE THE POINT, THAT CLONING REALLY REFERS TO MAKING A
20 COPY OF, REPRODUCING AN EXACT COPY OF. AND WHETHER
21 THAT'S DNA OR WHETHER IT'S A CELL OR WHETHER IT'S AN
22 ORGANISM, THE WORD ITSELF --

23 DR. PRIETO: I THINK IN THE POPULAR MIND
24 CLONING BRINGS TO MIND THE IMAGE OF DOLLY, THE SHEEP,
25 AND THAT WE'LL REPRODUCE ORGANISMS. I THINK THAT'S THE

1 POINT WE NEED TO MAKE, THAT WE'RE NOT IN THAT BUSINESS,
2 AND WE DON'T INTEND TO BE IN THAT BUSINESS.

3 DR. HENDERSON: I'D LIKE TO MOVE APPROVAL OF
4 THE GUIDELINES AS INTERIM GUIDELINES FOR THIS
5 ORGANIZATION.

6 DR. BRYANT: SECOND.

7 CHAIRMAN KLEIN: THERE'S A MOVAL AND A
8 SECOND, AND THAT'S WITH THE UNDERSTANDING ARTICULATED
9 BY DR. BALTIMORE. AND THIS IS A PROSPECTIVE
10 APPLICATION OF THESE GUIDELINES; IS THAT CORRECT,
11 DR. HENDERSON?

12 DR. HENDERSON: YES.

13 CHAIRMAN KLEIN: I WOULD -- THAT MOTION, WE
14 NEED TO FIRST HAVE PUBLIC COMMENT. JOAN, WOULD YOU
15 LIKE TO MAKE A COMMENT BEFORE WE HAVE PUBLIC COMMENT?

16 MS. SAMUELSON: I RECOMMEND THAT WE ADD --
17 WITH THIS APPROVAL WE ISSUE SOME SORT OF STATEMENT
18 ALONG THE LINES OF WHAT DR. PRIETO IS SAYING, THAT SAYS
19 THAT WE'RE NOT IN THE BUSINESS OF CLONING ANYTHING, OF
20 REPRODUCING HUMAN ORGANISMS, ANIMALS, OR ANYTHING ELSE
21 SO THAT IT'S VERY CLEAR AND PLAIN LANGUAGE.

22 CHAIRMAN KLEIN: ON AN AFFIRMATIVE STATEMENT,
23 I THINK THAT WOULD TAKE THE POINT OF SAYING THAT WE ARE
24 MOVING THIS RECOMMENDATION AND EMPHASIZING THAT
25 CALIFORNIA HAS PUT A PROHIBITION OF HUMAN REPRODUCTIVE

1 CLONING IN THE STATE CONSTITUTION, AND IT IS ALSO A
2 MATTER OF STATE LAW, SO WE HAVE DOUBLE PROTECTION IN
3 CALIFORNIA TO MAKE IT EXTRAORDINARILY CLEAR WHAT OUR
4 PURPOSE IS.

5 DR. LEVEY: YES. IN THIS DOCUMENT, JOAN, IT
6 DOES MAKE IT PERFECTLY CLEAR THAT THERE SHOULD NOT BE
7 REPRODUCTIVE CLONING.

8 CHAIRMAN KLEIN: JOAN IS AWARE OF THAT, BUT
9 SHE WANTS, THOUGH, FOR THE RESOLUTION PURPOSES, TO MAKE
10 IT CLEAR TO THE PUBLIC, THAT THIS IS A VERY CLEAN LINE
11 IN ADDITION TO WHAT'S IN THE STANDARDS THAT WE'RE
12 ADOPTING.

13 MS. SAMUELSON: IT'S JUST TO PUT IT IN VERY
14 PLAIN ENGLISH, NOT USING IN VITRO OR ANY OTHER WORDS
15 THAT AREN'T OBVIOUS TO THE LAY PUBLIC.

16 CHAIRMAN KLEIN: PUBLIC COMMENT. SEEING NO
17 PUBLIC COMMENT --

18 MR. REED: I WOULD JUST LIKE TO AGREE WITH
19 JOAN SAMUELSON, THAT WE REALLY NEED TO MAKE IT CLEAR.
20 JUST MAKE -- TAKE A COUPLE SENTENCES, SAY SOMETHING
21 LIKE THE FACT THAT THERE IS NO SPERM, NO UTERUS, NO
22 PREGNANCY, NO BABY AT ALL, JUST OVERKILL THAT BECAUSE
23 THAT'S THE NO. 1 THING THAT THEY KEEP HITTING US AGAIN
24 AND AGAIN AND AGAIN WITH IT. IT MUST BE CRYSTAL CLEAR.
25 THANK YOU.

1 CHAIRMAN KLEIN: DR. PAUL BERG. WE HAVE THE
2 HONOR TODAY OF HAVING DR. PAUL BERG, WHO WON A NOBEL
3 PRIZE FOR RECOMBINANT DNA, AND ONE OF THE GREAT
4 ADVISORS, SCIENTIFIC ADVISORS, IN THE COURSE OF THIS
5 INITIATIVE. IT IS A DISTINCT PRIVILEGE, DR. BERG, TO
6 HAVE YOU WITH US.

7 DR. BERG: THANK YOU. I JUST WANTED TO GET
8 UP AND MAKE ONE COMMENT. I THINK A VERY USEFUL TERM,
9 TO SORT OF DEFRAY THE CONCERN ABOUT THE GENERAL PUBLIC,
10 IS TO KEEP REFERRING TO WHAT WE'RE MAKING AS
11 PATIENT-SPECIFIC STEM CELLS. I THINK I LIKE THAT TERM.
12 I HEARD IT FIRST FROM AN AUSTRALIAN INVESTIGATOR. I
13 THINK ACTUALLY, IF I'M NOT MISTAKEN, THE SOUTH KOREANS
14 HAVE BEGUN TO USE THE SAME TERM.

15 WE CAN TALK ABOUT PATIENT-SPECIFIC STEM CELLS
16 AND DISEASE-SPECIFIC STEM CELLS. THAT'S WHAT THE
17 PROGRAM IS ABOUT. I THINK EMPHASIZING THAT HAS A
18 CONNOTATION WHICH I THINK IS VERY HELPFUL. IT
19 EMPHASIZES THE DISEASE THERAPY IDEA WITHOUT USING THE
20 TERMS "THERAPEUTIC CLONING." IT'S DISEASE-SPECIFIC AND
21 PATIENT-SPECIFIC STEM CELLS.

22 MR. SHESTACK: I JUST WANTED TO -- FOR OUR
23 OWN COMMUNICATIONS IN THE FUTURE, I NOTICED THIS IN THE
24 KOREAN ARTICLE, AND I FIND THAT WHEN WE TALK ABOUT
25 THERAPEUTIC CLONING, IT ALWAYS INCLUDES ITS COROLLARY,

1 WHICH IS REPRODUCTIVE CLONING. AND CLONING MEANS TO
2 MOST PEOPLE MAKING LITTLE COPIES OF LITTLE PEOPLE. AND
3 IF WE CAN ACTUALLY -- AND DOESN'T -- IN THE WHOLE
4 EXPRESS WHAT IT IS WE'RE DOING OR TRYING TO DO. SO I
5 WOULD SUGGEST THAT WE ACTUALLY START INTERNALLY TRYING
6 TO CHANGE OUR VOCABULARY ON THIS, AND PERHAPS THE REST
7 OF THE WORLD WILL FOLLOW.

8 CHAIRMAN KLEIN: I THINK DR. BERG'S DIRECTION
9 IS AN EXCELLENT ONE IN THAT REGARD.

10 DR. POMEROY: JUST ONE SORT OF ADDITIONAL
11 POINT TO CLARIFY THE MOTION, THAT THE IMPLICATION OF
12 ADOPTING THESE AS INTERIM STANDARDS IS THAT WE WILL
13 HAVE AN EXTENSIVE PUBLIC HEARING PROCESS ABOUT THESE.
14 AND THAT IF THERE IS ANYTHING THAT'S NOT APPROPRIATE TO
15 THE STATE OF CALIFORNIA, THAT'S SOMETHING THAT THE
16 STANDARDS GROUP WILL MAKE RECOMMENDATIONS TO US ABOUT.
17 I THINK IT'S VERY IMPORTANT TO MAKE THAT PROCESS CLEAR.

18 CHAIRMAN KLEIN: I THINK IT'S -- IN MAKING
19 THE MOTION, IT'S OUR UNDERSTANDING THAT, IN FACT, WE
20 WILL BE ADOPTING THESE AS INTERIM REGULATIONS, BUT
21 PURSUANT TO THE INTENDED STRUCTURE LAID OUT IN THE
22 INITIATIVE, THESE WOULD THEN BE REFERRED TO THE
23 STANDARDS WORKING GROUP, AND THE STANDARDS WORKING
24 GROUP WILL BEGIN THIS PROCESS OF PUBLIC HEARINGS WITH
25 OVERSIGHT BY THE BOARD.

1 ALL RIGHT. SO IS THE MAKER OF THE MOTION, IS
2 IT ACCEPTABLE TO HAVE THAT UNDERSTANDING?

3 DR. HENDERSON: CERTAINLY IS. ALSO, I MIGHT
4 ADD, THE COMMENT DR. HALL MADE ABOUT DIRECTLY
5 CONTACTING THE ACADEMY ABOUT ITS CONTINUED LEADERSHIP
6 IN THIS AREA IS AN IMPORTANT THING TO DO AS WELL.

7 CHAIRMAN KLEIN: OKAY. SO AS I UNDERSTAND
8 THE MOTION THAT WE'RE GOING TO VOTE ON, WE ARE
9 PROPOSING TO ADOPT THESE REGULATIONS. I WILL GET TO
10 THE PUBLIC COMMENT IN JUST A SECOND. WE ARE PROPOSING
11 TO ADOPT THESE REGULATIONS PROSPECTIVELY APPLIED SO
12 THAT IT DOES NOT LIMIT THE USE OF EXISTING STEM CELL
13 LINES OR BIOLOGICAL MATERIALS OR RESEARCH. IT IS
14 SPECIFICALLY UNDERSTOOD THAT INSTITUTIONS CAN
15 COLLABORATIVELY FULFILL THE REQUIREMENTS IN THE REVIEW
16 FUNCTIONS. IT IS SOMETHING THAT SPECIFICALLY WAS NOT
17 ADDRESSED, BUT IT IS OUR UNDERSTANDING THAT IT WILL
18 ENHANCE THE QUALITY OF THAT REVIEW FUNCTION IF WE
19 PROCEED WITH THAT UNDERSTANDING, AND THAT WE ARE
20 REFERRING THIS TO THE STANDARDS WORKING GROUP TO BEGIN
21 THE HEARING PROCESS THAT IS LAID OUT AND SPECIFIED,
22 INCLUDING THE PUBLIC HEARING AND ADMINISTRATIVE
23 PROCEDURES ACT PUBLICATIONS.

24 ADDITIONAL PUBLIC COMMENT?

25 MR. CLAEYS: I JUST WANTED TO UNDERSCORE A

1 POINT THAT WAS MADE EARLIER ABOUT THE NUMBER OF WAYS
2 THAT THE CIRM AND THE ICOC ARE LEADING THE COUNTRY. I
3 THINK THERE'S A TREMENDOUS OPPORTUNITY AND
4 RESPONSIBILITY TO LEAD IN EDUCATING THE PUBLIC AND IN
5 EDUCATING COMMENTATORS. I HAPPENED TO SEE THE SAME
6 SHOW, I BELIEVE, THAT DR. KESSLER SAW. AND THE
7 SLIPPERY SLOPE THAT THE COMMENTATOR REFERRED TO WAS A
8 LOGICAL SLOPE, BUT SCIENTIFICALLY COMPLETELY INVALID.

9 HE WAS TALKING ABOUT THE GROWING NEED TO
10 HARVEST OLDER AND OLDER CELLS OR OLDER AND OLDER
11 FETUSES AND USING VERY INFLAMMATORY RHETORIC, WHEN, IN
12 FACT, AS WE ALL KNOW, THE GOAL IS TO GET YOUNGER AND
13 UNDIFFERENTIATED CELLS. AND THERE WAS NOBODY EQUIPPED
14 ON THAT PANEL TO COUNTER WHAT HE HAD TO SAY, AND SO
15 THAT MISIMPRESSION WAS LEFT OUT THERE FOR EVERYBODY WHO
16 WAS WATCHING.

17 AND SO I THINK THERE'S A TREMENDOUS
18 OPPORTUNITY HERE TO COUNTER THOSE ARGUMENTS AND TO
19 EDUCATE THE PUBLIC AND THE PUBLIC COMMENTATORS.

20 CHAIRMAN KLEIN: WELL, I SPECIFICALLY
21 RECOGNIZE YOU HAVE, I BELIEVE, A STRONG BACKGROUND WITH
22 THE MICHAEL J. FOX FOUNDATION NATIONALLY. WOULD YOU
23 LIKE TO IDENTIFY FOR THE PUBLIC AND BOARD MEMBERS, WHO
24 DON'T KNOW YOUR BACKGROUND, YOUR BACKGROUND EXPERIENCE?

25 MR. CLAEYS: NO. MY NAME IS MICHAEL CLAEYS.

1 I DID WORK FOR THE PARKINSON'S ACTION NETWORK AND THE
2 MICHAEL J. FOX FOUNDATION, AND THROUGH THAT EXPERIENCE
3 HAD THE BENEFIT OF SITTING IN THE ROOM WITH A LOT OF
4 SCIENTISTS WHO TALKED ABOUT THESE ISSUES. BUT ALSO HAD
5 THE BENEFIT OF UNDERSTANDING THE NEED TO TAKE THOSE
6 CONVERSATIONS FROM THE LAB OR FROM THE SCIENTIFIC
7 DISCUSSION AND TRANSLATE THEM TO THE PUBLIC AND TO
8 POLICYMAKERS.

9 AND MUCH GETS LOST IN THAT TRANSLATION, AS
10 I'M SURE YOU WELL KNOW, AND I THINK THAT THERE'S A REAL
11 OPPORTUNITY HERE FOR THE MEMBERS OF THIS BOARD AND THE
12 PUBLIC FORUM, THAT IS THE PUBLIC PLATFORM, AND THE
13 ATTENTION THAT YOU ALL HAVE RIGHT NOW OF THE COUNTRY
14 AND THE WORLD TO LEAD IN THIS ADDITIONAL WAY OF
15 EDUCATING THE PUBLIC, CHANGING THE RHETORIC THAT
16 SURROUNDS THESE SCIENTIFIC TECHNOLOGIES, AND TO REALLY
17 RAISE THE BAR IN THAT WAY AS YOU'RE ENDEAVORING TO
18 RAISE THE BAR IN SO MANY OTHER WAYS.

19 CHAIRMAN KLEIN: THANK YOU VERY MUCH. WE
20 HAVE A MOTION. THERE WAS A CALL FOR THE QUESTION. IF
21 WE'RE PREPARED FOR THAT, WE'D ASK ALL IN FAVOR SAY AYE.
22 OPPOSED? PASSED UNANIMOUSLY.

23 AND LET US COMMUNICATE TO THE NATIONAL
24 ACADEMY OUR DEEP GRATITUDE FOR THE TREMENDOUS EFFORT
25 THAT THEY MADE. AND I THINK IT'S APPROPRIATE TO ALSO

1 COMMUNICATE TO THE REVIEW GROUPS AROUND THE COUNTRY
2 THAT GAVE THEIR BEST AND BRIGHTEST FOR THE REVIEW OF
3 THE NATIONAL ACADEMY STANDARDS. HOPEFULLY THIS IS A
4 GREAT DAY FOR THE NATION AND FOR CALIFORNIA IN SETTING
5 THE BAR HIGH IN ADOPTING STANDARDS DEVELOPED WITH THE
6 BEST MINDS IN THE NATION IN MEDICAL THERAPIES.

7 I'D LIKE, RECOGNIZING THAT DR. PAUL BERG IS
8 HERE, AND KNOWING THAT HE HAS SOME TIME CONSTRAINTS,
9 I'D LIKE TO IN THE CHAIRMAN'S REPORT, WHICH IS REALLY
10 TO FOCUS ON STATE AND FEDERAL LEGISLATION TODAY, TO
11 REVERSE THE ORDER AND TO BEGIN THE REVIEW WITH STATE
12 LEGISLATION WITH INPUT FROM DR. PAUL BERG.

13 DR. BERG, IF WE COULD GET YOUR COMMENTS, AND
14 WE THANK YOU VERY MUCH FOR COMING.

15 DR. BERG: THANK YOU FOR THE OPPORTUNITY TO
16 PRESENT MY VIEWS ON SCA 13 CONCERNING THE OPERATION OF
17 CIRM. IN MY VIEW, IF PASSED, THE PROVISIONS WOULD
18 CRIPPLE CIRM'S ABILITY TO OPERATE AND IMPERIL THE
19 PROGRESS OF STEM CELL RESEARCH IN CALIFORNIA.

20 SENATOR ORTIZ' SPONSORSHIP OF SCA 13 IS ALL
21 THE MORE SURPRISING CONSIDERING THAT SHE WAS ONE OF THE
22 ORIGINATORS OF THE PROP 71 INITIATIVE, UNDERSTOOD FULL
23 WELL HOW CIRM WOULD OPERATE, AND CAMPAIGNED ACTIVELY
24 AND PASSIONATELY FOR ITS PASSAGE. SO IT'S DOUBLY
25 PUZZLING THAT SCA 13 IS BEING RUSHED THROUGH THE

1 LEGISLATURE EVEN BEFORE THE ADMINISTRATIVE MANDATE SET
2 FORTH IN THE BALLOT INITIATIVE HAVE EVEN BEEN
3 IMPLEMENTED.

4 DURING MORE THAN 50 YEARS AS A SCIENTIST,
5 I'VE SERVED EXTENSIVELY ON BOTH NIH, NSF, AND A VARIETY
6 OF INSTITUTIONAL ADVISORY BOARDS, MOST OF THEM
7 IMPANELED TO EVALUATE AND AWARD RESEARCH IN TRAINING
8 GRANTS AT BOTH ACADEMIC AND RESEARCH INSTITUTIONS. IN
9 NO CASE WAS THERE EVER A QUESTION OF HOLDING THOSE
10 REVIEWS IN A PUBLIC FORUM. RELYING ON THE PEER REVIEW
11 SYSTEM FOR EVALUATING THE MERITS OF PROPOSALS
12 NECESSITATES A FRANK AND FREQUENTLY BRUISING EXCHANGE
13 OF VIEWS AMONG THE REVIEWERS, OFTEN LEADING TO OPPOSING
14 CONCLUSIONS, BUT IN THE END A CONSENSUS VALUATION IS
15 MOST FREQUENTLY REACHED.

16 THAT WILL NOT HAPPEN IN AN OPEN MEETING WHERE
17 THE COMMENTS ARE LIKELY TO BE MUTED AND CIRCUMSPECT.
18 REVIEWS OF RESEARCH, AS WELL AS THE POTENTIAL AND
19 PROSPECT FOR FURTHER PROGRESS ARE LIKELY TO BE TIMID
20 AND UNTRUSTWORTHY IN OPEN MEETINGS. I PREDICT THAT A
21 SUBSTANTIAL NUMBER OF THE OUTSTANDING SCIENTISTS THAT
22 HAVE ALREADY BEEN RECRUITED TO EVALUATE FUNDING
23 PROPOSALS FOR CIRM WILL NOT TOLERATE OPEN MEETINGS AND
24 MAY RENEGE ON THEIR AGREEMENT TO SERVE.

25 FURTHERMORE, GRANT APPLICANTS WILL BE

1 UNWILLING TO HAVE THEIR IDEAS, PRELIMINARY RESULTS, AND
2 EXPERIMENTAL PROTOCOLS DISCLOSED IN A PUBLIC MEETING.
3 IF FORCED TO DO SO, THE QUALITY OF THE SUBMISSIONS WILL
4 CERTAINLY BE COMPROMISED.

5 TURNING TO ANOTHER PROVISION IN SCA 13, YOU
6 ARE UNDOUBTEDLY AWARE THAT THE CURRENT NIH GUIDELINES
7 ADDRESSING CONFLICT OF INTEREST HAVE DRAWN THE IRE AND
8 RIDICULE OF THE ENTIRE SCIENTIFIC COMMUNITY, EVEN THOSE
9 WHO ARE CHARGED WITH ENFORCING THEM. INDEED, THERE IS
10 PRESENTLY SUFFICIENT BACKTRACKING AND EVEN INDICATIONS
11 OF DRASTIC REVISIONS EMANATING FROM THE OFFICIALDOM
12 THAT PROMULGATED THEM.

13 I JUST CAME FROM MEETING WITH THE SECRETARY
14 OF THE HHS, WHO BRIEFED US ON SOME OF THE REVISIONS
15 THAT ARE TRYING TO SOFTEN THE IMPACT OF THE ORIGINAL
16 PUBLISHED GUIDELINES. BEAR IN MIND IN THAT FEW, IF
17 ANY, OF THE INDIVIDUALS WHO ACT IN AN ADVISORY CAPACITY
18 FOR THE NIH OR, I SUSPECT, HHS ARE OBLIGED TO ABIDE BY
19 THE PROPOSED DIVESTITURE RULES. BUT WHAT LOGIC CAN
20 THEY BE IMPOSED ON INDIVIDUALS WHEN NOT EMPLOYEES OF
21 THE STATE AND WHO VOLUNTARILY COMMIT SUBSTANTIAL TIME
22 AND ENERGY IN ADVISORY CAPACITIES GENERALLY WITH
23 MINIMAL MONETARY COMPENSATION.

24 I DARE SAY THAT THE ICOC COULD NOT EXIST IN
25 ITS PRESENT FORM IF ITS MEMBERS WERE REQUIRED TO

1 CONFORM TO THE CURRENT NIH CONFLICT OF INTEREST POLICY.
2 I BELIEVE THAT THE ICOC SHOULD CONSIDER ADOPTING THE
3 CONFLICT OF INTEREST POLICY THAT HAS BEEN IN EFFECT FOR
4 THE NATIONAL ACADEMIES OF SCIENCE AND THE NATIONAL
5 RESEARCH COUNCIL COMMITTEES AND COMMISSIONS. MEMBERS
6 OF THESE ADVISORY BODIES DECLARE ALL POTENTIAL
7 CONFLICTS OF INTEREST, FINANCIAL AND OF COMMITMENT, AND
8 FOR THE PUBLIC RECORD. ONLY IN UNUSUAL CIRCUMSTANCES
9 DOES THAT DISQUALIFY A PANEL MEMBER FROM ACTUALLY
10 PARTICIPATING IN THE DISCUSSIONS AND DECISIONS.

11 THERE'S NOT TIME TO COMMENT ON THE OTHER
12 PROVISIONS OF SCA 13, BUT EFFORTS TO PROSCRIBE COMPLEX
13 MEDICAL COVERAGE SCHEDULES FOR DELIVERY OF THERAPIES
14 DERIVED FROM CIRM-SPONSORED RESEARCH IS AT PRESENT
15 PREMATURE AND UNWARRANTED. THE SAME CAN BE SAID FOR
16 INCORPORATING MANDATES FOR RECOUPING THE COSTS FOR
17 OUTLAYS FOR PATENT APPLICATIONS. PRESUPPOSITIONS THAT
18 THERE WILL BE SUBSTANTIAL ROYALTY STREAMS FROM CIRM'S
19 PATENTED RESEARCH DISCOVERIES ARE COUNTING ONE'S
20 CHICKENS LONG BEFORE THEY'VE EVEN BEEN CONCEIVED.
21 THANK YOU.

22 CHAIRMAN KLEIN: THANK YOU, DR. BERG. IT IS,
23 AGAIN, A PRIVILEGE TO HAVE YOU HERE.

24 DR. BERG FOCUSED ON SCA 13, AND I WANT TO SAY
25 THAT UNDER THE REVIEW OF STATE LEGISLATION, WE WILL

1 ALSO BE REVIEWING THE ASSEMBLY RESOLUTIONS, SEVERAL OF
2 WHICH WE ARE SUPPORTIVE OF ON A STAFF LEVEL, AND WE'RE
3 BRINGING THEM TO THE BOARD WITH RECOMMENDATIONS FOR
4 SUPPORT FOR THE BOARD TO DETERMINE WHETHER THE BOARD
5 WOULD LIKE TO SUPPORT THEM AT THE BOARD LEVEL.

6 BUT SINCE WE HAVE STARTED ON SCA 13, I
7 BELIEVE IT WOULD BE APPROPRIATE TO COMPLETE THAT ITEM
8 BEFORE GOING TO THE OTHER ITEMS UNDER THE STATE
9 LEGISLATION.

10 AS BACKGROUND, IT IS IMPORTANT TO NOTE THAT
11 WE ARE DISCUSSING THIS LEGISLATION AND WHETHER WE ARE
12 GOING TO TAKE A POSITION IN OPPOSITION BASED UPON ITS
13 CURRENT LANGUAGE. AND DR. BERG'S DESCRIPTION, THAT
14 THIS LEGISLATION WOULD CRIPPLE THE INSTITUTE, I
15 BELIEVE, IS QUITE APPROPRIATE GIVEN ITS CURRENT
16 LANGUAGE. THAT DOES NOT MEAN THAT THE LANGUAGE CANNOT
17 BE CHANGED IN THE FUTURE.

18 I WOULD ALSO CALL TO YOUR ATTENTION THAT
19 SENATOR ORTIZ MAY HAVE MANY OF THE SAME GOALS THAT WE
20 DO, BUT IT IS THE LANGUAGE ITSELF THAT IS CRIPPLING OR
21 POTENTIALLY CRIPPLING TO THE INSTITUTION. SO WHILE WE
22 CAN BE SUPPORTIVE OF COMMON GOALS, THE LANGUAGE IS
23 EXTRAORDINARILY IMPORTANT. AND IF THE LANGUAGE IS NOT
24 CLEAR, THAT ITSELF IS A RISK TO THE INSTITUTE.

25 AS WE'VE SEEN, THE OPPOSITION HAS A VERY

1 AGGRESSIVE LITIGATION STRATEGY. AND WITH LANGUAGE THAT
2 IS UNCLEAR, WE HAVE FULL KNOWLEDGE THAT THE OPPOSITION,
3 ONCE WE GET THROUGH WITH THE CONSTITUTIONAL CHALLENGES
4 TO THE BONDS, WOULD THEN TURN TO EXPLORE THE ABILITY TO
5 LITIGATE ON ANY AREA OF AMBIGUITY INTRODUCED BY NEW
6 LEGISLATION.

7 SO WE HAVE TO BE VERY CAREFUL TO MAKE CERTAIN
8 THAT WE BRING TO THE ATTENTION OF THE LEGISLATURE THAT
9 RUSHING THROUGH A PROCESS IN WHICH WE ARE NOT ABLE TO
10 BE HEARD ON THESE ISSUES IS A GRAVE RISK FOR THIS
11 INITIATIVE.

12 THE ISSUES WITH THIS LEGISLATION, FRANKLY,
13 AROSE AFTER THE CAMPAIGN WAS OVER. AS PAUL BERG
14 POINTED OUT, DURING THE CAMPAIGN, SENATOR ORTIZ DEBATED
15 THE OTHER SIDE OF ALMOST ALL OF THESE POSITIONS. AND I
16 PERSONALLY ONLY LEARNED OF THESE ISSUES ABOUT A WEEK
17 AFTER THE CAMPAIGN WAS OVER WHEN, FOR THE FIRST TIME,
18 SENATOR ORTIZ AT A MEETING I WAS AT AT STANFORD
19 UNIVERSITY RAISED THE ISSUES. AND I WOULD LIKE TO
20 COMMUNICATE THAT I IMMEDIATELY AFTER HER PRESENTATION
21 INDICATED THAT I'D LIKE HER TO REALIZE THAT WE TOOK HER
22 POSITIONS VERY SERIOUSLY, WOULD LIKE TO GET TOGETHER
23 WITH THE SCIENCE COMMITTEE TO DISCUSS THEM, ON LEGAL
24 ISSUES TO GET TOGETHER WITH ANY OF THE ATTORNEYS AND
25 ANYONE THAT SHE WISHED TO HAVE ATTEND.

1 SENATOR ORTIZ DECIDED THAT THEY DID NOT WANT
2 TO MEET WITH ANY OF THOSE GROUPS. AND WHEN SHE WAS
3 INVITED TO THE WORKSHOP OF THE NATIONAL ACADEMIES TO
4 DISCUSS MANY OF THE ISSUES ON WHICH SHE HAS A PROBLEM
5 WITH, INCLUDING CONFLICTS OF INTEREST, INCLUDING
6 CONSENT, INFORMED CONSENT, THAT WAS ON DECEMBER 6TH AND
7 7TH, SHE CHOSE NOT TO ATTEND THOSE MEETINGS AND, IN
8 FACT, RELEASED A NEWS RELEASE ON THE SAME DAY AS THE
9 BEGINNING OF THOSE MEETINGS INDICATING THAT SHE WAS
10 GOING TO GO OFF IN ANOTHER DIRECTION WITHOUT CONFERRING
11 WITH THE BEST AND BRIGHTEST MINDS OF THE NATION, WHICH
12 THE NATIONAL ACADEMY HAD MADE THIS EXTRAORDINARY EFFORT
13 TO BRING TO CALIFORNIA.

14 SO IT'S OUR HOPE THAT WE CAN, AFTER TAKING
15 THE POSITION THAT WE DO TODAY, AGAIN CONTINUALLY REACH
16 OUT TO SENATOR ORTIZ BECAUSE I BELIEVE WE HAVE THE SAME
17 GOALS. THE ISSUE IS WE DON'T UNDERSTAND WHERE THESE
18 POSITIONS CAME FROM. THESE POSITIONS THAT ARE IN SCA
19 13, I BELIEVE, WOULD DESTROY THE PROP 71 AND THE
20 INSTITUTE AND OUR ABILITY TO FUND THE BEST AND THE
21 BRIGHTEST SCIENCE IN THIS STATE.

22 IT IS HAS BEEN EXTREMELY FRUSTRATING TO TRY
23 AND GET OUR POSITION REPRESENTED OR THE POSITIONS OF
24 OTHER EXPERTS IN THE STATE REPRESENTED. ON THE INITIAL
25 INFORMATIONAL HEARING OF SENATOR ORTIZ, WE ACTUALLY HAD

1 AN EXTRAORDINARILY DIFFICULT TIME IN EVEN DEALING WITH
2 THE STAFF OF THE SENATE HEALTH COMMITTEE BECAUSE THEY
3 REFUSED TO ALLOW THE SUGGESTED WITNESSES THAT WERE
4 EXPERTS IN THESE AREAS TO TESTIFY.

5 AND IN SPECIFIC, DR. SUSAN HACKWOOD, WHO IS
6 EXECUTIVE DIRECTOR OF THE CALIFORNIA COUNCIL ON SCIENCE
7 AND TECHNOLOGY, AFTER TWO WEEKS OF VERY STRONG
8 DISCUSSION, WHEN WE POINTED OUT THE ASSEMBLY CONCURRENT
9 RESOLUTION 252 HAD MANDATED THAT THE INTELLECTUAL
10 PROPERTY POLICY OF THE STATE BE RESEARCHED BY A TASK
11 FORCE OF THE CALIFORNIA COUNCIL OF SCIENCE AND
12 TECHNOLOGY, THE STATE EQUIVALENT OF THE NATIONAL
13 ACADEMIES, AND THAT WE BELIEVE THAT THEIR EXECUTIVE
14 DIRECTOR SHOULD BE INVITED TO SPEAK AT THAT INITIAL
15 HEARING, THE STAFF AGREED TO HAVE DR. SUSAN HACKWOOD ON
16 THE AGENDA. AND THEN A FEW DAYS LATER REMOVED HER FROM
17 THE AGENDA, NOT ALLOWING HER TO BE A WITNESS.

18 WE ALSO ARE EXTRAORDINARILY TROUBLED BY THE
19 FACT THAT IT APPEARS THAT THE HEARINGS, FOR EXAMPLE, IN
20 THE CONSTITUTIONAL -- THE SENATE ELECTIONS COMMITTEE,
21 WHICH CONSIDERS CONSTITUTIONAL AMENDMENTS, WAS
22 SCHEDULED SPECIFICALLY ON THE DAY WE HAD A PRESIDENTIAL
23 SEARCH PUBLIC HEARING NOTICED AND SCHEDULED.

24 SO WE ARE NOT BEING GIVEN AN ADEQUATE
25 OPPORTUNITY TO BRING FORWARD THE EXPERTS AROUND THE

1 STATE. IN PARTICULAR THIS WAS TROUBLING BECAUSE IT HAS
2 PREVIOUSLY BEEN SCHEDULED TO HAVE THAT HEARING A MONTH
3 IN THE FUTURE. SO WE WERE ABLE -- WE WOULD THEN HAVE
4 BEEN ABLE TO BRING EXPERTS FROM AROUND THE STATE TO
5 THAT HEARING. BUT NOT ONLY WAS IT RESCHEDULED, MOVING
6 IT UP A MONTH, BUT WE WERE NOT TOLD UNTIL LATE ON A
7 FRIDAY AFTERNOON WITH THE HEARING THEN BEING SET ON THE
8 FOLLOWING WEDNESDAY, GIVING US 48 HOURS BEFORE THAT
9 HEARING OCCURRED. WE SENT A LAWYER REPRESENTING THE
10 INSTITUTE, GIVEN THAT WE HAVE ONLY ONE GOVERNMENT
11 RELATIONS PERSON ON THE STAFF, AND WE HAD PUBLIC
12 HEARINGS IN PROGRESS THAT THE AUTHOR WAS AWARE OF, SO
13 THAT WE WOULD AT LEAST BE ABLE TO GET ON THE RECORD.

14 NOW, I WILL POINT OUT AS WELL THAT
15 EXTRAORDINARILY IMPORTANT INFORMATION HAS NOT SURFACED
16 IN THIS PROCESS, INCLUDING IN THE SENATE HEALTH
17 COMMITTEE. THERE WAS A VERY THOUGHTFUL LETTER
18 EXPRESSING SERIOUS CONCERNS ON THIS LEGISLATION THAT
19 WAS BROUGHT FORTH AND SIGNED BY JOINTLY THE PRESIDENT
20 OF STANFORD, DR. HENNESSEY, THE PRESIDENT OF USC,
21 DR. SAMPLE; THE PRESIDENT OF CALTECH, OUR OWN DR. DAVID
22 BALTIMORE; AND THE PRESIDENT OF THE ENTIRE US SYSTEM,
23 DR. BOB DYNES. SO THAT LETTER, WE KNOW, WAS IN THE
24 HANDS OF THE AUTHOR AS CHAIRPERSON, YET IT WASN'T READ
25 INTO THE RECORD, AS FAR AS WE CAN TELL. IT WASN'T

1 DISTRIBUTED TO THE PUBLIC. AND SO THE PUBLIC HAD NO
2 WAY OF KNOWING THAT, IN FACT, THERE WAS VERY SERIOUS
3 CONCERNS EXPRESSED IN AN EXTRAORDINARY LETTER BY FOUR
4 OF THE MOST EMINENT EDUCATORS IN THE STATE OF
5 CALIFORNIA REPRESENTING EXTRAORDINARY UNIVERSITIES.

6 THIS IS NOT THE POLICY AND PROCESS THAT I'M
7 AWARE OF BECAUSE, OF COURSE, AS PART OF MY PERSONAL
8 HERITAGE, I HAD THE PRIVILEGE OF WORKING FOR THE
9 LEGISLATURE, BOTH IN THE ASSEMBLY AND THE SENATE, IN
10 WRITING THE CALIFORNIA HOUSING FINANCE AGENCY STATUTE
11 IN 1976 AND 1977, WHICH WAS AN EXTREMELY THOUGHTFUL
12 PROCESS WITH FULL HEARINGS, WITH THE FULL RIGHT OF
13 WITNESSES, WITH NOTICE THAT WAS PARTICULAR OUTREACH TO
14 MAKE SURE PEOPLE COULD PARTICIPATE IN THOSE HEARINGS.

15 NOW, WE ARE VERY HOPEFUL THAT THIS THURSDAY
16 WE WILL HAVE AN OPPORTUNITY TO PARTICIPATE IN AN
17 APPROPRIATIONS HEARING THAT WILL OCCUR WITH SENATOR
18 MIGDEN BEING THE CHAIR OF THE APPROPRIATIONS COMMITTEE.
19 THIS WILL BE OUR FIRST OPPORTUNITY. NOW, WE UNDERSTAND
20 THAT APPROPRIATIONS DOES FOCUS ON FINANCIAL ISSUES, AND
21 THERE ARE MANY ISSUES OF SUBSTANCE WE DIDN'T HAVE AN
22 OPPORTUNITY TO PRESENT ON AND ISSUES RELATED TO WHETHER
23 THE PROPER -- WHETHER THE MATTERS IN THIS
24 CONSTITUTIONAL AMENDMENT ARE PROPERLY IN A
25 CONSTITUTIONAL AMENDMENT WE WOULD HAVE REALLY WANTED TO

1 BE ABLE TO ADDRESS THOROUGHLY WITH EXPERTS IN THE
2 CONSTITUTIONAL AMENDMENT COMMITTEE.

3 BUT I UNDERSTAND AS EARLY AS THIS MORNING
4 THERE WERE ATTEMPTS TO, IN FACT, POTENTIALLY REMOVE OUR
5 RIGHTS TO HAVE THAT ABILITY TO DO THE PRESENTATION ON
6 THURSDAY. BUT IT'S MY UNDERSTANDING THAT SENATOR
7 MIGDEN IS INSISTING THAT WE REALLY HAVE AN OPPORTUNITY
8 TO MAKE A PRESENTATION. THERE WAS AN ATTEMPT BY AUTHOR
9 TO SCHEDULE THE HEARING IN THAT COMMITTEE TODAY,
10 ANOTHER NOTICED HEARING THAT THE AUTHOR WAS AWARE WE
11 WOULD HAVE THE BOARD TIED UP IN AND OUR LEADERSHIP TIED
12 UP IN TO DISCUSS LEGISLATION.

13 NOW, ON THE OTHER SIDE I WOULD SAY THAT I
14 HAVE GREAT FAITH IN THIS LEGISLATIVE PROCESS THAT THERE
15 WILL BE OPPORTUNITIES. AND, IN FACT, I WOULD POINT OUT
16 IN ITEMS WE WILL COVER LATER THAT THE ASSEMBLY HAS BEEN
17 VERY THOUGHTFUL IN ITS APPROACH AND HAS, IN SETTING UP
18 THIS EXPERT GROUP, THE CALIFORNIA COUNCIL ON SCIENCE
19 AND TECHNOLOGY, THEY LOOKED FORWARD FROM LAST FALL IN
20 PASSING THE RESOLUTION TO INITIATE THAT PROCESS,
21 UNDERSTANDING IT WOULD BE A LONG PROCESS.

22 AND ON DECEMBER 17TH, THE VERY FIRST DAY WHEN
23 I WAS ELECTED, I ACCEPTED THE INVITATION OF THE SCIENCE
24 AND TECHNOLOGY COUNCIL TO HAVE TWO OF OUR BOARD MEMBERS
25 SERVE ON THAT TASK FORCE AND PARTICIPATE IN THE

1 DEVELOPMENT OF THAT POLICY. WHILE WE KNOW THE SCIENCE
2 AND TECHNOLOGY COUNCIL ITSELF IS THE LEAD PARTICIPANT,
3 AT LEAST WE HAVE REPRESENTATIVES THERE THAT CAN RAISE
4 ISSUES OF IMPORTANCE.

5 AND DR. SUSAN BRYANT AND MICHAEL GOLDBERG
6 FROM THIS BOARD SERVE IN COOPERATION WITH THE
7 ASSEMBLY'S EFFORT TO MOVE FORWARD WITH A THOUGHTFUL --
8 A THOUGHTFUL AND EXPERT REVIEW OF THE INTELLECTUAL
9 PROPERTY POLICY OF THE STATE, AND WE LOOK FORWARD AT
10 THIS BOARD TO HEARING THEIR RECOMMENDATIONS IN TRYING
11 TO MOVE FORWARD WITH OUR INTELLECTUAL PROPERTY POLICY.
12 SO IT IS OUR INTENT TO REACH OUT AND COOPERATE WHENEVER
13 POSSIBLE WITH THE LEGISLATURE, AND WE APPLAUD THE
14 EFFORTS OF THE ASSEMBLY IN THEIR THOUGHTFUL AND
15 THOROUGH REVIEW AT AN EXPERT LEVEL OF INTELLECTUAL
16 PROPERTY POLICY.

17 WE DON'T UNDERSTAND THIS RUSH TO JUDGMENT IN
18 THE ORTIZ BILL, WHICH IS ATTEMPTING TO PUT INTO PLACE
19 AN ENTIRE POLICY ON INTELLECTUAL PROPERTY WITHOUT EVEN
20 HEARING THE ASSEMBLY'S TASK FORCE INPUT, WHICH WE FIND
21 TO BE VERY DISTURBING, AT LEAST I THINK FIND IT TO BE
22 VERY DISTURBING.

23 WITHOUT GOING THROUGH THE INDIVIDUAL SECTIONS
24 OF THIS BILL COMPLETELY, I WOULD LIKE TO OPEN THIS TO
25 BOARD COMMENT FIRST ON THE PEER REVIEW POLICIES OF THE

1 SENATE CONSTITUTIONAL AMENDMENT 13. VERY SPECIFICALLY
2 WE NEED TO DISCUSS WHAT THE SCA 13 LANGUAGE REALLY
3 MEANS SO THAT THE PUBLIC UNDERSTANDS WHAT OUR ISSUES
4 ARE WITH IT, HOW AMBIGUOUS -- DISCUSS HOW AMBIGUOUS
5 LANGUAGE COULD CREATE AN ISSUE, AND WHAT MECHANISMS
6 COULD BE CREATED TO INTERPRET OR IMPLEMENT THE
7 LANGUAGE.

8 CERTAINLY IT IS OUR INTENT, AS I SAID, TO
9 FIND WAYS TO MAKE COOPERATION POSSIBLE WHILE POINTING
10 OUT THE EXTRAORDINARY PROBLEMS THAT THE CURRENT
11 LANGUAGE WOULD PRODUCE. IN TERMS OF THE PEER REVIEW
12 LANGUAGE, I WOULD LIKE TO INDICATE THAT SENATOR ORTIZ
13 HAS MADE AN AMENDMENT THAT SAYS THAT SHE WOULD ALLOW US
14 TO HAVE SCIENTIFIC PROPRIETARY INFORMATION REMAIN
15 CONFIDENTIAL; HOWEVER, THE ACTUAL CRITICISM OF THE
16 SCIENTISTS, THE RECORD, WHETHER THEY HAVE CAPACITY TO
17 REALLY MOVE FORWARD APPROPRIATELY ON A GRANT
18 APPLICATION, WHETHER THEY HAVE THE KNOWLEDGE IN THE
19 SUBAREA, WHETHER THEIR STAFF IN THE INSTITUTION HAS THE
20 KNOWLEDGE TO PURSUE THIS, RIGHT NOW IN HER LANGUAGE IN
21 PEER REVIEW, SHE'S LEFT THAT ALL IN THE PUBLIC DOMAIN.

22 I THINK IT WOULD BE VERY HELPFUL TO HAVE SOME
23 BOARD DISCUSSION SPECIFICALLY POINTING OUT THE VALUE OF
24 PEER REVIEW.

25 ANY BOARD MEMBER WOULD LIKE TO DISCUSS THAT?

1 I KNOW THAT WE ALL HAVE DISCUSSED IT MANY TIMES, BUT
2 FOR THE BENEFIT OF THE PUBLIC, THE VALUE OF HAVING THE
3 REVIEW OF THE SCIENTISTS THEMSELVES AND THEIR PROPOSALS
4 AS VERSUS JUST ANY PATENTABLE INFORMATION REMAIN
5 PRIVATE AND CONFIDENTIAL.

6 MS. SAMUELSON: I'D LIKE TO RESPOND TO THAT,
7 BUT I THINK TAKING IT UP A LEVEL AND ALSO SIMPLY
8 SPEAKING AS A PATIENT AND VOTER, FIRST OF ALL. BECAUSE
9 BEING A MEMBER OF THIS COMMITTEE IS AN ENORMOUS HONOR
10 TO ME, BUT I'M ALSO A VOTER AND A PATIENT. AND I VOTED
11 FOR PROPOSITION 71, AND I CAN'T OVERSTATE THE IMMENSE
12 HOPE THAT THE PASSAGE OF THIS PROPOSITION GAVE ME.

13 I KNOW THIS -- THE TERMS OF THIS INITIATIVE
14 EXTREMELY WELL, AND IT PROMISES ME BREAKTHROUGH
15 THERAPIES FOR THE RELIEF OF PARKINSON'S DISEASE FAR
16 SOONER, I BELIEVE, THAN THEY WILL OTHERWISE BE
17 DELIVERED, AND THAT WILL MAKE THE DIFFERENCE OF IMMENSE
18 SUFFERING AVOIDED AND PERHAPS IT WILL SAVE MY LIFE.

19 AND SO I TAKE THIS VERY SERIOUSLY. AND I
20 LOOK AT THIS SERIES OF PROVISIONS THAT ARE COVERED BY
21 SCA 13, WHICH I'M LOOKING AT PAGE 3 OF 4 IN OUR
22 MATERIALS. AND EVERY ONE OF THESE WERE TASKS THAT WERE
23 ASSIGNED TO US BY THE VOTERS TO UNDERTAKE. AND WE HAVE
24 BEEN WORKING AS HARD AS WE POSSIBLY CAN. WE HAVE BEEN
25 BRINGING IN EXPERTS FROM, NOT ONLY THE ENTIRE REACH OF

1 UNITED STATES OF AMERICA, BUT AROUND THE WORLD.

2 AND I LEARNED IN MY BRIEF TUTORIAL OF TWO
3 DAYS IN IRVINE WHEN THE NATIONAL ACADEMIES CAME TO US
4 TO TUTOR US A BIT ON THE BREADTH OF ISSUES WE WERE
5 GOING TO BE FACING. JUST SIMPLY ON PATENTS ALONE, I
6 LEARNED THAT THAT ISSUE IS COMPLETELY INTERTWINED WITH
7 THE ISSUE OF WHETHER OR AND HOW FAST WE WOULD GET CURES
8 BECAUSE IT'S INTERTWINED WITH THE INCENTIVES TO
9 SCIENTISTS, IS INTERTWINED WITH THE ISSUE OF DELIVERING
10 REVENUE BACK TO THE STATE OF CALIFORNIA, WHICH WE'RE
11 GOING TO ENDEAVOR TO DO, AND WITH THE ISSUE OF PRICING,
12 AND THAT IT IS IMMENSELY COMPLICATED.

13 SO IT TOLD ME THAT WE'RE GOING TO HAVE AN
14 IMMENSELY DIFFICULT TASK HANDLING ALL OF THOSE WITH
15 DELIVERING A CURE AT THE FASTEST POSSIBLE SPEED, WHICH
16 IS OUR ULTIMATE MISSION, AND THAT WE WOULD NEED TO
17 BRING IN THE EXPERTS FROM AROUND THE WORLD TO HELP US
18 DO THAT AND DO IT IN A VERY DELIBERATE, CAREFUL WAY.

19 THE THOUGHT THAT THIS TASK IS BEING LIFTED
20 OFF OF OUR PLATE IN WHATEVER WAY IT'S BEING DONE IS
21 WRONG. THE VOTERS GAVE IT TO US, AND WE'RE ENDEAVORING
22 TO WORK AS FAST AND AS HARD AS WE CAN AND AS
23 INTELLIGENTLY. SO NOT ONLY WOULD THIS UNDERMINE THIS
24 PROCESS, BUT IT IS RISKING THE LIFESAVING OPPORTUNITY
25 THAT PROPOSITION 71 PROVIDES US. AND I THINK IT VERY

1 WELL CAN CAUSE HARM THAT WILL BE MEASURED EASILY IN
2 EXTRA SUFFERING AND DEATHS. AND THAT MAY SOUND
3 INFLAMMATORY, BUT I BELIEVE IT. AND I'M AFRAID THAT IT
4 WILL DO THAT, AND I BELIEVE THIS FROM THE BOTTOM OF MY
5 HEART, AND I'M SAYING THAT AS A PATIENT.

6 CHAIRMAN KLEIN: THANK YOU, JOAN.

7 DR. BIRGENEAU: BOB BIRGENEAU. SO HERE I
8 WILL SPEAK AS A LEADER OF ONE OUR PREMIERE PUBLIC
9 RESEARCH AND TEACHING UNIVERSITIES. OUR GREAT RESEARCH
10 AND TEACHING UNIVERSITIES IN THE UNITED STATES ARE --
11 AND THE WHOLE SYSTEM IS GENUINELY THE ENVY OF THE
12 WORLD. AND A FUNDAMENTAL -- ONE OF THE FUNDAMENTAL
13 BASES OF THAT IS THE FACT THAT WE ARE ABLE TO MAKE VERY
14 STRICT JUDGMENTS BOTH ON THE PEOPLE WE APPOINT TO OUR
15 PERMANENT FACULTIES AND ON THE RESEARCH THEY DO, BOTH
16 DONE THROUGH THE PEER REVIEW PROCESS.

17 AND IN TURN, IN ORDER TO HAVE A VIABLE PEER
18 REVIEW PROCESS, WE RELY ON PEERS BEING ABLE TO SAY
19 EXACTLY WHAT THEY THINK WITH -- IN A CANDID WAY WITHOUT
20 WORRY ABOUT THEIR VIEWS BEING PRESENTED PUBLICLY
21 BECAUSE, CLEARLY, IF THEY WERE PRESENTED PUBLICLY, THEN
22 VERY FEW PEOPLE WOULD BE WILLING TO GIVE US THE KIND OF
23 CANDID INFORMATION THAT WE NEED.

24 THIS IS TRUE FOR RESEARCH, AND IT'S ALSO TRUE
25 FOR APPOINTMENTS. IF WE WERE FORCED TO A SITUATION

1 WHERE ALL OF THE JUDGMENTS HAD TO BE DONE IN PUBLIC AND
2 WE WERE -- THEREFORE, WE HAD TO RELY ON OPINIONS
3 EXPRESSED BY PEOPLE THAT WERE PART OF THE PUBLIC
4 RECORD, THEN VERY FEW PEOPLE WOULD BE WILLING TO GIVE
5 US THE HONEST TRUTH. THE ONLY POSSIBILITY, THEN, IS
6 THAT THE CALIBER OF THE RESEARCH THAT WE'D BE CARRYING
7 OUT IN THE STEM CELL FIELD ON BEHALF OF THE PEOPLE OF
8 CALIFORNIA WOULD INEVITABLY BE COMPROMISED BECAUSE WE
9 COULD NO LONGER HAVE THE KIND OF INFORMATION THAT WE
10 NEED IN ORDER TO GUARANTEE THAT THESE DOLLARS WILL BE
11 SPENT IN THE VERY BEST WAY POSSIBLE.

12 CHAIRMAN KLEIN: THANK YOU VERY MUCH, DR.
13 BIRGENEAU. DR. POMEROY.

14 DR. POMEROY: WE'RE AT A CRITICAL JUNCTURE, I
15 THINK, AND THE DECISIONS THAT WE MAKE RIGHT NOW ABOUT
16 HOW WE DEAL WITH THESE ISSUES WILL SET A TONE, I THINK,
17 FOR HOW WE DO BUSINESS AND HOW WE'RE PERCEIVED BY THE
18 PUBLIC. LIKE DR. BIRGENEAU, I AM AN EXTRAORDINARILY
19 STRONG SUPPORTER OF CONFIDENTIAL PEER REVIEW. I THINK
20 IT'S ESSENTIAL TO THE ACADEMIC PROCESS. BUT I THINK
21 THAT WE KNOW THAT IN ACADEMIA BECAUSE WE'VE SEEN IT.

22 RIGHT NOW THE PUBLIC DOES NOT PERCEIVE US AS
23 GRAPPLING APPROPRIATELY WITH THE CONFLICT OF INTEREST
24 RULES.

25 AND I THINK THAT AS A COMMITTEE WE HAVE A BIG

1 RESPONSIBILITY TO BE VERY INCLUSIVE IN OUR DISCUSSION
2 OF THESE ISSUES. AS WE MOVE FORWARD, AND I THINK WE
3 SHOULD REALLY CONCENTRATE ON MOVING FORWARD AND NOT
4 GOING BACK ON HOW WE GOT TO THIS POINT BECAUSE THAT
5 JUST SORT OF SOLIDIFIES US VERSUS THEM, AND I HOPE AS A
6 COMMITTEE WE CAN SAY OUR GOAL IS TO GET ALL OF OUR
7 CONSTITUENCIES INVOLVED IN THIS PROCESS.

8 WHEN THE PUBLIC AWARDED -- I KNOW YOU AGREE
9 WITH THIS, JOAN -- WHEN THE PUBLIC AWARDED US THIS
10 RESPONSIBILITY, THEY ASSUMED THAT WE WOULD TAKE IT VERY
11 SERIOUSLY AND INVOLVE INPUT FROM ALL DIFFERENT
12 PERSPECTIVES, NOT JUST ACADEMIA. AND I THINK THAT WE
13 ALL TAKE THAT RESPONSIBILITY VERY SERIOUSLY AS WELL.

14 SO AS WE DISCUSS THIS AND AS WE SORT OF THINK
15 ABOUT A RESOLUTION THAT WE MIGHT WANT TO PASS, I WOULD
16 HOPE THAT WE MIGHT MODIFY IT SOMEWHAT TO SAY SOMETHING
17 LIKE IN ITS CURRENT FORM SCA 13 IS PROBLEMATIC FOR US,
18 BUT WE WOULD WANT TO WORK IN PUBLIC WITH ALL OF OUR
19 CONSTITUENCIES TO DEVISE THESE POLICIES AND THESE
20 PROCEDURES IN A WAY THAT IS UNDERSTANDABLE TO THE
21 PUBLIC AND ACCEPTABLE TO ALL THE CONSTITUENCIES IN A
22 MUCH MORE INCLUSIVE WAY, FRANKLY, THAN WE HAVE DONE UP
23 TO THIS POINT.

24 CHAIRMAN KLEIN: AND TO BE CLEAR, DR.
25 POMEROY, THE RESOLUTION IS SPECIFICALLY INTENDED TO

1 COMMUNICATE THAT IN ITS CURRENT FORM BECAUSE WE WILL
2 DEFINITELY CONTINUE TO REACH OUT TO FIND WAYS TO WORK
3 WITH ALL CONSTITUENCIES AND SPECIFICALLY WITH SENATOR
4 ORTIZ. WE KNOW THAT WHILE MR -- SOME OF THE COSPONSORS
5 WERE ABSOLUTELY ADAMANT OPPOSITION TO PROPOSITION 71,
6 SENATOR ORTIZ WAS A STRONG SUPPORTER. I DO BELIEVE WE
7 SHARE GOALS. THE ISSUE IS THE CURRENT LANGUAGE.

8 DR. PRIETO: YES. I'D LIKE TO SAY, FIRST OF
9 ALL, I APPRECIATE COMMENTS LIKE THOSE JOAN AND DR.
10 BIRGENEAU MADE, AND THAT I COME AT THIS ALSO AS PATIENT
11 ADVOCATE AND AS A PHYSICIAN WHO SEES PATIENTS EVERY DAY
12 SUFFERING FROM THESE CHRONIC DISEASES, SUFFERING AND
13 DYING BEFORE THEIR TIME FROM THESE CHRONIC DISEASES.
14 BUT I THINK IT'S PREMATURE FOR US TO TAKE A POSITION IN
15 OPPOSITION TO THIS BILL THAT, AS WE SAY IS NOT, AS IN
16 OUR UPDATE, IS NOT BASED OFFICIAL LANGUAGE, AND THAT
17 OFFICIAL LANGUAGE IS NOT AVAILABLE TO US AT THIS
18 WRITING.

19 I DON'T WANT TO SEE US DRAWING LINES IN THE
20 SAND THAT DON'T YET NEED TO BE DRAWN AND THAT MAY HURT
21 US IF THEY DRAW THEM NOW. I THINK IT'S IMPORTANT THAT
22 WE MAKE A DISTINCTION BETWEEN THE PEOPLE WHO ARE
23 INVOLVED IN THE LEGAL ACTION AGAINST US WHO ARE VERY
24 CLEARLY OPPONENTS OF THE RESEARCH, WHO WILL DO WHATEVER
25 THEY CAN TO POSTPONE IT AND DELAY IT AND STOP IT IF

1 THEY CAN, AND THOSE ARE WHO SUPPORTERS OF THIS RESEARCH
2 AND HAVE SHOWN THAT THEY'RE SUPPORTERS OF THIS
3 RESEARCH, BUT WHO PERHAPS DON'T TRUST US. AND I THINK
4 IT'S IMPORTANT THAT WE DO EVERYTHING WE CAN TO EARN
5 THEIR TRUST AND KEEP THEIR SUPPORT. AND I'D LIKE TO US
6 MOVE FORWARD IN THAT VEIN AND STEP BACK FROM AN
7 ADVERSARIAL POSTURE.

8 CHAIRMAN KLEIN: DR. PRIETO, I WOULD REMIND
9 YOU THAT WE HAVE FOLLOWED THAT POLICY TO DATE, AND WE
10 ARE BEING SCHEDULED OUT OF HEARINGS. THEY'RE BEING
11 SCHEDULED SPECIFICALLY SO WE CANNOT ATTEND. WE ARE
12 VERY OPTIMISTIC ABOUT THE ABILITY TO ATTEND THE SENATE
13 APPROPRIATIONS COMMITTEE, AND WE ARE VERY THANKFUL TO
14 THE CHAIR OF THAT COMMITTEE FOR, IN FACT, NOT
15 SCHEDULING THAT HEARING TODAY SO THAT, IN FACT, WE
16 COULD ATTEND.

17 BUT LANGUAGE IN THE LEGISLATURE WILL
18 CONTINUALLY CHANGE. WE ARE TAKING A POSITION BASED ON
19 THE LANGUAGE THAT WE HAVE. IF WE DON'T TAKE A POSITION
20 UNTIL WE HAVE LANGUAGE, WE WILL NEVER TAKE A POSITION.
21 SO WE HAVE TO TAKE A POSITION ON WHAT WE HAVE WHILE
22 HOLDING OUT OPENLY THE DESIRE TO COOPERATE AND REACH
23 LANGUAGE THAT WILL WORK. BUT WE'RE OPPOSED BASED ON
24 THE LANGUAGE THAT WE HAVE, AND THAT'S THE BASIS OF
25 DR. BERG'S COMMENTS AS WELL.

1 DR. SUSAN BRYANT.

2 DR. BRYANT: I WAS JUST WONDERING -- THERE
3 IS -- I HAVE IN FRONT OF ME WHAT THE ACTUAL LANGUAGE
4 IS, AND SO IT HAS MADE SOME MOVE IN THE RIGHT
5 DIRECTION. I'M JUST WONDERING IF IT WOULDN'T BE
6 PROFITABLE FOR US TO SUGGEST THE LANGUAGE THAT WOULD
7 COVER US SO THAT WE COULD DO THE KIND OF PEER REVIEW
8 THAT WE NEED BECAUSE I MEAN A SLIGHT TWEAKING OF THIS
9 MIGHT DO IT. I REALIZE THERE ARE OTHER ISSUES WITH
10 THIS PROPOSED AMENDMENT, BUT FOR THIS PARTICULAR ISSUE,
11 IF A PROPOSED A REWRITE WERE ABLE TO BE PROMULGATED.

12 CHAIRMAN KLEIN: DR. BRYANT, WE HAVE MET WITH
13 SENATOR ORTIZ AND PROPOSED LANGUAGE AND DISCUSSED THE
14 IMPORTANCE OF PEER REVIEW, AND VARIOUS DELEGATIONS OF
15 SCIENTISTS HAVE MET WITH HER AND SUGGESTED HOW
16 IMPORTANT THE LANGUAGE WAS. AND IT IS -- THOSE HAVE
17 ALL BEEN REBUFFED AS OF THIS DATE. SO THERE HAVE BEEN
18 NUMEROUS PERSONAL MEETINGS THAT HAVE OCCURRED TO TRY
19 AND POINT OUT HOW CRITICAL IT WAS, AND THEY HAVE BEEN
20 TURNED DOWN.

21 YES, DR. HENDERSON.

22 DR. HENDERSON: I WONDER IF THERE'S ANY OTHER
23 EXPERIENCE FROM ANYBODY ON THIS BOARD OR FROM DR. HALL
24 RELATED TO THIS LEGISLATION THAT WE COULD HEAR AT THIS
25 TIME. I'M ALSO UNCOMFORTABLE WITH TAKING A

1 CONFRONTATIONAL POSTURE IF IT ISN'T ABSOLUTELY
2 NECESSARY. IT SEEMS TO ME TO TAKE THIS COMMITTEE OFF
3 IN THE WRONG DIRECTION AGAIN AND AWAY FROM OUR PRIMARY
4 WORK. I WONDER, DR. HALL, IF YOU'VE HAD ANY
5 DISCUSSIONS WITH SENATOR ORTIZ AND HOW YOU VIEW THIS.

6 DR. HALL: I HAVE NOT. I HAVE BEEN PLEASED
7 TO SEE THAT THE LANGUAGE HAS CHANGED SOMEWHAT. FROM MY
8 DISCUSSIONS THIS MORNING WITH VARIOUS MEMBERS OF THE
9 BOARD HERE, I'M QUITE DISCOURAGED ACTUALLY ABOUT OUR
10 ABILITY TO COME UP WITH SOMETHING THAT WE CAN LIVE WITH
11 AND LET US GET ON WITH OUR WORK.

12 FROM MY POINT OF VIEW, WE ARE POISED TO MOVE
13 FORWARD, AND WE ARE BEING WEIGHTED DOWN WITH
14 REGULATIONS AND WITH REALLY A STRUGGLE THAT IS
15 UNNECESSARY AND IS ENORMOUSLY DISTRACTING FROM OUR REAL
16 MISSION. SO I LEAVE IT TO THOSE WHO ARE POLITICALLY
17 BETTER INFORMED, BUT I MUST SAY I'M QUITE DISCOURAGED
18 AT THE MOMENT.

19 CHAIRMAN KLEIN: I'D LIKE TO TALK ON -- CALL
20 ON JEFF SHEEHY, BUT FIRST I'D LIKE -- COULD OUR COUNSEL
21 GIVE AN EXAMPLE OF SOME OF THE OTHER LANGUAGE SO WE
22 HAVE AN OVERVIEW? IF THIS WERE ONE SECTION, IT WOULD
23 BE ONE PROBLEM. THE PROBLEM IS THERE ARE MINE FIELDS
24 IN ALL OF THE DIFFERENT PORTIONS OF THIS. AND, JAMES
25 HARRISON, COULD YOU PROVIDE SOME INSIGHT INTO SOME OF

1 THE LEGAL ISSUES JUST WITH LANGUAGE AND THE RISKS THAT
2 IT HAS?

3 MS. SAMUELSON: POINT OF INFORMATION. IS IT
4 POSSIBLE THAT WE ALL GET A COPY OF THE BILL SO THAT WE
5 WOULD HAVE IT IN FRONT OF US. AND THE FULL DRAFT IS
6 THERE. OKAY.

7 CHAIRMAN KLEIN: YOU HAVE IT IN YOUR BOOK.

8 DR. BRYANT: JOAN, IT'S THE LAST PIECE UNDER
9 TAB 8.

10 MR. HARRISON: LET ME GIVE YOU TWO EXAMPLES.
11 IF YOU LOOK AT PAGE 3 OF 3, SECTION 9(A)(1), THIS IS A
12 PROVISION THAT READS: NOTWITHSTANDING SECTION 6, THE
13 CONTRACT AWARD, GRANT, LOAN OR OTHER ARRANGEMENT DOES
14 NOT RESULT IN A GIFT OF PUBLIC FUNDS WITHIN THE MEANING
15 OF SECTION 6 OF ARTICLE 16.

16 SECTION 6 OF ARTICLE 16 OF THE STATE
17 CONSTITUTION PROHIBITS THE STATE FROM MAKING A GIFT OF
18 PUBLIC FUNDS. THE GENERAL CASE LAW INTERPRETING THAT
19 PROVISION PROVIDES THAT IF AN EXPENDITURE SERVES A
20 PUBLIC PURPOSE, EVEN IF THERE'S SOME INCIDENTAL PRIVATE
21 BENEFIT, IT SATISFIES THE STATE CONSTITUTIONAL
22 STANDARD.

23 PROPOSITION 71 ITSELF DECLARED THAT
24 CONDUCTING STEM CELL RESEARCH IN CALIFORNIA SERVED A
25 PUBLIC PURPOSE. WHAT THIS PROVISION APPEARS TO DO

1 WOULD BE TO REQUIRE THE ICOC TO MAKE A DETERMINATION
2 THAT EACH GRANT, LOAN, OR CONTRACT DOES NOT RESULT IN A
3 GIFT OF PUBLIC FUNDS, SO IT RAISES A QUESTION ABOUT
4 WHAT STANDARD WOULD APPLY. IF THE PEOPLE IN ADOPTING
5 PROPOSITION 71 HAVE ALREADY DECLARED THAT CONDUCTING
6 STEM CELL RESEARCH SERVES A PUBLIC PURPOSE, WHAT MORE
7 WOULD YOU NEED TO DEMONSTRATE IN ORDER TO SATISFY THIS
8 NEW CONSTITUTIONAL STANDARD? AND IT RAISES A QUESTION
9 ABOUT WHETHER IT COULD POTENTIALLY OPEN THE DOOR TO A
10 TAXPAYER ACTION, FOR EXAMPLE, WHO MIGHT FILE A LAWSUIT
11 CHALLENGING A PARTICULAR GRANT OR LOAN TO A PRIVATE
12 INSTITUTION PERHAPS AS A GIFT OF PUBLIC FUNDS.

13 THE LANGUAGE IS VAGUE AND AMBIGUOUS. AND AS
14 WITH ALL VAGUE AND AMBIGUOUS LANGUAGE, PARTICULARLY
15 WHEN IT'S IN THE STATE CONSTITUTION, IT DOES RAISE THE
16 POSSIBILITY OF UNCERTAINTY AND LEGAL CHALLENGES.

17 THE SECOND EXAMPLE IS ONE THAT'S NOT
18 REFLECTED IN THE CURRENT LANGUAGE, BUT IS APPARENTLY
19 GOING TO BE ADDED TODAY. AND THAT'S A PROVISION THAT
20 WOULD PROHIBIT MEMBERS OF THE BOARD FROM HAVING A
21 FINANCIAL INTEREST IN APPLICANTS FOR FUNDING AS WELL AS
22 ENTITIES THAT DO A SUBSTANTIAL AMOUNT OF STEM CELL
23 RESEARCH. I THINK IT'S PROBABLY INTENDED TO BE LIMITED
24 TO FINANCIAL INTEREST, MEANING INVESTMENTS, BUT THE
25 LANGUAGE REFERS TO THE POLITICAL REFORM ACT DEFINITION

1 OF FINANCIAL INTEREST, WHICH INCLUDES A SOURCE OF
2 INCOME OF \$500 OR MORE. IN OTHER WORDS, IF YOU RECEIVE
3 \$500 OR MORE FROM AN APPLICANT FOR FUNDS, YOU WOULD BE
4 PRECLUDED FROM SERVING ON THE BOARD.

5 NOW, THIS IS AGAIN --

6 CHAIRMAN KLEIN: LET'S DRAW THAT OUT. THAT
7 MEANS THAT ANY MEMBER OF ANY RESEARCH INSTITUTION
8 THAT'S ON THIS BOARD WOULD BE KNOCKED OFF THE BOARD.

9 MR. HARRISON: RIGHT. THE LANGUAGE MAY NOT
10 BE INTENTIONAL; AND, AS I SAID, THEY MAY WANT TO LIMIT
11 IT OR THEY MAY MEAN TO LIMIT IT TO INVESTMENTS, BUT
12 THEY REFER TO FINANCIAL INTEREST UNDER THE POLITICAL
13 REFORM ACT, AND THE DEFINITION OF FINANCIAL INTEREST
14 UNDER THE POLITICAL REFORM ACT IS QUITE BROAD.

15 SO THOSE ARE TWO ISSUES WHERE THE LANGUAGE, I
16 THINK, CREATES A GREAT DEAL OF UNCERTAINTY AND
17 AMBIGUITY.

18 DR. LEVEY: YES. I DON'T KNOW WHAT ALL THIS
19 DISCUSSION IS ABOUT. IN THE UC SYSTEM WE GET
20 CONTINUOUSLY CHALLENGED WITH LEGISLATION THAT IS
21 SOMETIMES ANTITHETICAL TO THE MISSION OF THE UC SYSTEM.
22 AND KEEPING THINGS RESPECTFUL, WHICH THEY DO, WE HAVE A
23 GOVERNMENT RELATIONS OFFICE THAT PUTS OUT ANALYSES OF
24 VARIOUS DOCUMENT -- VARIOUS PIECES OF LEGISLATION. AND
25 WE STAKE OUR POSITION FOR OR AGAINST. WE ALSO

1 DISSEMINATE OBVIOUSLY TO THE GOVERNOR AND OTHER KEY
2 PERSONNEL. AND THAT'S THE POLITICAL PROCESS.

3 I DON'T THINK WE NEED TO BE OBSEQUIOUS TO
4 SENATOR ORTIZ. WE HAPPEN TO DISAGREE VERY STRONGLY
5 WITH WHAT SHE'S PUTTING OUT. IF WE DON'T STAND UP FOR
6 OURSELVES, WE'RE GOING TO END UP WITH SOME TERRIBLE
7 LEGISLATION.

8 SO I WOULD CERTAINLY STRONGLY SUGGEST THAT
9 THIS BOARD TAKE A VERY STRONG AND RESPECTFUL STANCE
10 WITH HER. AND I CONGRATULATE MR. KLEIN BECAUSE HE HAS
11 GONE THE ENTIRE NINE YARDS IN TRYING TO MAKE VARIOUS
12 POINTS TO HER, AND HE'S ENUMERATED MANY WAYS IN WHICH
13 SHE HAS REBUFFED THESE OVERTURES. SO I WOULD HOPE
14 WE'RE NOT CONCERNED WITH ANYTHING OTHER THAN WE CAN
15 RESPECTFULLY DISAGREE WITH HER AND OPPOSE THE
16 LEGISLATION SHE'S SPONSORING.

17 CHAIRMAN KLEIN: JEFF SHEEHY. I'M SORRY. I
18 WAS GOING TO RECOGNIZE YOU.

19 MR. SHEEHY: LET ME JUST PUT SOME OF THIS IN
20 PERSPECTIVE. I'M THE APPOINTEE OF THE SENATE. I HAVE
21 SPOKEN TO PETER HANSEL, SENATOR ORTIZ' AIDE, AT LENGTH
22 NUMEROUS TIMES. I'VE MET WITH HIM IN SACRAMENTO. I'VE
23 OFFERED TO MEET WITH SENATOR ORTIZ AND TO GO UP TO
24 SACRAMENTO AND DO SO, AND SHE HAS NOT TAKEN ME UP ON
25 THAT OFFER. SHE HASN'T TAKEN ME UP ON ANY OFFER TO

1 CARRY ANYTHING BACK TO THIS BOARD AS A MEANS OF
2 NEGOTIATION. THERE HAS BEEN NOT THE SCINTILLA OF
3 COOPERATION WITH THIS BOARD.

4 AND I THINK THAT WE NEED TO SIT BACK AND ASK
5 OURSELVES WHAT HAVE WE DONE WRONG. WHAT HAVE WE DONE
6 WRONG? WE HAVE CONDUCTED ALL OF OUR BUSINESS TO THE
7 THIS POINT IN PUBLIC. AND I AM PROUD OF MY SERVICE ON
8 HERE, ON THIS BOARD. I'M PROUD OF THE SERVICE OF THE
9 PEOPLE I'VE BEEN SERVING WITH. AND WE NEED TO STAND UP
10 AND SAY THAT TO THE PEOPLE OF CALIFORNIA. PEOPLE HAVE
11 BEEN BEATING US UP, AND THERE'S NO JUST REASON FOR THIS
12 TO HAPPEN.

13 THIS BILL, LOOKING AT THIS BILL, IT IS A
14 DISASTER. AND IT IS BEING RUSHED TO THE BALLOT FOR
15 THIS NOVEMBER WITH HASTE THAT IS IRRESPONSIBLE. IT'S
16 POORLY DRAFTED. MEASURES IN THIS BILL, ESPECIALLY THE
17 INTELLECTUAL PROPERTY PART, DO NOT BELONG IN THE
18 CALIFORNIA CONSTITUTION. WE ARE AMENDING THE
19 CONSTITUTION OF THIS -- SHE WANTS TO AMEND THE
20 CONSTITUTION OF THIS STATE. THIS IS HIGHLY
21 INAPPROPRIATE.

22 AND I HAVE TO SAY THERE IS A CRUELTY THAT IS
23 ALMOST SAVAGE. AND I KNOW THAT SENATOR ORTIZ IS
24 WELL-MEANING, BUT TO STEAL HOPE FROM PATIENTS AROUND
25 THIS STATE, AND I'M NOT GOING TO SAY THAT WE'RE GOING

1 HAVE A CURE TOMORROW, BUT CURES ARE POSSIBLE. WE HAVE
2 THIS MAJOR ADVANCE IN KOREA. AND PEOPLE'S SPIRITS ARE
3 LIFTED. HOW DARE SHE STEAL HOPE FROM THE PATIENTS OF
4 CALIFORNIA? HOW DARE SHE?

5 CHAIRMAN KLEIN: I WOULD LIKE TO POINT OUT
6 THAT JEFF SHEEHY AND DAVID SERRANO-SEWELL HAVE BEEN
7 LEADERSHIP ON THIS BOARD. IF YOU REMEMBER, AT LEAST
8 TWO BOARD MEMBERS AGO -- TWO BOARD MEETINGS AGO, THEY
9 BROUGHT UP THE CONCEPTUAL CHANGE TO OUR WORKING
10 POLICIES TO HAVE THE STANDARDS COMMITTEE BASIC POLICY
11 BE, THAT THE STANDARDS WORKING GROUP WOULD BE OPEN WITH
12 MODIFICATIONS FOR PATIENT PRIVACY AND OTHER EXCEPTIONS
13 THAT WERE APPROPRIATE. AND THEY ARE WORKING WITH
14 COUNSEL TO BRING THAT BACK TO THE BOARD, BUT WE PUT
15 OURSELVES ON RECORD WITH THE VOTE TO MAKE THAT
16 BASICALLY AN OPEN PUBLIC HEARING ADVISORY GROUP.

17 AND IN THE AGENDA TODAY WE HAVE AN ITEM UNDER
18 THE MEDICAL FACILITIES WORKING GROUP WHERE THEIR
19 RECOMMENDATION IS TO ADOPT THE SAME CONCEPT, THAT THE
20 FACILITIES WORKING GROUP WOULD BE AN OPEN HEARING
21 PROCESS OTHER THAN EXCEPTIONS LIKE NEGOTIATING OVER
22 LAND THAT WOULD BE ONGOING OR CONTRACT NEGOTIATIONS,
23 OTHER THINGS THAT NEED TO BE PROTECTED IN ORDER TO
24 PROTECT THE APPLICANT'S BEST OPPORTUNITY TO FULFILL
25 THEIR PROPOSALS.

1 SO THIS BOARD HAS MOVED FORWARD IN A VERY
2 THOUGHTFUL WAY THROUGH 29 PUBLIC HEARINGS IN THE LAST
3 22 WEEKS. IS THAT, I THINK, THE CURRENT COUNT? AN
4 INCREDIBLE AMOUNT OF OPENNESS. IN CREATING MORE
5 OPENNESS AS WE PROCEEDED, AS EARLY AS FEBRUARY OF THIS
6 YEAR, THE END OF FEBRUARY OF THIS YEAR, I MET WITH
7 SENATOR ORTIZ AND PROVIDED HER A COPY OF A LETTER FROM
8 BRUCE ALBERTS OF THE NATIONAL ACADEMY POINTING OUT THE
9 NATIONAL ACADEMIES HAS A PART OF THEIR HEARINGS ON
10 STANDARDS THAT ARE OPEN, A PORTION THAT'S CONFIDENTIAL,
11 AND LAYING THAT OUT, WHICH IS A LETTER THAT I HAVE
12 DISTRIBUTED ON OUR STAFF AS A MODEL AND TO MEMBERS ON
13 THIS BOARD AS A MODEL SO THAT SHE KNEW WE WERE WORKING
14 TOWARDS OPEN MEETINGS ON STANDARDS.

15 SO I WANT TO INDICATE THAT, A, I THINK DR.
16 LEVEY'S POSITION IS EXTREMELY WELL TAKEN. IT IS PART
17 OF THE PROCESS. THEY NEED TO KNOW IF WE'RE IN
18 OPPOSITION BASED ON ITS CURRENT POSITION. BUT WHILE WE
19 WILL CONTINUE TO WORK IN GOOD FAITH AND WE'LL CONTINUE
20 TO MAKE EVERY OVERTURE POSSIBLE BECAUSE WE KNOW WE HAVE
21 SHARED GOALS. YES. DAVID SERRANO-SEWELL.

22 MR. SERRANO-SEWELL: I'LL BE VERY BRIEF.
23 JOAN MAY HAVE ALREADY REFERRED TO IT AND EVERYONE IS
24 DOING THEIR PART IN SAYING THEIR THING. WE DID A
25 LITTLE THING IN THE CHRONICLE, "GIVE PATIENTS A

1 CHANCE." JEFF AND I AND JOAN ALL READ IT.

2 IF ENACTED AS PRESENTLY DRAFTED, AND WE'RE
3 ALL SAYING AS PRESENTLY DRAFTED, THIS SCA 13 WILL
4 IMPAIR OUR EFFORTS TO FULFILL OUR STATUTORY MANDATE TO
5 FIND CURES AND THERAPIES. THAT'S A CONCERN.

6 EVERY EFFORT, DR. HENDERSON, TO COMMUNICATE
7 TO THE SENATOR'S OFFICE, BACK CHANNELS, OFFICIAL
8 CHANNELS, WE'VE TRIED EVERYTHING BECAUSE WE WANT TO
9 WORK WITH SENATOR ORTIZ. SHE'S OUR FRIEND. FRIENDS
10 WORK TOGETHER. AND THIS IS A POINT WHERE WE GOT TO
11 SAY, OKAY, WE DISAGREE A LITTLE BIT. WE OPPOSE.
12 THAT'S THE WORD YOU USE.

13 IT DOESN'T MEAN WE'RE NOT -- HENCEFORTH WE'RE
14 ENEMIES. IT JUST MEANS ON THIS PARTICULAR PIECE OF
15 LEGISLATION, WE'VE HEARD FROM DR. LEVEY, WE'VE HEARD
16 FROM DR. BIRGENEAU, WE KNOW WHAT THE ISSUES ARE.
17 WHAT'S CONCERNING ME AT EVERY POINT IS THE CENTRAL
18 TENETS OF THIS SCA 13 REALLY HAVEN'T CHANGED. THERE'S
19 BEEN LITTLE AMENDMENTS HERE AND THERE TO MAKE IT A
20 LITTLE BIT BETTER, MAKE IT A LITTLE BIT MORE PALATABLE.
21 BUT WHEN IT COMES TO THE OPEN MEETINGS, THE
22 INTELLECTUAL PROPERTY, AND THE CONFLICT OF INTEREST,
23 THE CONCERNS PERSIST AND REMAIN.

24 WE'VE GOT TO MOVE FORWARD AND COMMUNICATE IN
25 A CLEAR MANNER TO THE LEGISLATURE WHERE THIS COMMITTEE

1 STANDS. IT SHOULD BE A UNANIMOUS VOTE.

2 DR. BALTIMORE: THERE'S SOMETHING I DON'T
3 UNDERSTAND HERE. IF THIS WAS A PIECE OF LEGISLATION AT
4 THE NATIONAL LEVEL, AND THERE ARE LOTS OF -- WE SEE
5 LOTS OF LEGISLATION PROPOSED AT THE NATIONAL LEVEL
6 WHICH IS COUNTER TO THE INTERESTS OF THE SCIENTIFIC
7 COMMUNITY, OF SCIENTIFIC PROGRESS, OF THE UNIVERSITY
8 COMMUNITY. AND WE HAVE FRIENDS IN THE LEGISLATURE WHO
9 WILL CARRY THE WATER FOR AND OPPOSE THINGS WHICH JUST
10 DON'T MAKE SENSE. OFTEN THEY COME FROM PERFECTLY WELL
11 MEANING PEOPLE WHO HAVE STRUCTURED A BILL WHOSE
12 IMPLICATIONS THEY DON'T REALLY FULLY UNDERSTAND, AND WE
13 CAN BRING THE MUSCLE TO BEAR TO SEE THAT THAT
14 UNDERSTANDING COMES OUT.

15 WHY ARE WE FOCUSED ENTIRELY ON ORTIZ? WHERE
16 ARE OUR FRIENDS? IF WE HAVE NO FRIENDS, THEN THE
17 SITUATION'S A LOT WORSE THAN JUST ONE PERSON WHO'S
18 CONCEIVED OF A MISCONCEIVED BILL.

19 CHAIRMAN KLEIN: DR. BALTIMORE, THERE ARE
20 INDIVIDUALS IN THE LEGISLATURE SUCH AS GENE MULLIN ON
21 THE ASSEMBLY SIDE WHO HAS, AS I SAID, VERY
22 CONSTRUCTIVELY MOVED FORWARD WITH ASSEMBLY CONCURRENT
23 RESOLUTION 252. AND NOW HAS ACR 24, WHICH IS FURTHER
24 MAKING IT CLEAR THAT THEY'RE LOOKING TO THE SCIENCE
25 TECHNOLOGY COUNCIL FOR THE BIOMEDICAL AND INTELLECTUAL

1 PROPERTY POLICY THAT WE'RE WORKING WITH.

2 THERE'S ALSO NEGRETE MCLEOD, WHICH IS ANOTHER
3 ASSEMBLY CONCURRENT RESOLUTION NO. 1, WHICH WE'RE VERY
4 SUPPORTIVE OF.

5 SO THE -- BECAUSE DR. PAUL BERG HAD TIME
6 COMMITMENTS, WE HAVE STARTED ON THE ORTIZ LEGISLATION,
7 BUT THERE ARE A NUMBER OF OTHER LEGISLATORS THAT WE ARE
8 VERY SUPPORTIVE OF THE DIRECTION THAT THEY ARE
9 PROCEEDING IN.

10 THE ISSUE HAS ALSO BEEN THAT WHEN HEARINGS
11 ARE SCHEDULED ON DAYS THAT WE HAVE FULL PUBLIC HEARINGS
12 OURSELF AND WE CANNOT GET TO THE LEGISLATURE WITH OUR
13 WITNESSES AND THOSE DATES ARE CHANGED BY A MONTH AND
14 WE'RE GIVEN NOTICE LATE ON FRIDAY AFTERNOON, SO WE
15 CANNOT GET OUR MESSAGE OUT THERE AS TO WHY WE ARE
16 OPPOSED, IT MAKES IT EXTRAORDINARILY DIFFICULT.

17 WE HAVE ONE GOVERNMENT RELATIONS STAFF PERSON
18 OUT OF OUR 15 STAFF MEMBERS, AND THAT INDIVIDUAL HAS
19 BEEN ALSO WORKING ON OTHER TASKS AS WE'VE GONE THROUGH
20 THE LAST 29 PUBLIC HEARINGS WITH OUR LIMITED STAFF. SO
21 BECAUSE WE HAVE SUCCESSFULLY AT THIS POINT AND AFTER
22 TODAY, HOPEFULLY, WILL HAVE COMPLETED THE PROCESS OF
23 SETTING UP OUR ADVISORY GROUPS, WITH GRANTS ADVISORY
24 GROUPS IN PLACE, STANDARDS IN PLACE, FACILITIES
25 ADVISORY GROUP IN PLACE, WE'VE SET UP ALL THE CONFLICT

1 OF INTEREST POSITIONS FOR THE VARIOUS ADVISORY GROUPS,
2 WE WILL HAVE ADOPTED OUR MEDICAL AND ETHICAL STANDARDS
3 IN PLACE.

4 WE HAVE PUT IN PLACE THE PREREQUISITES FOR
5 MANY MEMBERS OF THE LEGISLATURE TO THEN SAY, LOOK,
6 THEY'RE NOT TALKING ABOUT DOING THIS. THEY HAVE DONE
7 IT. AND THEY HAVE SAID TO US, "COME TO US WHEN YOU
8 HAVE COMPLETED THIS TASK, AND WE WILL SUPPORT THIS
9 POSITION." SO WE HAVE BEEN WORKING AT AN EXTRAORDINARY
10 PACE TO ACCOMPLISH THE VERY TASKS THAT GIVE US THE
11 CREDIBILITY BECAUSE WE ARE ON THE RECORD WITH THE
12 PIECES IN PLACE THAT MEET THE EXPECTATIONS OF THE
13 LEGISLATURE, AND GIVE THEM THE ASSURANCE THAT WE ARE,
14 IN FACT, CARRYING OUT THE MANDATE THAT THE PUBLIC GAVE
15 US. SO THE PREREQUISITES ARE THERE. AND BY END OF
16 TODAY TO, IN FACT, SAY, YES, YOU HAVE ACCOMPLISHED
17 EVERYTHING WE ASKED AND EXPECTED.

18 IN FACT, IN SOME CASES EVEN THE NATIONAL
19 ACADEMIES HAVE REMARKABLY GIVEN THE STATE OF CALIFORNIA
20 THE CREDIT FOR SETTING THE HIGHEST STANDARD IN THE
21 NATION FOR PROHIBITING COMPENSATION FOR EGG DONATION;
22 BUT UNTIL WE GOT TO THE MEETING TODAY, WE HADN'T
23 COMPLETED THAT PROCESS.

24 DR. PIZZO: FOLLOWING UP ON SOME OF THE
25 COMMENTS THAT HAVE BEEN MADE BY JOAN AND JEFF AND

1 OTHERS, IT'S HARD TO IMAGINE THAT THIS GROUP COULD HAVE
2 BEEN WORKING MORE DILIGENTLY AND, I THINK, MORE
3 EFFECTIVELY TO ACCOMPLISH THE VARIOUS TASKS THAT HAVE
4 BEEN BEFORE US. I CAN HARDLY LOOK BACK IN MY OWN
5 PERSONAL EXPERIENCE TO THINK OF A TIME WHEN A GROUP OF
6 CITIZENS HAVE REALLY COME TOGETHER TO TRY AND DO
7 SOMETHING THAT THEY REALLY ARE DOING BECAUSE IT'S OF
8 VALUE TO THE CITIZENS, NOT ONLY OF THIS STATE, BUT THE
9 WORLD.

10 AND I WOULD ARGUE TWO THINGS. ONE IS THAT WE
11 TALK ABOUT PUBLIC TRUST, BUT IT REALLY NEEDS TO BE
12 BILATERAL. IT'S NOT ONLY THE FACT THAT WE'RE ASKING
13 AND SEEKING TO GAIN THE TRUST OF OUR COMMUNITY, BUT WE
14 ALSO SHOULD HOPE THAT OUR COMMUNITY, INCLUDING SENATOR
15 ORTIZ, HAVE TRUST IN US AS WELL. I THINK WE HAVE GIVEN
16 MUCH EVIDENCE FOR THAT.

17 I WOULD FURTHER ADD THAT WHILE WE LOOK AT OUR
18 OWN WORK AND EFFORTS IN THIS REGARD, WE SHOULD
19 RECOGNIZE THAT THEY HAVE BEEN COMPLEMENTED BY THE KIND
20 OF INFORMATION THAT WE'VE RECEIVED FROM INDEPENDENT
21 SCIENTISTS AND PHYSICIANS ACROSS THIS COUNTRY. AS WE
22 HAVE REACHED OUT AND TALKED TO INDIVIDUALS TO SERVE ON
23 THESE VARIOUS ADVISORY GROUPS, WE'VE HEARD A VERY
24 CONSISTENT BOTH SUPPORT FOR WHAT WE'RE DOING AND A
25 RECOGNITION THAT THE PROCESSES THAT HAVE BEEN PUT IN

1 PLACE ARE THE RIGHT ONES; AND, IN FACT, THAT IF THOSE
2 WERE ABANDONED, THAT THEY WOULD, IN FACT, NOT SERVE.

3 SO IT SEEMS TO ME THAT WE NEED TO HAVE A
4 BROADER, PERHAPS, MORE OPEN DISCOURSE WITH THOSE
5 LEGISLATORS WHO MAY BE BEING PERSUADED THAT THE SENATOR
6 IS CORRECT. THEY VOTED PRETTY UNANIMOUSLY IN SUPPORT
7 OF TAKING THIS TO THE NEXT STEP. MAYBE OUR NEXT VISIT
8 AS A BOARD SHOULD BE TO SACRAMENTO TO MEET WITH THOSE
9 INDIVIDUALS AND MAKE OUR CASE BOTH STRONGLY AND OPENLY
10 BECAUSE I THINK WE CAN IN A VERY HONEST AND CLEAR WAY
11 DO THAT.

12 CHAIRMAN KLEIN: I THINK THAT THAT'S
13 EXCELLENT. GAYLE WILSON.

14 MS. WILSON: THE REASON THAT THEY'RE IN SUCH
15 A HURRY IN PUSHING THEIR MEETINGS AHEAD IS BECAUSE THEY
16 HAVE A JUNE 30TH DEADLINE IN ORDER TO HAVE THIS QUALIFY
17 TO GO ON THE NOVEMBER BALLOT, IF THERE'S, IN FACT, A
18 SPECIAL ELECTION. EACH OF THE HOUSES, THE ASSEMBLY AND
19 THE SENATE, HAVE TO PASS THIS BY TWO-THIRDS. NOW, THAT
20 ISN'T EASY. HOWEVER, WE'RE CONCENTRATING ON SENATOR
21 ORTIZ. SHE'S GOTTEN IT OUT OF ONE COMMITTEE. SHE MAY
22 GET IT OUT OF THE ANOTHER. WE EACH HAVE ASSEMBLY
23 PEOPLE AND STATE SENATORS WHO REPRESENT OUR DISTRICTS.
24 WE SHOULD BE TALKING TO THEM BECAUSE THIS COULD EASILY
25 COME TO THEM FOR A VOTE. AND I DO THINK THAT THEY ARE

1 BEING PERSUADED BY PEOPLE WHO DON'T HAVE OUR BEST
2 INTERESTS AT HEART.

3 SO THERE ARE THINGS THAT WE CAN DO AND NOT
4 JUST WITH SENATOR ORTIZ, WHO'S OBVIOUSLY NOT GOING TO
5 MEET WITH US.

6 DR. PIZZO: CAN I JUST FOLLOW THAT? I THINK
7 THE INTERESTS THAT WE HAVE AT HEART ARE THE CITIZENS
8 AND PATIENTS OF CALIFORNIA AND THE NATION. AND I THINK
9 THAT'S THE MESSAGE THAT WE NEED TO GET ACROSS. I AGREE
10 WITH YOU THAT WE SHOULD BE ADVOCATING IN OUR LOCAL
11 COMMUNITIES, BUT I DO THINK, MR. CHAIRMAN, THAT YOU
12 SHOULD LOOK AT THE PROSPECT OF WHETHER WE COULD AS A
13 BODY MAKE A VISIT TO SACRAMENTO AND MEET WITH THOSE WHO
14 ARE VOTING, I THINK, NOT IN THE INTERESTS OF THE
15 CITIZENRY BECAUSE THEY'RE NOT INFORMED ABOUT WHAT'S
16 HAPPENING, AND THAT WE SHOULD HAVE A DIALOGUE THAT
17 HELPS THEM TO BE BETTER ENGAGED IN MAKING AN INFORMED
18 DECISION WITH US FOR THE CITIZENS OF CALIFORNIA.

19 CHAIRMAN KLEIN: I WOULD TAKE THAT SUGGESTION
20 AND HOPEFULLY COME BACK MAYBE AT THE JUNE 6TH MEETING
21 WITH A PROPOSAL TO TRY AND IMPLEMENT THAT SUGGESTION.
22 IT MAY BE THAT WE NEED TO DEFER OUR BUSINESS AGENDA FOR
23 JULY TO A LATER DATE TO PROVIDE US AN OPPORTUNITY --
24 THE RELIEF FROM THE JULY MEETING SO WE HAVE THE
25 OPPORTUNITY INDIVIDUALLY TO MAKE VISITS TO SACRAMENTO

1 TO INDIVIDUALLY MEET WITH THE LEGISLATORS BECAUSE WE
2 SHOULDN'T BE SPEAKING WITH A SINGLE REPRESENTATIVE AND
3 A SINGLE VOICE. EVERY MEMBER ON THIS BOARD HAS
4 EXTRAORDINARY EXPERIENCE IN THE SEARCH FOR THERAPIES
5 AGAINST CHRONIC DISEASE. EVERY MEMBER ON THIS BOARD
6 HAS INDEPENDENT CREDIBILITY AND A VERY POWERFUL VOICE
7 THAT NEEDS TO BE INDIVIDUALLY EVALUATED.

8 JUNE 30TH IS THE QUALIFYING DEADLINE. AND
9 WHEN WE HAVE ASKED, IN TERMS OF THESE SCHEDULES THAT
10 HAVE BEEN MOVED FORWARD FOR 30 DAYS, THEY COULD HAVE
11 PURSUED THIS CONCURRENTLY IN THE ASSEMBLY AND THE
12 SENATE TO DEAL WITH THOSE DEADLINES AND STILL GIVING US
13 A WEEK OR TWO MORE TIME TO HAVE SUBSTANTIVE HEARINGS,
14 SO AT LEAST WE CAN BRING OUR WITNESSES TO BEAR.

15 BUT IN ANY CASE, WE WILL TRY AND BRING BACK A
16 PROPOSAL FOR THE JUNE 6TH AGENDA TO ADDRESS THAT. JOAN
17 SAMUELSON.

18 MS. SAMUELSON: CAN WE AFFORD TO WAIT UNTIL
19 JULY? I'M WONDERING IF WE SHOULDN'T JUST COMMIT OUR
20 JUNE MEETING -- I'M NOT REMEMBERING WHEN IT IS AT THE
21 MOMENT -- TO THIS TASK. GO TO SACRAMENTO AND SAY WE'RE
22 COMING, AND THAT WE WANT TO SIT DOWN WITH ANYONE IN THE
23 ASSEMBLY AND THE SENATE AND THE CONSTITUTIONAL
24 OFFICERS, FOR THAT MATTER, WHO WILL MEET WITH US. WE
25 WOULD LIKE TO TALK TO ALL OF THEM.

1 CHAIRMAN KLEIN: DR. WRIGHT, I BELIEVE, JUNE
2 WAS SCHEDULED FOR SACRAMENTO -- IRVINE. WOULD IT BE
3 POSSIBLE TO POTENTIALLY CONSIDER TRADING THAT DATE AND
4 DOING A MEETING IN SACRAMENTO?

5 DR. BRYANT: OF COURSE, FOR THIS -- IT'S
6 IMPORTANT ENOUGH THAT WE NEED TO CONSIDER EVERY OPTION
7 THAT WE HAVE, AND I'M SURE THAT I WILL -- I'LL BE
8 APPROPRIATELY APOLOGETIC AT HOME AND MAKE SURE
9 EVERYTHING IS OKAY. DON'T WORRY.

10 CHAIRMAN KLEIN: VERY GOOD SUGGESTION. THANK
11 YOU.

12 DR. WRIGHT: I JUST AGREE WITH YOU, JOAN. I
13 THINK THAT'S A GREAT IDEA. AGAIN, REFLECTING OVER THE
14 COMMENTS OF THE GROUP, I HEAR THREE THEMES, AND THEY'RE
15 SORT OF CROSSCUTTING. THE FIRST I HEARD WAS TRUST, AND
16 TRUST WAS ESTABLISHED WITH SENATOR ORTIZ IN THE EARLY
17 DAYS OF THIS PROPOSITION. AND WE WANT TO BUILD ON THAT
18 TRUST OR RENEW IT AND WE REAFFIRM THAT WE ARE ALL
19 WORKING FOR THE HEALTH OF NOT JUST THE CITIZENS OF
20 CALIFORNIA, BUT ACROSS THE WORLD.

21 SECONDLY, THE THEME I HEAR IS HOPE AND
22 OPTIMISM. AND I SPEAK NOT ONLY FOR DISEASES THAT HAVE
23 AFFECTED MY FAMILY; BUT IN MY JOB AS A CARDIOLOGIST,
24 EVERY DAY I MEET PEOPLE WHO WOULD BENEFIT FROM THIS
25 RESEARCH. AND MY CHARGE IS TO ADVOCATE FOR EVERYONE

1 WITH DISEASE, NOT JUST, OF COURSE, WITH HEART DISEASE.
2 AND THIS WORK RENEWS MY OPTIMISM IN THE FUTURE OF
3 HEALTHCARE, NOT JUST THE MEDICAL ASPECTS, BUT IN THE
4 FUNDING AND THE BENEFITS THAT CAN RETURN AS A RESULT OF
5 THIS RESEARCH. I AM ENERGIZED BY THE POTENTIAL THAT WE
6 HAVE TO DO GOOD THINGS HERE, AND I DON'T WANT ANYTHING
7 TO STEP IN THE WAY OF THAT.

8 AND THE THIRD THEME WAS MOST BEAUTIFULLY
9 ITERATED HERE BY JEFF, AND THAT IS RESPECT. AND IT'S
10 RESPECT FOR THE VOTES FROM THE STATE OF CALIFORNIA AND
11 SUBSEQUENTLY THE RESPECT FOR THE WORK OF SENATOR ORTIZ
12 AND THE OTHER LEGISLATORS, BUT, THIRDLY, FOR THIS BOARD
13 AND FOR THE AMOUNT OF TIME THAT THESE EXPERTS AROUND
14 THE TABLE HAVE DEVOTED TO THE PROJECT. AND I THINK
15 SELF-RESPECT IS VERY IMPORTANT. AND AS A BOARD, I
16 THINK WE DO NEED TO GO TO SACRAMENTO AND HELP EDUCATE
17 THOSE WHO HAVE NOT FULLY UNDERSTOOD THE IMPACT OF THIS
18 LEGISLATION AND MAKE OUR VOICES KNOWN.

19 CHAIRMAN KLEIN: THANK YOU.

20 MR. SHESTACK: PERHAPS I MISUNDERSTOOD, BUT I
21 THOUGHT THAT GAYLE WILSON WAS GIVING US A VERY SPECIFIC
22 MESSAGE, WHICH WAS THAT WE HAVE TO BE WORKING WITH OUR
23 REPRESENTATIVES IN DISTRICT, THAT IT'S A WASTE OF TIME
24 TO NOT -- IT'S NOT THE BEST USE OF OUR TIME TO TRY AND
25 CHANGE SENATOR ORTIZ' MIND, THAT IT IS A COMPLICATED

1 PROCESS THAT IS NOT SO EASY TO WIN FOR SENATOR ORTIZ.
2 I FEEL THAT YOU WERE GIVING US SOME VERY SPECIFIC
3 POLITICAL ADVICE ON HOW TO HANDLE THIS SITUATION AND
4 HOW TO REACH OUT, HAVE -- FOR INSTANCE, LISTENING TO
5 YOU, I'M MOTIVATED TO ASK THE FAMILIES IN THE MENTAL
6 HEALTH COMMUNITY, FAMILIES AFFECTED BY AUTISM,
7 SCHIZOPHRENIA, OBSESSIVE COMPULSIVE DISORDER, ANYONE
8 WHO THINKS THIS IS POTENTIALLY IMPORTANT TO THEM NOT TO
9 GO TO SACRAMENTO, BUT TO GO TO THEIR DISTRICT AND TO
10 MEET THEIR REPRESENTATIVES, MEET THEIR SENATORS AND
11 ASSEMBLYMEN AND TALK TO THEM ABOUT IT AND EXPLAIN IT.

12 I THOUGHT THAT YOU WERE GIVING US A SLIGHTLY
13 DIFFERENT MESSAGE THAN THE GROUP OF ALL OF -- WITH ALL
14 OUR IMMINENCE GOING TO SACRAMENTO. AM I INCORRECT?

15 MS. WILSON: NO, YOU'RE NOT INCORRECT. I
16 WILL TELL YOU THAT ALL POLITICS IS LOCAL. WE'D LIKE TO
17 THINK THAT PEOPLE ARE LOOKING AT WHAT'S THE BEST FOR
18 THE STATE. BUT IF THEY SEE A LETTER OR A PHONE CALL
19 COMING FROM SOMEONE IN THEIR DISTRICT, NOT SOME OTHER
20 DISTRICT. I CAN GIVE YOU SOME EXPERIENCE WITH THAT
21 WHERE PEOPLE JUST PUSH INTO THE TRASH CAN ANY LETTER
22 FROM SOMEBODY OUTSIDE OF THEIR DISTRICT BECAUSE, HEY,
23 THEY'RE NOT GOING TO VOTE FOR THEM. I HOPE THERE'S A
24 BIGGER VIEW THAN THAT, BUT IT STILL MEANS SOMETHING TO
25 HAVE PEOPLE FROM THEIR DISTRICT WEIGH IN ON THIS ISSUE.

1 CHAIRMAN KLEIN: THANK YOU VERY MUCH. THE
2 OTHER AREA THAT WE HAVEN'T TOUCHED ON DEEPLY HERE IS
3 THE INTELLECTUAL PROPERTY PROVISIONS THAT ARE IN THE
4 PROPOSED LANGUAGE SUGGEST THAT WE SHOULD SET ROYALTIES
5 AND PATENT REVENUE AT A LEVEL THAT WOULD RECOUP A
6 HUNDRED PERCENT OF THE COST OF THE RESEARCH FOR THE
7 STATE.

8 NOW, CERTAINLY DURING THE PROPOSITION 71
9 CAMPAIGN THAT WAS NEVER PUT FORWARD. IN FACT, THERE'S
10 A LEGAL RECORD OF WHAT WAS SUBMITTED TO THE LEGISLATIVE
11 ANALYST, THAT WAS SUBMITTED TO EVERY CHAMBER OF
12 COMMERCE IN THE STATE, THAT WAS SUBMITTED, IN FACT, TO
13 EVERY CONSTITUTIONAL OFFICER THAT WAS USED IN THE
14 DEBATES. AND THOSE ARE ECONOMIC STUDIES DONE BY
15 DR. LAUREN BAKER OF STANFORD MEDICAL SCHOOL, A MEDICAL
16 ECONOMIST, AND THE ANALYSIS GROUP THAT DOES MEDICAL
17 COST BENEFIT STUDIES THAT SUGGESTED THAT INTELLECTUAL
18 PROPERTY REVENUE WAS GOING TO BE A SMALL PART OF THE
19 PAYBACK TO THE STATE, THAT THE MAJOR BENEFIT TO THE
20 STATE WAS, IN FACT, POTENTIAL REDUCTION IN HUMAN
21 SUFFERING AND THE COST OF HEALTHCARE.

22 AND MANY TIMES WE CITED THE FACT THAT THE
23 PROJECTIONS WERE THAT IF WE COULD GET A 2-PERCENT
24 ENHANCEMENT IN THE THERAPIES, EXISTING THERAPIES,
25 DEALING WITH FIVE OUT OF 70 OF THE CONDITIONS THAT WERE

1 INVOLVED, THAT THOSE REVENUES, COMBINED WITH THE NEW
2 TAX REVENUES, WOULD PROVIDE A 236-PERCENT PAYBACK TO
3 THE STATE. IT'S NOT REVENUE ACTUALLY. IT'S THE COST
4 SAVINGS FROM HEALTHCARE IMPROVING BY 2 PERCENT; THAT
5 IS, SOMEONE GETS OUT OF THE HOSPITAL 2 PERCENT EARLIER
6 IN FIVE OUT OF 70 CONDITIONS.

7 THE HEALTHCARE COSTS FACING THIS STATE, \$14
8 BILLION INCREASING 8 TO 10 PERCENT A YEAR ARE SO
9 MASSIVE, THAT AT THE MARGIN, IF WE CAN JUST GET THE
10 KNOWLEDGE TO PROCEED TO THE POINT WHERE WE CAN GET
11 INCREMENTAL IMPROVEMENTS IN THE THERAPIES, THOSE COST
12 SAVINGS WOULD BE BY FAR THE GREATEST CONTRIBUTION TO
13 THE STATE. WE CAN BE OPTIMISTIC AND HAVE HIGHER GOALS,
14 BUT ON A VERY CONSERVATIVE BASIS, THE ECONOMIC PAYBACKS
15 ARE DRIVEN BY COST SAVINGS TO THE STATE.

16 BUT I DON'T KNOW OF ANY PRECEDENT IN THE
17 NATION FOR ASSUMING YOU CAN SET ROYALTIES AT A LEVEL
18 THEY WOULD HAVE A HUNDRED PERCENT PAYBACK OF THE
19 SCIENTIFIC COSTS.

20 IN ADDITION, THE WAY THE LANGUAGE IS
21 STRUCTURED, WE BELIEVE OR I BELIEVE THAT IT CREATES A
22 PROBLEM FOR OUR BONDS AND, IN FACT, THAT THE BONDS
23 WOULD BECOME TAXABLE. WE ARE WAITING FOR BOND
24 COUNSEL'S OPINION ON THIS, BUT THE LANGUAGE RAISES SOME
25 VERY, VERY DIFFICULT PROBLEMS THAT WOULD INCREASE THE

1 COST TO THE STATE.

2 AS TO THE ISSUE RELATED TO THAT OF MAKING
3 SURE THAT THESE THERAPIES ARE AVAILABLE TO EVERYONE IN
4 THE STATE, IT IS VERY IMPORTANT THAT THE PUBLIC
5 UNDERSTAND THAT THROUGH CLINICAL TRIALS, THE MEDICAL
6 STANDARDS ARE -- REQUIRE THAT CLINICAL TRIALS BE BLIND
7 AND THAT PEOPLE OF EVERY MEANS BE GIVEN ACCESS TO
8 CLINICAL TRIALS, AND THOSE CLINICAL TRIALS ARE PAID FOR
9 SO PEOPLE WOULD NOT BE SUBJECT TO BEING EXCLUDED FROM
10 CLINICAL TRIALS BECAUSE THEY DON'T HAVE THE ECONOMIC
11 CAPACITY.

12 BUT DOWNSTREAM WHEN THERAPIES ARE AVAILABLE,
13 IT IS CERTAINLY IMPORTANT THAT COMPASSIONATE CARE BE
14 AVAILABLE. THE STATE HAS THE ABILITY, IN FACT, THE
15 LEGISLATURE HAS THE ABILITY TO SET ASIDE PART OF THE
16 INTELLECTUAL PROPERTY REVENUES FOR COMPASSIONATE CARE.
17 THAT IS WITHIN THEIR DOMAIN AND THEIR CONTROL. AND BY
18 USING COMPASSIONATE CARE FROM THAT SIDE AND THAT
19 APPROACH, WE KNOW THAT THERE IS PRECEDENT FOR IT
20 WORKING AS A PART AND CONNECTED TO THE INTELLECTUAL
21 PROPERTY STANDARDS, THAT SHE WANTS TO DO A TIE-IN WHERE
22 YOU HAVE PRICE FIXING IN MEDICAL RESEARCH, WHICH HAS
23 BEEN A REAL PROBLEM.

24 AMONG OTHER ISSUES HERE, SHE'S APPROACHING
25 ALL THE DISEASES AS IF THEY'RE THE SAME. AND THERE ARE

1 MANY DISEASES WITH SMALL POPULATIONS LIKE ALS OR MS OR
2 CYSTIC FIBROSIS WHERE IT'S DIFFICULT TO JUST GET
3 PRIVATE COMPANIES TO ENTER THE FIELD AND MAKE IT
4 ECONOMICALLY FEASIBLE TO DEVELOP THERAPIES. AND TO TRY
5 AND LATER, PRICE FIXING ON THAT TOP OF THAT WOULD
6 POTENTIALLY ELIMINATE THE ABILITY TO REALLY DEVELOP
7 THOSE THERAPIES AT ALL. THAT WOULD BE A DISSERVICE TO
8 THE PATIENTS. THAT WOULD BE A DISSERVICE TO THE
9 MISSION OF THE STATE.

10 SO WHILE THERE'S A VERY GOOD CONCEPT HERE
11 THAT WE NEED TO HAVE ADDRESSED, THE AFFORDABILITY FOR
12 PATIENTS OF LOWER INCOME, AND THAT CAN HAPPEN THROUGH
13 INTELLECTUAL PROPERTY REVENUE, PROVIDING COMPASSIONATE
14 CARE, THE OTHER APPROACH TO THIS SAME GOAL MAY, IN
15 FACT, DISABLE THE WHOLE ABILITY TO DEVELOP THERAPIES AT
16 ALL.

17 I THINK SOME OF THE MEMBERS OF THIS COMMITTEE
18 HAVE BEEN, IN FACT, EXPOSED TO THAT BACKGROUND IN TERMS
19 OF WHAT HAPPENS IF YOU TRY AND TAKE THE APPROACH THAT'S
20 OUTLINED IN THIS BILL WITH PRICE FIXING. DOES ANYONE
21 WANT TO COMMENT ON THAT ISSUE?

22 DR. BRYANT: I WOULD JUST COMMENT FROM
23 WORKING WITH THE CCST TO DEVELOP AN IP POLICY THAT IS
24 SUITABLE FOR STATE GRANTS, BUT ALSO PARTICULARLY
25 SUITABLE FOR CIRM, THERE ARE A LOT OF ISSUES THAT HAVE

1 BEEN DISCUSSED, MANY OF WHICH YOU MENTIONED. YOU KNOW,
2 THE LAW THAT GOVERNS FEDERAL FUNDING FOR RESEARCH IS
3 THE BAYH-DOLE ACT. AND THE BAYH-DOLE ACT HAS BEEN
4 DEEMED EXTREMELY SUCCESSFUL IN BOTH PROMOTING, ALLOWING
5 THE RESEARCH TO GO FORWARD, AND ALSO ENCOURAGING THE
6 PRODUCTS OF THAT RESEARCH TO BE PICKED UP BY INDUSTRY
7 AND DEVELOPED FURTHER.

8 AND IN THE BIOMEDICAL AREA, THERE IS A HUGE
9 GAP AFTER AN INVENTION IS DEVELOPED IN THE UNIVERSITY
10 BEFORE THAT PRODUCT IS READY TO BE APPLIED TO PEOPLE.
11 AND THAT GAP CAN COST HUNDREDS OF MILLIONS OF DOLLARS.
12 SO THERE IS A VERY FINE BALANCING ACT THAT GOES ON HERE
13 THAT BAYH-DOLE HAS MANAGED TO CRAFT THAT ALLOWS
14 UNIVERSITIES TO DO THEIR RESEARCH AND INCENTIVIZES THEM
15 TO GET THAT RESEARCH -- THOSE RESEARCH PRODUCTS OUT
16 INTO THE COMMUNITY AND ALSO INCENTIVIZES THE START-UPS
17 OR OTHER COMPANIES TO COME IN AND GET EXCLUSIVE
18 LICENSES TO THAT WORK SO THAT THEY CAN THEN MAKE THE
19 INVESTMENT.

20 AND THERE HAS BEEN ONE EXPERIMENT AT NIH
21 WHERE THEY TRIED FOR A PERIOD OF YEARS TO ENFORCE
22 REASONABLE PRICING ON PRODUCTS THAT WERE COMING OUT OF
23 THE INTERNAL NIH PROGRAM. WHAT IT DID WAS IT REDUCED
24 TO ALMOST ZERO THE NUMBER OF COMPANIES THAT WOULD COME
25 IN AND PICK UP ANY OF THE INVENTIONS BECAUSE THEY WERE

1 NOT WILLING TO PUT UP THIS HUGE INVESTMENT WITHOUT
2 KNOWING AHEAD OF TIME WHAT THEIR OBLIGATIONS WOULD BE
3 AND WHETHER THEY WOULD EVEN BE ABLE TO COVER THEIR
4 COST.

5 SO I WOULD JUST SAY THAT IT'S AN EXTREMELY
6 COMPLICATED AREA WITH LOTS OF THINGS THAT COULD
7 UNBALANCE THE SITUATION.

8 ANOTHER ISSUE, OF COURSE, IS THE FACT THAT
9 DOWN THE LINE WE'RE HOPING THAT STATE AND FEDERAL FUNDS
10 WOULD BE POSSIBLE TO BE MIXED. I ASSUME WE'RE NOT
11 STUCK WITH THE CURRENT SITUATION FOR VERY LONG. AND IF
12 WE DO HAVE THAT KIND OF SITUATION IN THE FUTURE, IN
13 ORDER TO HANDLE THE FUNDS AT AN INSTITUTIONAL LEVEL, IT
14 WILL BE VERY IMPORTANT THAT OUR POLICIES ARE CONSISTENT
15 WITH THE FEDERAL POLICIES. OTHERWISE IT WILL CREATE A
16 NIGHTMARE THAT MAYBE SOME INSTITUTIONS WON'T WANT TO
17 EVEN PARTICIPATE UNDER THOSE CONDITIONS. THERE ARE
18 SEVERAL IMPORTANT ISSUES HERE.

19 CHAIRMAN KLEIN: I THINK DR. LOVE AND THEN
20 DR. NOVA.

21 DR. LOVE: I JUST WANTED TO MAKE A COUPLE
22 COMMENTS ABOUT HOW I'M KIND OF FEELING LISTENING TO ALL
23 OF THIS. AND QUITE FRANKLY, I HAVE TO ADMIT I'M
24 FEELING VERY ANGRY AND VERY DISAPPOINTED. AND I THINK
25 THAT AS A GROUP, WE SHOULD FEEL COMFORTABLE EXPRESSING

1 THAT, NOT WITH THE INTENT OF BEING ADVERSARIAL, BUT
2 WITH THE INTENT OF BEING VERY CLEAR THAT THIS IS A VERY
3 SERIOUS INITIATIVE THAT WE'VE ALL ENGAGED IN. AND I
4 THINK PEOPLE UP HERE HAVE TAKEN IT VERY SERIOUSLY, AND
5 I THINK WE'RE VERY FOCUSED ON TRYING TO DO SOMETHING
6 THAT WILL HELP PATIENTS IN CALIFORNIA AND HELP PATIENTS
7 THROUGHOUT THE WORLD. AND LET'S FACE IT. THIS EFFORT
8 IS REALLY A PROBLEM FOR US, AND I THINK WE NEED TO BE
9 VERY CLEAR ABOUT BEING AGAINST IT, NOT AGAIN TO BE
10 ADVERSARIAL.

11 JUST TO PUT SOME OF THIS INTO CONTEXT AND
12 RESPOND TO BOB'S SPECIFIC QUESTION ABOUT INTELLECTUAL
13 PROPERTY AND ROLES ASSOCIATED WITH THAT, JUST LAST WEEK
14 I MET WITH A GROUP OF VENTURE CAPITALISTS IN THE BAY
15 AREA. AND QUITE FRANKLY, ONE OF THEIR CONCERNS RIGHT
16 NOW IS HOW LONG IT WOULD TAKE TO GET A RETURN BY
17 INVESTING IN COMPANIES ENGAGED IN STEM CELL RESEARCH.
18 AND FOR US TO TACK A BURDEN ONTO THAT EFFORT, I THINK,
19 WILL GREATLY DISSUADE AN EFFORT AND WILL CRIPPLE THE
20 WHOLE PROCESS OF WHAT WE'RE TRYING TO GENERATE HERE IN
21 TERMS OF MAKING THERAPIES AVAILABLE FOR PATIENTS.

22 JUST TO PUT SOMETHING INTO CONTEXT FOR
23 PEOPLE, \$3 BILLION IS A LOT OF MONEY, BUT \$3 BILLION IS
24 NOWHERE NEAR THE KIND OF MONEY THAT'S GOING TO BE
25 REQUIRED TO MAKE THERAPIES ACTUALLY AVAILABLE. I SPEND

1 MY CAREER IN A COMPANY. AND JUST TO GIVE PEOPLE SOME
2 IDEA, IT PROBABLY TAKES SOMEWHERE BETWEEN 750 MILLION
3 TO A BILLION DOLLARS TO MAKE ONE SUCCESSFUL COMPANY IN
4 BIOTECHNOLOGY, ONE COMPANY. WE EXPECT THIS AREA, I
5 WOULD EXPECT THIS TO BE AN AREA WHERE THERE WILL
6 LITERALLY BE HUNDREDS OF COMPANIES GENERATED. SO WE'RE
7 TALKING ULTIMATELY ABOUT HUNDREDS OF BILLIONS OF
8 DOLLARS INVESTED TO MAKE THIS GO FORWARD.

9 SO, AGAIN, I WOULD JUST END ON THE POINT OF
10 SAYING I THINK THIS GROUP SHOULD TAKE A VERY FIRM
11 POSITION OF BEING AGAINST THE LEGISLATION. WE
12 SHOULDN'T BE ASHAMED OF THAT. I THINK WE SHOULD
13 CONTINUE TO EXPRESS OUR WILLINGNESS TO BE OPEN AND TO
14 WORK WITH SENATOR ORTIZ; BUT, AGAIN, I WOULD BE
15 DISCOURAGED BASED ON WHAT WE'VE SEEN SO FAR IN TERMS OF
16 HER WILLINGNESS TO WORK WITH THIS GROUP.

17 DR. NOVA: THAT WAS VERY WELL SUMMARIZED BY
18 DR. LOVE EXACTLY WHAT I WAS GOING TO SAY. COMING FROM
19 INDUSTRY, WE HAVE A DIFFERENT PERCEPTION ABOUT
20 INTELLECTUAL PROPERTY. AND I COMPLETELY AGREE THAT IF
21 WE DO NOT FOLLOW THESE GUIDELINES LIKE YOU HAVE JUST
22 SAID, THAT WE WILL KILL THE INDUSTRY BECAUSE WITHOUT
23 THE VENTURE CAPITALIST SUPPORT IN THE END, JUST LIKE
24 DR. BRIAN AS ALLUDED TO, THIS WILL GO TO THE NEXT STEP
25 AND WILL NOT BECOME A REALITY. WE HAVE TO LOOK TO IT

1 DOWN THE LINE, AND I THINK WE SHOULD BE VERY AGGRESSIVE
2 AND VERY STRONG ON THIS ISSUE. AND I SUPPORT IT
3 COMPLETELY. THANK YOU.

4 CHAIRMAN KLEIN: DR. LEVEY.

5 DR. LEVEY: I WOULD JUST LIKE A COUPLE OF
6 SUGGESTIONS. ONE, WHEN WE DO WRITE OUR LETTER, IT'D
7 PROBABLY BE NICE -- BOB, YOU HAVE YOUR NETWORK OF
8 SUPPORTERS. I KNOW SOME OF THEM WERE IN LOS ANGELES.
9 BE NICE TO COPY THEM ON THESE LETTERS AND ASK THEM TO
10 WRITE LETTERS AS WELL AS IF THEY WERE IN AGREEMENT WITH
11 OUR POSITION.

12 AND THE SECOND THING IS I THINK WE NEED SOME
13 ADVICE FROM GOVERNMENT RELATIONS EXPERTS BECAUSE I KNOW
14 WHEN THE UC GOES TO SACRAMENTO, THESE ARE REALLY
15 WELL-PLANNED OUT VISITS BECAUSE IT'S NOT EASY TO SET
16 VISITS UP. SO BEFORE WE PLAN SUCH A VISIT, IT MAY NOT
17 BE SUCCESSFUL BECAUSE WE'RE TALKING TWO WEEKS FROM NOW
18 AND IT MAY NOT BE APPROPRIATE TIME TO ACTUALLY MAKE
19 THOSE KINDS OF VISITS. I THINK WE NEED SOME ADVICE,
20 AND I'M SURE PEOPLE LIKE STEVE ARDIDDE (PHONETIC) IN
21 THE UC SYSTEM WOULD BE MORE THAN HAPPY TO GIVE YOU
22 ADVICE.

23 CHAIRMAN KLEIN: I THANK YOU. I'D LIKE TO
24 POINT OUT WE ARE WORKING IN CONJUNCTION WITH THE
25 VARIOUS RESEARCH INSTITUTIONS, THE UNIVERSITIES, THEIR

1 GOVERNMENT RELATIONS PEOPLE, PATIENT GROUPS, THEIR
2 GOVERNMENT RELATIONS REPRESENTATIVES. AND I AM
3 PERSONALLY GOING TO SACRAMENTO BEFORE OUR MEETING ON
4 THURSDAY TO SPECIFICALLY MEET WITH SENATOR ORTIZ. AND
5 I HAVE AN APPOINTMENT SET UP TO TRY AND MAKE IT CLEAR
6 WE'RE OPPOSED BASED ON THE CURRENT LANGUAGE, BUT WE'D
7 LIKE TO FIND A WAY TO GET LANGUAGE THAT ACTUALLY DOES
8 WORK.

9 DR. HOLMES: MR. CHAIR, I'D LIKE TO SAY
10 PERSONALLY I'M VERY SUPPORTIVE OF THE DISCUSSION WE'VE
11 HAD TODAY. I'M PARTICULARLY ENTHUSIASTIC ABOUT
12 APPROACHING THE WIDE RANGE OF INDIVIDUALS ON THIS. AND
13 REALLY I HAVE A QUESTION, AND MAYBE LEGAL COUNSEL COULD
14 HELP ME WITH THIS, THAT THERE ARE FIVE OF US ON THIS
15 BOARD WHO ARE APPOINTEES VIA OUR ROLES IN THE
16 UNIVERSITY OF CALIFORNIA. AND I BELIEVE THERE ARE
17 SPECIFIC PROHIBITIONS ABOUT PEOPLE WHO ARE EMPLOYEES OF
18 THE UNIVERSITY DIRECTLY LOBBYING FOR SPECIFIC
19 LEGISLATION. AND WHAT I WOULD NOT LIKE TO HAVE HAPPEN
20 IS THAT SOMEHOW MY VOICE GOT MUTED. I'M ENTHUSIASTIC
21 ABOUT THIS, BUT WERE IT TO BE SOMEHOW LEGISLATED WE
22 COULDN'T HAVE A VOICE, I WOULDN'T WANT IT TO BE A
23 NEGATIVE VOTE ON OUR PART, BUT ONE THAT, AT LEAST
24 PERSONALLY, I WAS ON RECORD AS SAYING I SUPPORTED THIS.

25 AND I DON'T KNOW, JAMES, IF YOU COULD HELP US

1 OR NOT, BUT I THINK THERE ARE SOME PROHIBITIONS ABOUT
2 SPECIFIC LEGISLATION AND WHAT WE CAN SAY.

3 MR. HARRISON: I DON'T KNOW THE ANSWER TO
4 THAT QUESTION, BUT I WILL RESEARCH IT AND GET BACK TO
5 YOU.

6 DR. BRYANT: SO I'VE ALREADY WRITTEN TO MY
7 LOCAL REPRESENTATIVES, SO I'M ALREADY IN TROUBLE.

8 MR. HARRISON: I'LL CALL YOU FIRST.

9 CHAIRMAN KLEIN: WE WILL IMMEDIATELY EMBARK
10 ON THIS. WE'RE USING THE RESOURCES OF A SIGNIFICANT
11 GROUP OF PEOPLE. UNTIL, FRANKLY, THIS LAST WEEK, WE'VE
12 BEEN TIED DOWN BY INCREDIBLE TIME PRESSURES DEALING
13 WITH THE SITE SEARCH AND ALL OF THESE COMMITTEE
14 FORMATIONS AND OTHER PROCESSES. EVERY ONE OF THOSE 28
15 OR 29 HEARINGS TOOK A HUGE AMOUNT OF TIME. AND GIVEN
16 THE EXTRAORDINARILY LIMITED STAFF, IT HAS BEEN A REAL
17 CHALLENGE.

18 I'D LIKE TO ASK BEFORE -- WE'RE GOING TO
19 BREAK FOR LUNCH AND EXECUTIVE SESSION, BUT I'D LIKE TO
20 ASK IS THERE COMMENT FROM THE PUBLIC ON THE ORTIZ
21 LEGISLATION?

22 MR. REED: I THINK AS SOMEBODY WHO HAS PUSHED
23 A LAW THROUGH THE DIFFERENT STEPS, I THINK A COUPLE
24 THINGS ARE IMPORTANT. NO. 1, THE COMMITTEE HEARINGS
25 ARE IRREVOCABLE STEPS. THOSE CANNOT BE UNDONE. THE

1 FACT THAT WE WERE UNABLE TO MAKE AN EFFECTIVE PRESENCE
2 AT THE LAST ONE IS HUGELY SIGNIFICANT, AND WE MUST FIND
3 WAYS TO SPEAK AND BE HEARD AT THE FUTURE ONES.

4 SECONDLY, THIS IS BEING PROPOSED AS A
5 TINKERING IN SOMETHING THAT'S WONDERFUL, MINOR
6 TINKERING TO MAKE SURE IT RUNS RIGHT. IT'S IMPORTANT
7 THAT WE RECOGNIZE AS HOW SHE IS THOUGHT OF. SHE IS
8 THOUGHT OF AS PERSON WHO KNOWS THE WHOLE SHOOTING
9 MATCH. IF SHE THINKS IT'S THAT WAY, THE ONLY THING
10 THAT WILL MAKE HER -- WILL STOP HER IS A STRONG
11 OPPOSITION. WE CAN BE AS POLITE AS WE WANT; BUT IF
12 WE'RE NOT CLEAR AND BLUNT AND OUTSPOKEN, SHE'LL WIN
13 BECAUSE THE PEOPLE IN THERE, FIRST OF ALL, THEY LIKE
14 POWER. THEY LIKE OVERSIGHT. THEY WANT THE CONTROL.
15 IT'S IN THEIR NATURE TO CONTROL. AND IF SHE, THE
16 EXPERT, WHOM THEY KNOW WAS SUPPORTIVE, IF SHE SAYS
17 CONTROL IS NEEDED, THEIR FIRST INSTINCT IS GOING TO BE
18 TO GO WITH HER.

19 SECONDLY, THIS IS RADICAL. THIS GOES
20 COMPLETELY AGAINST THE PRESENT SETUP FOR PEER REVIEW.
21 HIV/AIDS, BREAST CANCER, TOBACCO-RELATED ILLNESSES,
22 THESE ALL HAVE PRIVATE PEER REVIEW BOARDS. THIS IS
23 RADICALLY DIFFERENT.

24 SECONDLY -- THIRDLY, THE ATTEMPT TO MAKE THIS
25 AFFORDABLE HAS BEEN TRIED BEFORE. THE NIH TRIED IT,

1 AND THERE'S A GOOD STUDY WHICH SHOWS THAT IT WAS AN
2 UTTER DISASTER. WHAT PEOPLE FINALLY CAME TO REALIZE IS
3 BEFORE WE CAN HAVE AFFORDABLE COMPUTERS, WE MUST HAVE
4 COMPUTERS. THE GREATER GOOD IS THE BENEFIT OF THIS,
5 NOT THE SMALL INDIVIDUAL TINKERING, WHICH WILL SLOW THE
6 WHOLE THING DOWN, LIKE A MONKEY WRENCH THROWN INTO A
7 FINE-TUNED MACHINE STOP US, SO WE HAVE TO FIGHT. WE
8 CANNOT SIT BACK AND WATCH, WAIT FOR OTHERS. WE ARE
9 ALSO INDIVIDUALS. YOU ARE OUR LEADERS. AND THERE MAY
10 BE SOME SMALL TECHNICAL CONSTRAINTS, BUT STRETCH THEM
11 TO THE LIMIT. YOU'RE ALSO INDIVIDUAL CITIZENS, AND YOU
12 ARE THE EXPERTS. AND IF YOU DON'T SPEAK UP FOR US,
13 WE'RE NOT GOING TO BE SPOKEN UP FOR WELL. THANK YOU.

14 CHAIRMAN KLEIN: I WOULD LIKE TO SAY THAT
15 PERSONALLY IT'S MY HOPE THAT WITH THE VOICES OF MEMBERS
16 OF THIS BOARD AND THE INSTITUTIONS AND SCIENTISTS THAT
17 THEY REPRESENT AND THE PATIENT GROUPS THEY REPRESENT
18 COMMUNICATED TO SENATOR ORTIZ, IT'S STILL MY HOPE,
19 GIVEN THAT SHE'S FOR THE SAME GOALS THAT, IN FACT, THE
20 LANGUAGE WILL BE CHANGED AND WE WILL BE ABLE TO WORK
21 TOGETHER, BUT I DO BELIEVE IT'S EXTREMELY IMPORTANT TO
22 COMMUNICATE THAT THE CURRENT LANGUAGE IS A DISASTER.
23 IT JUST -- IT'S THE WAY THE PROCESS IS DONE.

24 ANY ADDITIONAL PUBLIC COMMENT? I DON'T WANT
25 TO CALL FOR A VOTE ON THE RESOLUTION WHICH ADDRESSES

1 SEVERAL DIFFERENT PIECES OF LEGISLATION. I'D JUST LIKE
2 A VOTE ON AN OPPOSITION POSITION ON SCA 13 BEFORE WE
3 ADJOURN FOR LUNCH.

4 MR. SERRANO-SEWELL: SO MOVED.

5 CHAIRMAN KLEIN: IT'S BEEN MOVED.

6 DR. LEVEY: SECOND.

7 CHAIRMAN KLEIN: SECONDED. THIS IS JUST A
8 VOTE ON AN OPPOSITION POSITION TO SENATE CONSTITUTIONAL
9 AMENDMENT 13. IT WAS MOVED BY DAVID SERRANO-SEWELL AND
10 SECONDED BY DR. LEVEY.

11 DR. KESSLER: CAN I JUST ASK WHAT AN
12 OPPOSITION POSITION MEANS?

13 CHAIRMAN KLEIN: IT MEANS THAT WE ARE OPPOSED
14 TO THE CURRENT LANGUAGE OF THIS BILL. IT MEANS THAT WE
15 ARE OPPOSED TO IT PASSING WITH THE CURRENT LANGUAGE.

16 DR. KESSLER: OUR JOB, CORRECT ME IF I'M
17 WRONG, AND MAYBE COUNSEL CAN HELP, IT GOES TO THE POINT
18 OF WHAT, AS STATE OFFICIALS, WE SHOULD BE DOING.

19 MY SENSE IS IT IS ALWAYS SAFE HARBOR IF WE
20 ARE EDUCATING. I THINK WHERE THE LINE IS IS WE CANNOT
21 LOBBY. I THINK THAT IS THE -- I LEAVE IT TO YOU TO GET
22 BACK WHETHER -- TAKING POSITIONS ON CERTAIN BILLS, IS
23 THAT LOBBYING OR IS THAT EDUCATION AND WHAT DOES THE
24 LAW SAY?

25 MR. HARRISON: YOU AS A BOARD CAN TAKE A

1 POSITION ON THIS LEGISLATION. THERE'S NO QUESTION
2 ABOUT THAT. SO YOU CAN ADOPT A POSITION EITHER TO
3 SUPPORT OR OPPOSE A PIECE OF LEGISLATION.

4 STATE AGENCIES ALSO ENGAGE IN LOBBYING
5 EFFORTS TO MAKE SURE THE INTERESTS ARE SERVED AT THE
6 LEGISLATURE. WHETHER PARTICULAR MEMBERS OF THIS BOARD
7 CAN ENGAGE IN LOBBYING, IF YOU ARE A UC OFFICIAL, IS
8 SOMETHING I NEED TO LOOK INTO. THE BOARD CAN TAKE A
9 POSITION ON LEGISLATION.

10 CHAIRMAN KLEIN: IT'S A VERY CLEAR POSITION,
11 AS YOU SAY. STATE -- EVERY STATE DEPARTMENT,
12 DEPARTMENT OF HEALTH, DEPARTMENT OF HOUSING, HAS
13 POSITIONS OPPOSED TO A BILL IN FAVOR OF OTHER BILLS,
14 CONCERN ON OTHER BILLS. THIS IS THE STANDARD PRACTICE.

15 DR. BALTIMORE: I WONDER WHETHER -- LET ME
16 START OFF FROM WHERE I COME FROM HERE. I THINK THAT
17 THIS LEGISLATION WILL MAKE IT IMPOSSIBLE FOR CALIFORNIA
18 SCIENTISTS TO PLAY A CONSTRUCTIVE ROLE IN THE
19 DEVELOPMENT OF EITHER THE KNOWLEDGE OR THE THERAPIES
20 THAT CAN COME FROM STEM CELLS.

21 GIVEN THAT PERSPECTIVE, I THINK WHAT WE
22 SHOULD SAY IS THAT IT IS OUR CONSIDERED OPINION THIS
23 LEGISLATION WILL MAKE IT IMPOSSIBLE FOR THE SCIENTISTS
24 OF THE STATE OF CALIFORNIA TO PLAY A CONSTRUCTIVE ROLE
25 IN THIS RESEARCH.

1 CHAIRMAN KLEIN: WITH ITS CURRENT LANGUAGE.

2 DR. BALTIMORE: WITH ITS CURRENTS LANGUAGE.

3 NOT JUST SAY WE'RE IN OPPOSITION.

4 CHAIRMAN KLEIN: DO YOU ACCEPT THAT --

5 MR. SERRANO-SEWELL: I AGREE. WE CAN GO ON
6 AND SAY NOT IN ADDITION TO THE SCIENTISTS, AS YOU SAID,
7 DR. BALTIMORE. IT WILL MAKE IT ABSOLUTELY IMPOSSIBLE
8 FOR THEM TO CONDUCT AND DO THEIR JOB AS THEY'RE TRAINED
9 TO DO. WE COULD ALSO SAY, COMMA, AND DELAY CURES AND
10 THERAPIES AND, COMMA, I MEAN WE CAN JUST GO ON AND ON.

11 CHAIRMAN KLEIN: LET'S KEEP --

12 MR. SERRANO-SEWELL: AS WITH -- I'M SORRY,
13 CHAIRMAN KLEIN. I ACCEPT HIS FRIENDLY AMENDMENT.

14 CHAIRMAN KLEIN: AND, DR. BALTIMORE, DO YOU
15 ACCEPT THE -- SUGGESTION IS THAT WE -- FROM THE MAKER
16 OF THE MOTION THAT WE ALSO SAY AND DELAY CRITICALLY
17 NEEDED MEDICAL THERAPIES.

18 DR. BALTIMORE: YES.

19 DR. POMEROY: ONCE AGAIN, I HAVE SOME
20 CONCERNS ABOUT VOTING ON A MOTION THAT SEEMS SORT OF
21 NEBULOUS AND NOT WRITTEN OUT. I'M WONDERING IF OVER
22 LUNCH WE COULD WRITE WHAT WE'RE VOTING ON SO THAT WE
23 KNOW. BECAUSE I DO THINK WE NEED TO BE VERY CAREFUL
24 ABOUT MAKING A SIMPLISTIC MOTION THAT DOESN'T EMPHASIZE
25 THAT WE BELIEVE IN CONFLICT OF INTEREST RULES, WE

1 BELIEVE IN WORKING TOGETHER. AND OBVIOUSLY, YOU KNOW,
2 THIS LANGUAGE IS PROBLEMATIC, BUT I'M NOT SURE THAT THE
3 MOTION RIGHT NOW CAPTURES THE FULL SPECTRUM OF THE
4 DISCUSSION THAT WE'VE HAD THIS MORNING.

5 DR. PIZZO: CAN WE HEAR THE MOTION?

6 CHAIRMAN KLEIN: THERE WILL BE A LATER
7 DISCUSSION OF A RESOLUTION THAT GOES INTO GREATER
8 DETAIL. WE'RE JUST TRYING TO ADDRESS SCA 13, BUT THE
9 STAFF CAN WORK WITH YOU IN ADDRESSING THESE ISSUES;
10 BUT, FOR EXAMPLE, THE CONFLICT OF INTEREST PROVISIONS
11 IS A COMPLICATED COMMUNICATION BECAUSE THE DESIRE --
12 THE FIRST DESIRE OF THE AUTHOR WAS TO APPLY THE
13 NATIONAL INSTITUTES OF HEALTH EMPLOYEE CONFLICT
14 STANDARDS TO PEER REVIEW.

15 THE NEW POSITION THAT HAS BEEN TAKEN BY THE
16 AUTHOR IS TO APPLY THE EMPLOYEE STANDARDS FOR THE
17 CALIFORNIA INSTITUTE OF REGENERATIVE MEDICINE TO THE
18 PEER REVIEW.

19 DR. POMEROY: I'VE READ THIS VERY CAREFULLY.
20 I'M NOT ARGUING ABOUT THE DETAILS OF THE WORDING. WHAT
21 I'M SAYING IS A SIMPLISTIC MOTION CAN GET PERCEIVED AS
22 US SAYING WE DON'T SUPPORT THE BASIC CONCEPTS. AND I
23 WOULD JUST LIKE TO KNOW THE MOTION THAT WE'RE VOTING
24 ON.

25 CHAIRMAN KLEIN: IT'S MY -- IF I COULD FOR A

1 MINUTE, DR. KESSLER. WHY DON'T WE TRY DURING LUNCH TO
2 WRITE SOMETHING OUT AND BRING IT BACK.

3 DR. KESSLER: CAN I ALSO UNDERSTAND, JUST AS
4 A MATTER OF PROCEDURE, WHEN A STATE AGENCY SENDS TO THE
5 LEGISLATURE, AS YOU SAID, ITS VIEWS ON LEGISLATION AND
6 IT CAN OPPOSE, I ASSUME IT'S NOT A SENTENCE OR TWO. I
7 ASSUME -- WHAT'S THE STANDARD WAY -- I ASSUME IT IS
8 DONE IN A THOUGHTFUL DOCUMENT, ARTICULATING THE
9 SUBSTANTIVE ISSUES THE AGENCY HAS.

10 MR. HARRISON: I THINK THE PRACTICE VARIES,
11 BUT MANY AGENCIES ADOPT RESOLUTIONS THAT SET OUT THEIR
12 POSITION AND EXPLAIN WHY THEY'RE TAKING THAT POSITION.

13 DR. KESSLER: SO I GUESS THE QUESTION IS, I
14 WOULD JUST ASK AGAIN, SUPPORTING MY COLLEAGUE, THAT
15 ANYTHING WE SAY NEEDS TO BE DONE THOUGHTFULLY
16 EXPLAINING WHY WE'RE DOING WHAT WE'RE DOING. WE JUST
17 HAD TWO HOURS OF EXCELLENT DISCUSSION ABOUT THE ISSUES
18 HERE. AND IT'S VERY IMPORTANT THAT THOSE BE CAPTURED
19 IN OUR VIEWS.

20 CHAIRMAN KLEIN: DR. KESSLER, THE DESIRE WAS
21 TO TAKE A PRELIMINARY POSITION. AND THEN WE DO HAVE A
22 WRITTEN RESOLUTION TO CONSIDER WHICH WE'RE GOING TO
23 COME BACK TO.

24 DR. KESSLER: I DON'T UNDERSTAND WHY WE'RE
25 DOING TWO THINGS.

1 DR. HENDERSON: CAN I JUST ASK ABOUT THE
2 LETTER THAT WAS SENT. VERY EARLY ON YOU REFERRED TO A
3 LETTER FROM PRESIDENTS SAMPLE, BALTIMORE, AND OTHERS.
4 IF WE HAD THAT LETTER AND WE COULD ENDORSE IT AS A
5 COMMITTEE, WOULD THAT BE A FAIRLY STRAIGHTFORWARD WAY
6 OF SHOWING OUR SUPPORT?

7 CHAIRMAN KLEIN: THAT LETTER EXPRESSES
8 CONCERNS AND FOCUSES, FOR EXAMPLE, ON PEER REVIEW, BUT
9 IT DOESN'T FOCUS IN-DEPTH ON INTELLECTUAL PROPERTY AND
10 OTHER ISSUES. WE HAVE THAT LETTER, AND WE CAN BRING
11 THAT BACK FOR CONSIDERATION FOR INCORPORATING
12 PROVISIONS IN IT.

13 WHAT I WOULD SUGGEST IS LET'S -- AS THE
14 CHAIRMAN, I'D LIKE TO FOLLOW DR. POMEROY'S SUGGESTION
15 AND HAVE THE STAFF TRY AND WORK ON SOMETHING DURING
16 LUNCH.

17 MR. SERRANO-SEWELL: CHAIRMAN KLEIN, I THINK
18 THAT'S AN EXCELLENT SUGGESTION. HOWEVER, IT WOULD BE
19 MY PREFERENCE, AND I'M GOING TO DEFER WHAT MY
20 PREFERENCE IS TO LEADERSHIP, BUT I WANT TO SAY ON THE
21 RECORD WE CAN HAVE A DISCUSSION, WE CAN HAVE STAFF
22 WRITE A NICE FLOWERY THING. AT THE END OF THE DAY,
23 EITHER YOU SUPPORT SOMETHING OR YOU OPPOSE IT. TO ME
24 THE MOST SIMPLISTIC MOTION WOULD BE THE ONE THAT THE
25 CHAIRMAN HAS SUGGESTED, AND THAT IS TO SIMPLY VOTE ON

1 PRELIMINARILY WHETHER WE SUPPORT OR OPPOSE SCA 13.
2 LET'S GO TO LUNCH. LET'S WRITE A NICE SENTENCE. OKAY.

3 THIS IS AN IMPORTANT ISSUE AND WE'VE GOT TO
4 GO ON RECORD.

5 DR. HALL: IT SEEMS TO ME THAT WE'RE TALKING
6 ABOUT TWO THINGS. TWO JOBS NEED TO BE DONE. I THINK
7 ONE IS TO ADDRESS IN A SUBSTANTIVE AND THOUGHTFUL AND
8 CAREFUL WAY THE ISSUES RAISED IN THE BILL. THOSE
9 ARGUMENTS ARE COMPLICATED. THEY'RE NOT EASY TO
10 UNDERSTAND. I THINK WE SHOULD DO IT.

11 SECOND THING WE NEED TO DO, WHICH I ALSO
12 THINK WE NEED TO DO, IS TO SAY VERY CLEARLY THAT THE
13 CONSEQUENCES OF PASSING THIS LEGISLATION AS WRITTEN
14 WILL CRIPPLE US, WILL STOP US IN OUR TRACKS. I THINK
15 THE POINT IS NOT TO ARGUE, SAY THIS IS HOW WE'D LIKE IT
16 DONE, BUT SIMPLY TO SAY HERE ARE THE CONSEQUENCES OF
17 WHAT HAPPENS IF THIS BILL GOES THROUGH.

18 DR. BALTIMORE: THAT'S EXACTLY RIGHT. THIS
19 IS A SHOT OVER THE BOW. WE'RE TRYING TO TELL THE
20 LEGISLATURE THAT THERE ARE BIG ISSUES HERE, THAT THEY
21 NEED TO TAKE TIME TO THINK ABOUT THEM, AND THAT IT IS
22 OUR CONSIDERED OPINION THAT THIS IS TOTALLY
23 COUNTERPRODUCTIVE. AND I DON'T THINK WE HAVE TO
24 EXPLAIN EVERYTHING IN THIS PARTICULAR MOTION. I DO
25 THINK WE ULTIMATELY HAVE TO EXPLAIN EVERYTHING TO

1 PEOPLE WHO ARE INTERESTED IN IT. BUT THAT, AS ZACH
2 SAYS, IS A TOME.

3 CHAIRMAN KLEIN: IN FACT, WE PREVIOUSLY
4 PREPARED ABOUT 50 PAGES OF DOCUMENTATION AND LETTERS
5 FROM UNIVERSITY AND ASSOCIATIONS OPPOSED TO THIS, AND
6 OTHER GROUPS' COMMENTS. BUT -- SO WE WILL DEFINITELY
7 EXPRESS IN GREAT DETAIL, INCLUDING STATEMENTS FROM THE
8 LAWYERS, ABOUT THE TECHNICAL ISSUES OF THIS. WE'RE
9 TRYING TO CAPTURE THE FUNDAMENTAL CONCEPTS SO WE HAVE A
10 CLEAN, UNDERSTANDABLE MESSAGE THAT THIS WILL CRIPPLE
11 THE INITIATIVE AS WRITTEN.

12 MR. SHEEHY: I JUST KIND OF LIKE TO GET
13 THINGS DONE. I HAVE A LITTLE BIT OF A BIAS, AND I
14 THOUGHT THE MOTION AS PROPOSED WAS OUTSTANDING WITH THE
15 ADDITION OF DR. BALTIMORE'S COMMENTS. I WONDER IF WE
16 COULD JUST HAVE THAT READ BACK AND TAKE A VOTE.

17 DR. BALTIMORE: I THINK THAT'S THE PROBLEM.
18 THE PROBLEM IS EVEN TWO SENTENCES WE DON'T HAVE
19 STRAIGHT. CLAIRE IS ABSOLUTELY RIGHT. WE OUGHT TO
20 HAVE IT DOWN ON PAPER. IT OUGHT TO BE GENERAL
21 PROCEDURES FOR THIS COMMISSION, WHATEVER WE ARE, THAT
22 WE ALWAYS DO THAT. AND, IN FACT, ONE OF THE PROBLEMS
23 THAT WE'VE HAD ALL ALONG IS THAT WE DON'T HAVE A RECORD
24 OF MOTIONS THAT ARE MADE. THEY'RE BEING MADE SORT OF
25 AD HOC WITH FOOTNOTES AND THE WAY PEOPLE ORDINARILY

1 TALK. AND THEN SOMEBODY ADDS ON A LITTLE BIT. SOMEHOW
2 WE NEED TO CAPTURE MOTIONS IN A FORM IN WHICH WE KNOW
3 WHAT WE'RE VOTING ON.

4 CHAIRMAN KLEIN: IF I SUGGEST THAT DURING THE
5 LUNCH BREAK IF THE MEMBERS OF THE BOARD WOULD READ THE
6 RESOLUTION THAT ADDRESSES STATE LEGISLATION STARTING AT
7 THE BOTTOM OF PAGE 2 AND GOING THROUGH PAGE 3 OVER TO
8 PAGE 4. IT'S ON TAB 8, WHICH IS VERY SPECIFIC
9 LANGUAGE. I DID NOT WANT TO VOTE ON THIS RESOLUTION
10 YET BECAUSE WE HAVE NOT ADDRESSED THE OTHER ITEMS OF
11 THIS LEGISLATION WHICH WE'RE SUGGESTING WE SUPPORT. SO
12 WE HAVE IT IN WRITING, BUT I'D LIKE TO MAKE SURE THAT
13 THE COMMITTEE HAS A CHANCE TO READ THIS. AND THIS IS
14 AVAILABLE TO THE PUBLIC OUTSIDE AS CONTEMPLATED
15 LANGUAGE. WE WERE JUST DOING THIS IN STEPS, BUT WE
16 WILL ADDRESS IT AT LUNCH.

17 DR. KESSLER: COULD YOU JUST EXPLAIN THE
18 DIFFERENCE BETWEEN THIS RESOLUTION AND WHAT YOU'RE
19 ASKING FOR?

20 CHAIRMAN KLEIN: YES. THE INTENT WAS TO
21 INITIALLY TAKE A VOTE ON WHETHER WE WERE OPPOSED, AND
22 THEN IN A SECOND STEP ARTICULATE SPECIFICALLY THE
23 THOUGHT BEHIND. THAT THE INTENT WAS TO INCORPORATE
24 THAT IN THE RESOLUTION THAT SHOWED THE LEGISLATURE VERY
25 CLEARLY THAT WE WERE ALSO VERY SUPPORTIVE OF A NUMBER

1 OF OTHER THINGS THE LEGISLATURE WAS DOING. THAT WAS
2 THE ORIGINAL INTENT. WE CAN DISCUSS THAT AS WE
3 RECONVENE AFTER LUNCH.

4 BUT WE THANK THE PUBLIC AND WE WILL BE
5 ADJOURNING FOR ABOUT AN HOUR AND 15 MINUTES. THANK
6 YOU.

7 (A RECESS WAS TAKEN.)

8 CHAIRMAN KLEIN: RECONVENE PLEASE. CAN
9 I HAVE THE MIC, PLEASE. ALL RIGHT. IF I CAN HAVE THE
10 MIC ON, PLEASE. I WANT TO FOCUS HERE VERY QUICKLY ON
11 CRITICAL ITEMS. WE HAVE SCA 13 POSITION. WE HAVE A
12 CONFLICTS PROVISION DEALING WITH THE FACILITIES GROUP
13 CONFLICTS POLICY, AND WE HAVE A REPORT FROM THE
14 FACILITIES GROUP THAT WILL CONCEPTUALLY MAKE THAT AN
15 OPEN MEETING WITH THE STAFF AND THE ATTORNEYS THAT NEED
16 TO PROCEED TO DEFINE FOR US WHAT THE EXCEPTIONS WOULD
17 BE TO THAT OPEN MEETING POSITION.

18 ON SCA 13 COULD I HAVE THE PROPOSED LANGUAGE
19 ON THE SCREEN, PLEASE.

20 OKAY. CAN I HAVE BOARD DISCUSSION ON THIS
21 LANGUAGE, PLEASE. WHAT WE'RE TRYING TO DO HERE IS
22 DISTILL SO IT'S A VERY UNDERSTANDABLE AND SHORT MESSAGE
23 ABOUT OUR CURRENT POSITION CLEARLY WITH INTENT TO WORK
24 WITH THE AUTHOR AND THE LEGISLATURE IN BOTH HOUSES TO
25 TRY AND DEVELOP SOME CONSENSUS.

1 DR. PENHOET: JUST ONE SUGGESTION. I THINK,
2 ALL DEFERENCE TO DR. BALTIMORE, USE OF A WORD LIKE
3 "IMPOSSIBLE" LEAVES US OPEN TO CHALLENGES BECAUSE IT
4 MIGHT NOT BE IMPOSSIBLE. SO I WOULD SUBSTITUTE
5 SOMETHING LIKE EXTREMELY DIFFICULT OR SIMILAR A WORD.

6 MR. GOLDBERG: ON BEHALF OF DR. BIRGENEAU, HE
7 SECONDS THAT COMMENT.

8 CHAIRMAN KLEIN: HOW ABOUT EXTRAORDINARILY
9 DIFFICULT?

10 DR. BALTIMORE: AS YOU WISH.

11 MS. SAMUELSON: I'M AFRAID I HAVE TO
12 DISAGREE. I THINK WE REVIEWED IT AND WE DECIDED IT WAS
13 IMPOSSIBLE. IT WOULD DERAIL THE ABILITY TO DO WHAT WE
14 HAVE TO DO. IF ALL THE MEMBERS OF THE PEER REVIEW TEAM
15 QUIT, THAT MAKES IT IMPOSSIBLE FOR THEM TO DO THEIR
16 JOBS. WE HAVE TO BE STRONG ABOUT IT AND CLEAR.

17 MR. SHESTACK: YOU COULD SAY EXTREMELY
18 DIFFICULT, AND THEN SAY -- COME BACK AND SAY WE ARE
19 STRONGLY OPPOSED TO SCA 13, WHICH IT DOESN'T ACTUALLY
20 SAY. YOU DON'T ACTUALLY SAY THAT THE GROUP IS OPPOSED.
21 AND I WOULD -- IF WE'RE ADDING ADDITIONAL WORDS, I
22 WOULD JUST GET RID OF THE SECOND SENTENCE, WHICH MAKES
23 THE THING A LITTLE TOO LONG. JUST SAY WE WANT TO WORK
24 WITH YOU, CONFLICT OF INTEREST IS IMPORTANT TO US, BUT
25 THIS BILL IS REALLY TERRIBLE. THAT'S -- THOSE ARE THE

1 THOUGHTS.

2 DR. BRYANT: I THINK WE HAVE MORE PROBLEMS
3 THAN CONFLICT OF INTEREST, SO I WOULD LIKE A SENTENCE
4 THAT SAYS THAT WE ARE CONCERNED ABOUT THE PROVISIONS
5 THAT RELATE TO OPEN REVIEWS OF GRANTS, CONFLICT OF
6 INTEREST, AND INTELLECTUAL PROPERTY, SOMETHING LIKE
7 THAT. THOSE ARE THE THREE BASIC AREAS.

8 CHAIRMAN KLEIN: LET'S MAKE THIS SPECIFIC
9 BECAUSE WE'VE GOT TO MOVE VERY QUICKLY HERE. IS
10 COMMITTED TO WORKING WITH THE LEGISLATORS TO ADVANCE
11 STEM CELL RESEARCH, TO ENSURE TRANSPARENCY, CONFLICT OF
12 INTEREST, TO PROVIDE AN OUTSTANDING PEER REVIEW SYSTEM,
13 TO PROVIDE AN OUTSTANDING PEER REVIEW SYSTEM, AND TO
14 PROVIDE A STRONG AND EFFECTIVE PROTECTION FOR THE STATE
15 FOR INTELLECTUAL PROPERTY.

16 DR. BRYANT: YES.

17 CHAIRMAN KLEIN: CAN WE PUT THAT INTO THE
18 TEXT. AFTER CONFLICT OF INTEREST, WE WOULD ADD THE
19 LANGUAGE SPECIFICALLY --

20 DR. BRYANT: AND AN APPROPRIATE INTELLECTUAL
21 PROPERTY PROVISION.

22 DR. HALL: STRONG AND EFFECTIVE.

23 CHAIRMAN KLEIN: STRONG AND EFFECTIVE PEER
24 REVIEW SYSTEM -- INTELLECTUAL PROPERTY SYSTEM TO
25 PROTECT THE INTERESTS OF THE STATE OF CALIFORNIA AND

1 ITS CITIZENS. STRONG AND EFFECTIVE INTELLECTUAL
2 PROPERTY SYSTEM TO PROTECT -- PROVIDE A STRONG AND
3 EFFECTIVE INTELLECTUAL PROPERTY PROGRAM TO PROTECT THE
4 INTERESTS OF THE STATE OF CALIFORNIA AND ITS CITIZENS.

5 NOW, I DON'T BELIEVE WE'LL EVER HAVE A
6 COMPLETELY PERFECT DOCUMENT; BUT IF WE COULD ALL WORK
7 WITH THIS, HOW IMPORTANT IS IT TO SUBSTITUTE OUT THE
8 WORD "IMPOSSIBLE" BECAUSE I THINK THAT DR. BALTIMORE
9 WAS QUITE CORRECT. IF WE DON'T HAVE A PEER REVIEW
10 SYSTEM, WE DON'T HAVE A PROGRAM. AND THE CURRENT
11 INTELLECTUAL PROPERTY SYSTEM IS IMPOSSIBLE TO
12 IMPLEMENT.

13 DR. HALL: NOT POSSIBLE, INFINITESIMALLY --

14 DR. BRYANT: HOW ABOUT EXTREMELY DIFFICULT,
15 IF NOT IMPOSSIBLE?

16 CHAIRMAN KLEIN: HOW ABOUT THAT? EXTREMELY
17 DIFFICULT, IF NOT IMPOSSIBLE.

18 (SIMULTANEOUS DISCUSSION.)

19 MR. SHEEHY: I REALLY WOULD LIKE TO STAY WITH
20 IMPOSSIBLE. I REALLY FEEL PRETTY STRONGLY WE SHOULD
21 STAY WITH IMPOSSIBLE. I MEAN, YOU KNOW, FOR THOSE OF
22 US WHO ARE WAITING FOR THESE CURES, IT'S IMPOSSIBLE.

23 CHAIRMAN KLEIN: LET US DO THIS IF WE CAN,
24 JEFF. CAN WE TAKE PUBLIC COMMENT ON THIS LANGUAGE
25 WHILE THEY'RE MECHANICALLY WORKING THROUGH IT? IS

1 THERE ANY PUBLIC COMMENT THAT IS REALLY ESSENTIAL HERE?

2 UNIDENTIFIED SPEAKER: WHY DON'T YOU
3 SUBSTITUTE THE WORD "PREVENT" FOR IMPOSSIBLE?

4 DR. REED: FOR THE COURT REPORTER, I WOULD
5 LIKE THE FIRST SENTENCE TO BE A STATEMENT OF PURPOSE.
6 THIS LEAVES IT TO THE VERY BOTTOM. SOMETHING LIKE THE
7 ICOC OPPOSES SCA 13 AT THE VERY BEGINNING, AND THEN PUT
8 YOUR POINTS. AS IT IS NOW, IT LOOKS LIKE YOU'RE
9 SUPPORTING IT UNTIL YOU GET TO THE VERY LAST.

10 CHAIRMAN KLEIN: I THINK THAT'S AN EXCELLENT
11 SUGGESTION. SO THE INDEPENDENT -- WE DON'T USE
12 ACRONYMS HERE. THE INDEPENDENT CITIZENS OVERSIGHT
13 COMMITTEE OPPOSES SCA 13. AND THE NEXT SENTENCE WOULD
14 BE MODIFIED TO START WITH WE ARE COMMITTED.

15 DR. PIZZO: OR THE ICOC IS COMMITTED.

16 DR. FONTANA: AND STRONGLY OPPOSES.

17 CHAIRMAN KLEIN: WE NEED TO -- ARE THERE
18 ADDITIONAL PUBLIC COMMENTS? OKAY. SEEING NO
19 ADDITIONAL PUBLIC COMMENTS, I'D LIKE TO FOCUS HERE ON
20 THE BOARD. I'M GOING TO START AT THIS CORNER, GO DOWN,
21 AND WE'RE GOING TO END AT THAT CORNER, AND THEN WE'RE
22 GOING TO ASK IF WE CAN CALL THE QUESTION. ANY
23 ADDITIONAL COMMENTS OR CHANGES?

24 DR. BRYANT: WE DIDN'T MAKE THE PREVENT
25 CHANGE.

1 MS. SAMUELSON: IF WE JUST WANT TO APPROVE IT
2 TO GET GOING, THAT'S FINE, BUT I THINK WE COULD VASTLY
3 SHORTEN IT BY IN THE SECOND SENTENCE BY SAYING WE'RE
4 COMMITTED TO WORKING WITH THE LEGISLATURE TO
5 SUCCESSFULLY ACHIEVE THE GOALS OF PROPOSITION 71. AND
6 THEN GO DOWN TO THE LAST SENTENCE AND SAY SCA 13 WILL
7 MAKE IT EXTREMELY DIFFICULT, IF NOT IMPOSSIBLE, FOR
8 SCIENTISTS TO DO THEIR JOBS, AND IT WILL DELAY
9 CRITICALLY NEEDED MEDICAL THERAPIES. I THINK THAT SAYS
10 IT ALL WITHOUT GETTING INTO THE DETAILS.

11 CHAIRMAN KLEIN: THERE ARE SOME INDIVIDUALS
12 THAT PREVIOUSLY RAISED THE POINT THAT THEY WOULD LIKE
13 TO MENTION THESE ITEMS.

14 DR. LEVEY: IT'S GOOD TO DO THAT BECAUSE IT
15 REALLY THEN TAKES ON THE ESSENCE OF CIRM.

16 DR. PIZZO: WHILE I USUALLY AGREE WITH JOAN,
17 I THINK THAT IT WOULD BE MORE POWERFUL TO ACTUALLY SAY
18 WHAT WE'RE TAKING ON.

19 CHAIRMAN KLEIN: OKAY. I'D LIKE TO SEE IF WE
20 CAN -- DO WE HAVE A SPECIFIC MOTION THAT ADOPTS THE
21 LANGUAGE AS IT NOW EXISTS?

22 MR. SERRANO-SEWELL: SO MOVED.

23 DR. LEVEY: SECOND. WE DO STILL HAVE A
24 MOTION ON THE TABLE.

25 CHAIRMAN KLEIN: THE MOTION ON THE TABLE WAS

1 MADE BY DAVID SERRANO-SEWELL AND SECONDED BY DR. LEVEY.
2 SO THIS IS AN AMENDED MOTION. WE CAN, IN FACT,
3 FORESHORTEN THIS PROCESS BY ASKING THE MAKER OF THE
4 ORIGINAL MOTION AND THE AMENDED MOTION IF THEY ACCEPT
5 THIS AMENDED LANGUAGE. DAVID SERRANO-SEWELL, DO YOU
6 ACCEPT THE AMENDED LANGUAGE?

7 MR. SERRANO-SEWELL: I DO.

8 DR. LEVEY: YES.

9 CHAIRMAN KLEIN: THE AMENDED LANGUAGE BEING
10 ACCEPTED BY THE MAKER OF THE MOTION AND THE SECOND, WE
11 CAN NOW GO DIRECTLY TO VOTE ON THE MOTION.

12 (THE AMENDED LANGUAGE FOR THE MOTION IS
13 HEREIN INCORPORATED AS FOLLOWS:)

14 "THE INDEPENDENT CITIZENS' OVERSIGHT
15 COMMITTEE OPPOSES SCA 13. WE ARE COMMITTED TO WORKING
16 WITH THE LEGISLATURE TO ADVANCE STEM CELL RESEARCH, TO
17 ENSURE TRANSPARENCY, TO PREVENT CONFLICTS OF INTEREST,
18 TO PROVIDE AN OUTSTANDING PEER REVIEW SYSTEM, TO
19 PROVIDE A STRONG AND EFFECTIVE INTELLECTUAL PROPERTY
20 PROGRAM TO PROTECT THE INTERESTS OF THE STATE OF
21 CALIFORNIA AND ITS CITIZENS, AND WE BELIEVE WE HAVE PUT
22 STANDARDS AND POLICIES IN PLACE TO ACHIEVE THESE
23 OBJECTIVES. THE ICOC ALSO SHARES THE GOAL THAT
24 THERAPIES AND CURES DEVELOPED THROUGH RESEARCH FUNDED
25 BY PROPOSITION 71 BE MADE AVAILABLE TO ALL MEMBERS OF

1 THE CALIFORNIA PUBLIC. AS CURRENTLY DRAFTED, HOWEVER,
2 SCA 13 WILL MAKE IT EXTREMELY DIFFICULT, IF NOT
3 IMPOSSIBLE, FOR SCIENTISTS TO DO THEIR JOBS, AND IT
4 WILL DELAY CRITICALLY NEEDED MEDICAL THERAPIES."

5 CHAIRMAN KLEIN: ALL IN FAVOR. OPPOSED. IT
6 UNANIMOUSLY PASSES.

7 THANK YOU. WE HAVE COUPLE OF CRITICAL ITEMS
8 THAT I THINK WE CAN HANDLE IN -- DOCTOR, IF WE COULD
9 WAIT JUST ONE MOMENT HERE. WHERE ARE WE ON OUR COUNT
10 ON OUR QUORUM? THANK YOU, DOCTOR.

11 IS THAT CONFIRMED? WE DO HAVE A QUORUM.
12 OKAY.

13 I'D LIKE TO MOVE IMMEDIATELY TO THE ITEM ON
14 THE AGENDA THAT DEALS WITH THE CONFLICT OF INTEREST FOR
15 THE FACILITIES COMMITTEE, ITEM 10. DR. ZACH HALL,
16 WOULD YOU PLEASE PRESENT THIS ITEM.

17 DR. HALL: I THINK YOU ALL HAVE IN FRONT OF
18 YOU A COPY OF AGENDA ITEM NO. 10, I HOPE SO, CIRM
19 CONFLICT OF INTEREST POLICY FOR FACILITIES WORKING
20 GROUP MEMBERS.

21 THIS IS A POLICY THAT WAS DRAWN UP REALLY TO
22 BE AN ADAPTATION OF THE POLICY THAT WE USED FOR OUR
23 GRANTS REVIEW WORKING GROUP TO MAKE APPROPRIATE FOR THE
24 FACILITIES WORKING GROUP MEMBERS. SO IT'S VERY
25 SIMILAR. IT DEFINES WHAT'S MEANT BY FINANCIAL CONFLICT

1 OF INTEREST, WHICH IS EITHER THAT THE REVIEWER OR CLOSE
2 FAMILY MEMBER IS AN EMPLOYEE OF ANY CONSTRUCTION
3 DEVELOPMENT ENTITY ON THE APPLICATION UNDER ACTIVE
4 CONSIDERATION FOR EMPLOYMENT WHO STANDS TO RECEIVE A
5 FINANCIAL BENEFIT OR HAS RECEIVED OR COULD RECEIVE A
6 FINANCIAL BENEFIT OF ANY TYPE UNRELATED TO THE PROPOSAL
7 OVER \$5,000 A YEAR.

8 IT ALSO DEFINES A PROFESSIONAL CONFLICT OF
9 INTEREST. IF THE REVIEWER AND A PROJECT DIRECTOR OR
10 MANAGER OF AN APPLICATION ARE ENGAGED IN OR PLAN TO BE
11 ENGAGED IN A JOINT PROJECT. IT THEN TALKS ABOUT THE
12 PROCEDURES THAT WILL BE USED, WHICH ARE SIMILAR TO
13 THOSE THAT WE HAVE DISCUSSED FOR GRANTS REVIEW. THAT
14 IS, REVIEWERS ARE REQUIRED TO STATE IF THEY HAVE A
15 CONFLICT OF INTEREST. THEY WILL NOT THEN PARTICIPATE
16 IN THAT APPLICATION IF THEY DO, AND THEY MUST SIGN A
17 STATEMENT AT THE END UNDER PENALTY OF PERJURY STATING
18 THAT THEY WERE NOT INVOLVED IN CONFLICT OF INTEREST.
19 AND THEN THERE ARE A SERIES OF DEFINITIONS.

20 SO I THINK IT'S FAIRLY STRAIGHTFORWARD BASED
21 ON WHAT WE'VE DONE PREVIOUSLY. IT SETS THE STAGE NOW
22 FOR US TO APPROACH PROPOSED MEMBERS OF THAT WORKING
23 GROUP TO SEE IF THEY'RE WILLING TO SERVE UNDER THE
24 TERMS OF THIS CONFLICT OF INTEREST AGREEMENT.

25 CHAIRMAN KLEIN: AND, DR. HALL, WAS THIS

1 INTRODUCTION JUST FOR DISCUSSION PREVIOUSLY? AS A MATTER
2 OF RECORD, I'M JUST ASKING.

3 DR. HALL: NO. I DON'T THINK IT DID. I
4 DON'T THINK IT EVER CAME UP.

5 CHAIRMAN KLEIN: THANK YOU. THIS WOULD
6 COMPLETE THE CONFLICTS POLICIES FOR EACH OF THE WORKING
7 GROUPS. AND IT IS EFFECTIVELY A VERY IMPORTANT
8 CONTRIBUTION TO THAT PROCESS.

9 ADDITIONALLY, WE'RE ABOUT TO CONSIDER THE
10 APPOINTMENT OF THESE MEMBERS, AND IT'S VERY IMPORTANT
11 THEY HAVE CLEAR UNDERSTANDING OF THE CONFLICTS POLICY.

12 THE -- DR. HALL HAS SPENT A SIGNIFICANT
13 AMOUNT OF TIME DEVELOPING THIS. AND I WOULD ASK FOR
14 BOARD COMMENT ON THIS. AND I WOULD LIKE TO LET THE
15 BOARD KNOW WE ALSO HAVE ON OUR AGENDA IMMEDIATELY AFTER
16 THIS THE APPOINTMENTS OF MEMBERS OF THE FACILITIES
17 COMMITTEE, WHICH WE'RE GOING TO TRY AND GET TO. WE
18 HAVE DR. LEVEY WHO HAS TO LEAVE IN ABOUT 15 OR 20
19 MINUTES.

20 DR. HENDERSON: I MOVE APPROVAL OF THIS
21 CONFLICT OF INTEREST POLICY FOR THE FACILITIES GROUP.

22 MS. SAMUELSON: SECOND.

23 CHAIRMAN KLEIN: THERE'S A MOTION AND A
24 SECOND. I'D LIKE TO ASK ARE THERE PUBLIC COMMENTS ON
25 THIS PROPOSED POLICY? JESSE REYNOLDS.

1 MR. REYNOLDS: THANKS FOR THE OPPORTUNITY TO
2 SPEAK. AGAIN, FOR THE RECORD, MY NAME IS JESSE
3 REYNOLDS WITH THE CENTER FOR GENETICS IN SOCIETY.

4 AND I HAVE TWO THOUGHTS ON THIS CONFLICT OF
5 INTEREST POLICY. I THINK THE SECOND ONE IS MORE OF A
6 QUESTION THOUGH. MY FIRST THOUGHT IS I FEEL IT
7 CAPTURES, UNFORTUNATELY, SOME OF THE INADEQUACIES THAT
8 WERE IN THE ADOPTED CONFLICT OF INTEREST POLICIES FOR
9 THE OTHER TWO WORKING GROUPS. AND ONE OF IT IS THAT BY
10 HAVING NO PREVIOUS DISCLOSURE REQUIREMENTS, WHAT IT
11 AMOUNTS TO IS A SELF-RECUSAL POLICY, AND THAT IT WOULD
12 BE IMPOSSIBLE FOR ANYONE TO MONITOR THE IMPLEMENTATION
13 OF THIS CONFLICTS POLICY.

14 AND SECOND, WHAT IT BORROWS, UNFORTUNATELY,
15 FROM THE CONFLICTS OF INTEREST POLICY FOR THE STANDARDS
16 WORKING GROUP IS AN EXCEPTION. AND THERE ON THE BACK
17 IT SAYS IF SOMEONE REALLY HAS THE EXPERTISE THAT WE
18 WANT, WE WILL MAKE AN EXCEPTION AROUND THE CONFLICTS
19 POLICY. AND I THINK THAT THAT MIGHT RESULT -- THAT
20 WHEN PUSH COMES TO SHOVE, THERE'S NO REAL SUBSTANCE TO
21 SUCH A CONFLICTS POLICY.

22 MY QUESTION, THOUGH, IS THAT PREVIOUSLY WE
23 WERE TOLD THAT THESE OPEN MEETINGS POLICIES AND THE
24 CONFLICT OF INTEREST POLICIES WERE INTERIM AND THAT
25 THERE WOULD BE A PERIOD OF PUBLIC HEARINGS TO REVISE

1 THESE. AND I WOULD LIKE TO KNOW IF THAT IS, IN FACT,
2 STILL THE CASE.

3 CHAIRMAN KLEIN: THE INTENT IS TO HAVE A
4 GOOD, SOLID CONFLICTS POLICY, MR. REYNOLDS, TO PROVIDE
5 A GOOD STARTING POINT. AND I WOULD ASK, DR. HALL, AS
6 SOON AS WE TAKE AN ACTION ON THIS AND THE FOLLOWING
7 ITEM, TO PROVIDE A COMPLETE RESPONSE TO MR. REYNOLDS, I
8 THINK IT'S IMPORTANT FOR THE PUBLIC TO THEN REVISIT THE
9 ISSUE OF HOW THE PEER REVIEW GROUP WILL HAVE A
10 DISCLOSURE POLICY UNDER THE NIH MODEL, AND THAT IN
11 TERMS OF MR. REYNOLDS' POSITION, WE HAVE A LATER
12 HEARING, PUBLIC HEARING, THAT'S GOING TO ADDRESS THIS
13 ISSUE.

14 I THINK YOUR POINT ABOUT DISCLOSURES IN
15 ADVANCE IS A VERY GOOD ONE. AS YOU KNOW, I HAVE
16 PERSONALLY WRITTEN A LETTER TO THE BOARD SAYING I WILL
17 NOT HOLD ANY INTEREST IN ANY ENTITY THAT WILL EVER DO
18 ANY OF THE CONSTRUCTION, HAVE ANY ECONOMIC INTEREST IN
19 ANY BUILDING. OF COURSE, FACILITIES CAN ONLY BE BUILT
20 FOR NONPROFIT INSTITUTIONS. BUT I BELIEVE THAT THIS
21 DISCLOSURE POINT THAT YOU BRING UP IS INCORPORATED IN
22 OUR GRANT COMMITTEE POLICY, BUT WE WILL HAVE A SPECIFIC
23 PUBLIC HEARING. AND I WILL AGENDIZE THAT SPECIFIC ITEM
24 FOR DISCUSSION IN THAT PUBLIC HEARING.

25 DR. HALL: LET ME JUST ADDRESS THAT ISSUE

1 BECAUSE IT'S COME UP. IT IS -- LET ME POINT OUT THAT
2 IT IS THE RESPONSIBILITY OF THE CIRM STAFF TO ENSURE
3 THAT ALL OF THE REVIEWS ARE FAIR AND FREE OF CONFLICT
4 OF INTEREST. THIS IS PART OF OUR JOB. IT'S WHAT
5 THE STAFF PEOPLE THAT WE HIRE AS REVIEWERS WILL BE
6 CHARGED WITH DOING.

7 IN ORDER TO CARRY THAT OUT EFFECTIVELY, WE
8 WILL ASK EACH MEMBER OF THE WORKING GROUP TO TELL US
9 WHAT INVESTMENTS, WHAT COMPANIES THEY ARE INVESTED IN
10 THAT WOULD FALL IN THE RANGE AS DESCRIBED HERE. WE DO
11 NOT NEED TO KNOW HOW MUCH IT IS. WE SIMPLY NEED TO
12 KNOW IF THEY HAVE THOSE CONFLICTS. WE WILL ASK THEM
13 EACH YEAR OR SOME PERIOD OF TIME TO UPDATE THAT, AND
14 THEN WE WILL USE THAT IN ALERTING THEM THAT -- WE WILL
15 SAY YOU HAVE A CONFLICT OF INTEREST HERE. WE HAVE AN
16 APPLICATION FOR SUCH-AND-SUCH COMPANY, YOU'VE LISTED
17 IT. SO WE DO NOT INTEND TO MAKE THOSE PUBLIC RECORDS
18 AS THESE ARE NOT EMPLOYEES, BUT ARE CONSULTANTS.

19 SO WE WILL HAVE THE RECORDS. WE WILL USE
20 THEM. IT'S THE WAY WE WILL HELP THE MEMBERS OF THESE
21 WORKING GROUPS AVOID CONFLICT OF INTEREST SITUATIONS,
22 BUT THEY WILL NOT BE PUBLIC DOCUMENTS.

23 CHAIRMAN KLEIN: JAMES HARRISON, WOULD YOU
24 SPECIFICALLY JUST INFORM THE BOARD AND PUBLIC QUICKLY
25 ABOUT THE PROVISION IN THE INITIATIVE ITSELF THAT

1 PROHIBITS ANYONE WHO WOULD BE ON THIS FACILITIES
2 COMMITTEE FROM, IN FACT, HAVING ANY INTEREST, ECONOMIC
3 INTEREST, IN A COMPANY THAT WOULD BUILD FACILITIES OF
4 THIS TYPE?

5 MR. HARRISON: YES. THE ACT PROVIDES IN
6 SECTION 125290.65 (A)(2) THAT MEMBERS OF THE WORKING
7 GROUP -- OF THE FACILITIES WORKING GROUP SHALL BE
8 PROHIBITED FROM RECEIVING COMPENSATION FROM ANY
9 CONSTRUCTION OR DEVELOPMENT ENTITY PROVIDING
10 SPECIALIZED SERVICES FOR MEDICAL RESEARCH FACILITIES.

11 CHAIRMAN KLEIN: AND I BELIEVE THAT WHEN WE
12 AGENDIZE THIS, MR. REYNOLDS, WE SHOULD PROBABLY
13 DIRECTLY ADDRESS THAT PORTION OF THE INITIATIVE AND TRY
14 AND CARRY IT OUT WITH SOME DISCLOSURE PROVISIONS. VERY
15 HELPFUL SUGGESTION.

16 MS. SAMUELSON: MAY I CALL THE QUESTION.

17 CHAIRMAN KLEIN: CALL THE QUESTION. AND WHO
18 WAS THE PERSON WHO MADE THE MOTION?

19 DR. HENDERSON: I MADE THE MOTION.

20 CHAIRMAN KLEIN: ANYTHING THAT HAS OCCURRED
21 IN THE DISCUSSION THAT WOULD CAUSE YOU TO MODIFY THE
22 MOTION?

23 DR. HENDERSON: NO.

24 CHAIRMAN KLEIN: THANK YOU FOR THE
25 CONFIRMATION. ALL IN FAVOR. OPPOSED? THANK YOU.

1 THE -- DR. FRIEDMAN IS -- BECAUSE HE IS NOT
2 HERE TODAY, I JUST RECEIVED A MESSAGE THAT HE WOULD
3 LIKE TO BE INVOLVED IN PRESENTING THE CANDIDATES TO THE
4 BOARD; IS THAT CORRECT, MELISSA KING? BUT THERE IS A
5 COMPONENT OF THE DECISIONS OF THAT GROUP THAT COULD
6 MOVE FORWARD TODAY. AND THAT COMPONENT IS THAT A VERY
7 SPECIFIC DISCUSSION TOOK PLACE VERY SIMILAR TO THE
8 DISCUSSION THAT HAPPENED AT THIS BOARD WHERE JEFF
9 SHEEHY AND DAVID SERRANO-SEWELL SUGGESTED FOR THE
10 STANDARDS COMMITTEE THAT WE HAVE AN OPEN PUBLIC HEARING
11 POLICY, THAT WE WOULD HAVE THAT POLICY HAVE EXCEPTIONS
12 FOR SPECIFIC ITEMS, IN THE CASE OF STANDARDS COMMITTEE,
13 FOR EXAMPLE, INCLUDING PATIENT PRIVACY AND OTHER
14 SPECIFIC EXCEPTIONS THAT WERE CRITICAL TO THE MISSION
15 OF THE INSTITUTE.

16 SO IN TERMS OF THE SPECIAL SUBCOMMITTEE OF
17 THE BOARD, I'D LIKE TO ASK THE MEMBERS OF THE COMMITTEE
18 THAT ARE HERE IN ADDITION TO MYSELF, DO WE FEEL
19 CONFIDENT THAT WE HAD, I BELIEVE, A UNANIMOUS CONSENSUS
20 ON THIS ISSUE SO THAT IT WOULD APPEAR TO ME THAT WE
21 COULD MOVE FORWARD WITH THAT ITEM TODAY AT THE BOARD
22 WHERE WE SPECIFICALLY WOULD ADOPT IN CONCEPT, ASK THE
23 COUNSEL TO COME BACK WITH SPECIFIC LANGUAGE TO THIS
24 BOARD TO IMPLEMENT A CONCEPT WHERE THE FACILITIES
25 HEARINGS WERE GENERALLY OPEN WITH EXCEPTIONS,

1 INCLUDING, AS DR. FRIEDMAN LAID OUT, SCIENTIFIC INPUT
2 THAT RELATED TO THE SCIENTIFIC CAPACITY OF AN
3 INSTITUTION TO UTILIZE THIS GRANT OR GRANTS, THE
4 CERTAIN TRADITIONAL EXCEPTIONS SUCH AS NEGOTIATING REAL
5 ESTATE TERMS AND CONTRACTS AND OTHER POTENTIAL
6 EXCEPTIONS THAT ARE EXPECTED TO BE WITHIN THE PURVIEW
7 OF THAT COMMITTEE AND WOULD NECESSARILY BE COMPROMISED
8 IF THEY WEREN'T DONE IN A CONFIDENTIAL HEARING. OF
9 COURSE, ALWAYS WITH RESULTS REPORTED IN AN ADVISORY
10 CAPACITY TO THIS BOARD, WHERE ALL FINAL DECISIONS HAVE
11 TO BE MADE.

12 DR. TED LOVE, DO YOU THINK THAT THAT
13 CONSENSUS IS WELL ESTABLISHED IN THE COMMITTEE?

14 DR. LOVE: I AGREE THAT IT WAS, AND I
15 ACTUALLY THOUGHT THAT DON REED TOWARD THE END OF OUR
16 MEETING MADE A COMMENT THAT KIND OF DESCRIBED THAT THE
17 PROCESS OF -- DESCRIBING HOW WE WOULD APPROACH OUR
18 BUSINESS, THE CRITERIA THAT WE AGREED UPON WOULD ALL BE
19 TRANSPARENT, BUT THE ACTUAL REVIEW PROCESS WHERE
20 SPECIFICS ARE BEING DISCUSSED, INDIVIDUALS ARE BEING
21 DISCUSSED, THAT WOULD BE HELD IN PRIVATE. AND THEN THE
22 OUTPUT WOULD ALL COME BACK TO THE PUBLIC AS WELL.

23 SO BASICALLY KIND OF A BOOKEND PROCESS THAT
24 WOULD BE PUBLIC WITH THE INTERNAL PROCESS BEING
25 PRIVATE.

1 CHAIRMAN KLEIN: ALL RIGHT.

2 DR. LOVE: I DIDN'T SAY IT QUITE AS WELL AS
3 MR. REED SAYS IT.

4 CHAIRMAN KLEIN: MR. REED IS SO DEDICATED
5 THAT HE PARTICIPATES IN MANY -- AS A MEMBER OF THE
6 PUBLIC IN MANY OF THESE SUBCOMMITTEE MEETINGS.

7 ADDITIONAL BOARD COMMENTS? GAYLE WILSON.

8 MS. WILSON: NO. I AGREE WITH WHAT HE HAD TO
9 SAY. WE'RE DEFERRING THE POINT OF BRINGING UP THE
10 NAMES OF THE ONES WE SELECTED.

11 CHAIRMAN KLEIN: IT WAS MY UNDERSTANDING THAT
12 THE NAMES WERE GOING TO BE BROUGHT UP TODAY, BUT
13 DR. FRIEDMAN IS NOT HERE.

14 MS. WILSON: SO THAT WILL BE DONE IN JUNE?

15 CHAIRMAN KLEIN: IT WILL BE DONE IN
16 APPROXIMATELY TWO WEEKS AT THE JUNE MEETING.

17 MS. KING: JUST TO REMIND THE SUBCOMMITTEE
18 THAT THE TIME LINE THAT WE APPROVED A COUPLE MONTHS AGO
19 WAS ACTUALLY TO BRING FORTH OUR CANDIDATES AT THE JUNE
20 6TH MEETING, AND THAT'S WHAT WE'RE PLANNING TO DO
21 SPECIFICALLY BECAUSE DR. FRIEDMAN WOULD NOT BE AT THIS
22 MEETING.

23 CHAIRMAN KLEIN: THANK YOU VERY MUCH. THAT'S
24 VERY HELPFUL.

25 DR. PIZZO: MR. CHAIRMAN, COULD YOU CLARIFY

1 WHAT WE'RE NOW GOING TO DO AT THE JUNE 6TH MEETING? WE
2 HAD DISCUSSION EARLIER TODAY ABOUT A VARIANCE OF PLAN.
3 IS THAT -- HOW ARE WE THINKING ABOUT THE JUNE 6TH
4 MEETING?

5 CHAIRMAN KLEIN: I'D BE HAPPY TO, BUT IF WE
6 COULD FINISH THIS ITEM FIRST.

7 DR. PIZZO: BY ALL MEANS.

8 CHAIRMAN KLEIN: THANK YOU. ADDITIONAL
9 PUBLIC -- FIRST OF ALL, IS THERE A MOTION TO ADOPT THIS
10 CONCEPT IN CONCEPT FOR THE ATTORNEYS TO DEVELOP THE
11 LANGUAGE AND BRING IT BACK TO THIS COMMITTEE AS
12 DISCUSSED?

13 DR. HOLMES: SO MOVED.

14 CHAIRMAN KLEIN: MOVED BY DR. HOLMES.

15 DR. LOVE: SECOND. VARIETY OF SECONDS.

16 CHAIRMAN KLEIN: SECOND BY DR. LOVE.

17 THAT IS THE MOTION ON THE TABLE. IS THERE
18 OTHER BOARD COMMENT BEFORE WE GO TO PUBLIC COMMENT?
19 PUBLIC COMMENT.

20 I THINK THE PURPOSE OF THIS IS TO MAKE IT
21 VERY CLEAR THAT SYSTEMATICALLY WE'RE MOVING IN THE
22 DIRECTION OF PROVIDING OPENNESS WHEREVER WE CAN WHERE
23 IT DOESN'T COMPROMISE THE CRITICAL MISSION OF THE
24 INSTITUTE.

25 NO ADDITIONAL PUBLIC COMMENT, I WOULD LIKE TO

1 ASK FOR THE VOTE. ALL IN FAVOR. OPPOSED.

2 THE FACILITIES COMMITTEE HAS GREAT WILL IN
3 FORCE HERE. IT'S HIGHLY RESPECTED. WE NEED TO
4 COMMUNICATE THAT TO DR. FRIEDMAN.

5 DR. HOLMES: HIS ABSENCE...

6 CHAIRMAN KLEIN: IN TERMS OF OUR QUORUM, DO
7 WE HAVE A TRAVEL POLICY WE TO NEED COVER VERY QUICKLY?

8 MR. BARNES: IT'S NOT A DECISION. IT'S JUST
9 AN INFORMATION ITEM.

10 CHAIRMAN KLEIN: IS THERE ANY OTHER DECISION
11 ITEM THAT WE HAVE?

12 THERE'S A VOTE THIS WEEK ON FEDERAL
13 LEGISLATION THAT --

14 (OVERLAPPING DISCUSSION ABOUT QUORUM.)

15 CHAIRMAN KLEIN: ITEM 13. I BELIEVE THAT
16 DR. KESSLER WANTED ZACH HALL TO PRESENT THAT. LET'S
17 PROCEED WITH THAT, AND THEN WE'RE GOING TO PROCEED WITH
18 THE FEDERAL ISSUE.

19 DR. HALL: SO AS YOU REMEMBER, WE DISCUSSED
20 THIS ACTUALLY AT GREAT LENGTH LAST TIME, AND ALSO WHAT
21 DR. PIZZO REFERRED TO VERY ELOQUENTLY AS AN ANTECEDENT
22 ISSUE. AND THAT IS A QUESTION OF WHETHER MEMBERS OF
23 THE STANDARDS WORKING GROUP, A, NEED TO BE
24 CALIFORNIANS --

25 CHAIRMAN KLEIN: DR. LEVEY, I THINK WE NEED

1 YOU JUST FOR THIS ONE MOMENT.

2 DR. HALL: THIRTY SECONDS, JERRY. I'LL TALK
3 A LITTLE FASTER.

4 CHAIRMAN KLEIN: WE'D ALSO LIKE TO GET A
5 RECORD REAL QUICKLY. WHERE IS JEFF? DR. HALL.

6 DR. HALL: SO THE ISSUE WAS WHETHER MEMBERS
7 OF THE STANDARDS WORKING GROUP COULD APPLY FOR A GRANT
8 OR NOT. AND THAT COMES IN TWO FORMS; THAT IS, I GUESS
9 THE THREE POSITIONS ARE TO SAY THAT THEY'RE WELCOME TO
10 BE ON GRANTS, ONE EXTREME POSITION. THE OTHER IS THEY
11 SHOULD NOT BE ON A GRANT. OR THE INTERMEDIATE POSITION
12 IS THEY SHOULD NOT BE PRINCIPAL INVESTIGATOR ON A
13 GRANT.

14 AND WE HAD TWO PROPOSED MEMBERS FOR WHICH
15 THERE WAS A POTENTIAL CONFLICT, AND ONE OF THEM DID NOT
16 WISH TO HAVE THEIR NAME BROUGHT FORTH UNTIL THE POLICY
17 WAS CLARIFIED. SO WE NEED TO MAKE A DECISION ON THIS.

18 MY SUGGESTION IS WE HAD A VERY LENGTHY
19 DISCUSSION ON IT LAST TIME. SO I HOPE THAT WE COULD
20 HAVE A FAIRLY BRIEF DISCUSSION ON IT THIS TIME. I
21 THINK THE ISSUES WERE THE ISSUE FOR PROHIBITION IS
22 THAT -- WELL, LET ME DO IT THE OTHER WAY AROUND. THE
23 ISSUE FOR INCLUDING THEM, AS WAS MENTIONED, I THINK, BY
24 JON SHESTACK, AND THAT IS THAT THEY ARE NOT INVOLVED IN
25 GRANTS REVIEW AND DON'T HAVE THE SAME KIND OF CONFLICT

1 OF INTEREST.

2 THE OTHER VIEW TO PUT IT IS THAT EVEN THOUGH
3 THEY MAY NOT BE DIRECTLY INVOLVED, THERE MAY BE A
4 PERCEPTION OF CONFLICT OF INTEREST. AND I THINK IT'S
5 THOSE TWO ISSUES THAT EVERYONE NEEDS TO WEIGH AND MAKE
6 SOME SORT OF DECISION ABOUT.

7 DR. PENHOET: CLARIFY THE INTERMEDIATE
8 POSITION AGAIN, PLEASE.

9 DR. HALL: INTERMEDIATE POSITION IS THAT
10 PEOPLE ON THE COMMITTEE WOULD NOT BE ABLE TO APPLY FOR
11 A GRANT AS PRINCIPAL INVESTIGATOR OR TO RECEIVE MONEY
12 FROM THE GRANT, EMPLOYED BY THE GRANT. I THINK THIS IS
13 THE SAME ONE WE HAVE, IN ONE OTHER CASE, PERHAPS FOR
14 THE ICOC, AS I RECALL. BUT, FOR EXAMPLE, WE HAVE IN
15 OUR TRAINING GRANTS RFA, WE HAVE STATED THAT EVERYBODY
16 THAT HAS A TRAINING GRANT PROGRAM MUST HAVE A COURSE ON
17 THE ETHICAL, LEGAL, AND SOCIAL IMPLICATIONS OF STEM
18 CELL RESEARCH. AND, FOR EXAMPLE, YOU COULD IMAGINE A
19 SITUATION UNDER WHICH SOMEBODY ON OUR ETHICS STANDARDS
20 COMMITTEE WHO IS AN ETHICIST MIGHT BE A PARTICIPANT OR
21 MIGHT ACTUALLY TEACH OR ORGANIZE SUCH A COURSE WHICH
22 WOULD NOT BE -- THEY WOULDN'T RUN THE TRAINING PROGRAM,
23 BUT THEY WOULD CONTRIBUTE TO IT IN THAT WAY.

24 LET ME JUST SAY, IN GENERAL, THAT WE WILL
25 FACE THIS ISSUE LATER OF WHETHER OR NOT AND HOW TO

1 TREAT THIS VERY IMPORTANT AREA OF THE ETHICAL
2 IMPLICATIONS OF STEM CELL RESEARCH. AND ONE PREVALENT
3 IDEA IS THAT THIS IS BEST DONE NOT BY GIVING GRANTS
4 SPECIFICALLY FOR THE AREAS OR THESE QUESTIONS, BUT
5 HAVING THEM AS PART OF OTHER GRANTS. THAT IS, TO HAVE
6 THE ETHICAL AND SOCIAL -- THE ETHICISTS AND POLICY
7 PEOPLE WORKING WITH SCIENTISTS IN ORDER TO WORK ON
8 THESE ISSUES AND HAVE THEM AS PART OF LARGER GRANTS.
9 I'M SORRY THAT'S NOT VERY WELL PUT, BUT AT ANY RATE
10 MAYBE YOU CAN --

11 CHAIRMAN KLEIN: WE DID DISCUSS THE ISSUE AT
12 LENGTH IN THE LAST MEETING. DR. KESSLER ASKED US TO
13 BRING IT BACK SINCE WE HAD A SIGNIFICANT LENGTH OF TIME
14 TO TALK ABOUT IT. HE FELT IT WAS AN IMPORTANT POINT TO
15 ALLOW THE ETHICISTS, WHO ARE SOME OF THE BEST IN THE
16 COUNTRY, TO REALLY PARTICIPATE IN SOME OF THESE COURSES
17 THAT ARE GOING TO BE TAUGHT AND DESIGNING SOME OF THESE
18 COURSES THAT WOULD REALLY ADVANCE THE STANDARDS AROUND
19 THE COUNTRY AND IN CALIFORNIA. BUT IT'S OPEN TO THE
20 BOARD. WHAT'S THE BOARD'S PLEASURE? ANY BOARD
21 COMMENTS? DR. MURPHY.

22 DR. MURPHY: MR. CHAIRMAN, LAST TIME TOO,
23 ZACH, WE DECIDED THAT CALIFORNIANS COULD BE ON THE
24 STANDARDS COMMITTEE.

25 DR. HALL: THAT ISSUE WAS DECIDED.

1 DR. MURPHY: IT IS REALLY CONSISTENT IF WE
2 HAD THE POLICY THAT SOMEONE COULD BENEFIT FROM THESE
3 GRANTS WITHOUT BEING A PI ON THE GRANT.

4 CHAIRMAN KLEIN: OKAY.

5 DR. PENHOET: I'M GOING TO MAKE THE MOTION
6 THAT WE ADOPT THE INTERMEDIATE PROPOSAL WHICH IS THEY
7 CANNOT BE A PI, NOR BENEFIT FINANCIALLY DIRECTLY, BUT
8 CAN BE A MEMBER OF A GRANT.

9 DR. PIZZO: SECOND.

10 CHAIRMAN KLEIN: MOTION IS MADE AND SECONDED.
11 ANY ADDITIONAL BOARD DISCUSSION? ANY COMMENTS FROM THE
12 PUBLIC? SEEING NO COMMENTS FROM THE PUBLIC, WE'D LIKE
13 TO --

14 MS. SAMUELSON: CALL THE QUESTION.

15 CHAIRMAN KLEIN: -- CALL THE QUESTION. ALL
16 IN FAVOR. OPPOSED.

17 AND VERY QUICKLY, JUST TO GET ON THE RECORD
18 VERY QUICKLY, DAVID, THE CASTLE-DEGETTE BILL ON THE
19 FEDERAL LEVEL THAT WOULD EXPAND THE PRESIDENTIAL LINES,
20 SPECTER-HARKIN IN THE SENATE UP THIS WEEK. IS THERE A
21 MOTION THAT WE CAN MAKE TO SUPPORT THAT BILL?

22 (MOVED BY MULTIPLE MEMBERS.)

23 DR. PRIETO: SECOND.

24 CHAIRMAN KLEIN: DAVID. DR. PRIETO SECOND.
25 ANY BOARD DISCUSSION?

1 MS. SAMUELSON: THIS ISN'T A FLIPPANT ACTION.
2 WE'VE ALL STUDIED THIS VERY CAREFULLY, AND WE KNOW
3 YOU'VE STUDIED IT ON AN ENCYCLOPAEDIC LEVEL, AND I
4 THINK IT'S IMPORTANT WE TAKE A POSITION.

5 CHAIRMAN KLEIN: GAYLE WILSON AND I WENT TO
6 WASHINGTON, D.C., MET WITH CASTLE AND DEGETTE AND MET
7 WITH SEVERAL MEMBERS OF THE CALIFORNIA DELEGATION.
8 THIS IS SOMETHING THAT'S BEEN IN THE PROCESS FOR
9 MONTHS. AND I WOULD TELL YOU THAT GAYLE WILSON IS
10 EXTRAORDINARILY EFFECTIVE IN WASHINGTON, D.C., AND THE
11 GOVERNOR'S OFFICE IS EXTRAORDINARILY HELPFUL AND
12 COMMITTED AND EFFECTIVE IN HELPING US WITH THIS.

13 MS. SAMUELSON: CALL THE QUESTION.

14 CHAIRMAN KLEIN: CALL THE QUESTION. ANY
15 PUBLIC COMMENT ON THIS? NO.

16 MS. WILSON: I'D LIKE TO MAKE ONE COMMENT.
17 IT MAY BE UP TOMORROW, AND THERE ARE CALIFORNIANS WHO
18 ARE NOT GOING TO VOTE FOR THIS. SO NOW IS THE TIME TO
19 WEIGH IN.

20 DR. PIZZO: I SPOKE WITH TWO OF THEM ON MY
21 WAY HERE TODAY. AND ONE OF THEM, ISSA, IS STILL
22 UNCLEAR, AND THE SECOND IS RADANOVICH --

23 CHAIRMAN KLEIN: CAN WE DO THIS AND THE
24 COORDINATION AFTER -- DR. LEVEY. I WANT TO DO THIS.
25 WE'LL TALK ABOUT COORDINATION AFTER WE HAVE HAD THE

1 VOTE. I'D LIKE TO CALL THE QUESTION. ALL IN FAVOR.
2 OPPOSED.

3 THANK YOU, DR. LEVEY.

4 (APPLAUSE.)

5 CHAIRMAN KLEIN: OKAY. IN TERMS OF
6 COORDINATION, THIS IS VERY IMPORTANT. GAYLE WILSON
7 PRESENTS AN EXTREMELY IMPORTANT POINT HERE. GAYLE,
8 COULD YOU CONTINUE SPEAKING TO THIS ISSUE.

9 MS. WILSON: THERE ARE -- KIRK KLEINSCHMIDT
10 IS VERY CONVERSANT WITH WHICH DISTRICTS VOTED FOR PROP
11 71, WHAT THE VOTES ARE IN THE HOUSE PARTICULARLY. AND
12 THERE ARE DEFINITELY SOME CALIFORNIANS WHO WILL VOTE
13 AGAINST THIS. AND IF THEY ARE IN YOUR DISTRICT OR YOU
14 ARE IN THEIR DISTRICT, NOW IS THE TIME TO CALL THEM.

15 DR. BRYANT: CAN WE KNOW WHO THEY ARE?

16 MS. WILSON: KIRK WILL BE ABLE TO TELL YOU.
17 I KNOW WHO SOME OF THEM ARE. IF I WERE YOU, I WOULD
18 JUST ASK KIRK LATER. HE CAN TELL YOU.

19 CHAIRMAN KLEIN: KIRK, COULD YOU JUST TAKE
20 THE MIC AND TELL US WHO THE POSSIBLE YESES ARE WHO ARE
21 NOT YET IN THE YES COLUMN? I POINT OUT THERE'S BEEN AN
22 EXTRAORDINARY INCREASE IN THE NUMBER OF CALIFORNIANS
23 VOTING YES SINCE PROPOSITION 71 PASSED.

24 MR. KLEINSCHMIDT: THE MEMBERS FROM
25 CALIFORNIA THAT I'VE BEEN TOLD ARE IMPORTANT PEOPLE TO

1 COMMUNICATE POSITIONS WITH ARE CONGRESSMAN LEWIS,
2 CONGRESSMAN CUNNINGHAM, CONGRESSMAN DREIER, CONGRESSMAN
3 MCKEON, AND CONGRESSMAN ISSA.

4 DR. PIZZO: YOU THINK THEY'RE VOTING --

5 MR. KLEINSCHMIDT: I'VE JUST BEEN TOLD THAT
6 THEY'RE GETTING A LOT OF PRESSURE, AND SO IT'S JUST
7 IMPORTANT TO COMMUNICATE WITH THEM.

8 DR. PIZZO: I SPOKE WITH ISSA'S OFFICE ON THE
9 WAY HERE, AND HE HAS NOT MADE UP HIS MIND YET. WASN'T
10 CLEAR WHERE HE IS. BUT ON THE OTHER HAND, RADANOVICH,
11 I SPOKE WITH HIS STAFFER AS WELL, AND THEY SAID THAT
12 HE'S ABSOLUTELY AGAINST IT ON RELIGIOUS GROUNDS, SO I
13 DON'T KNOW WHAT WE CAN DO THERE.

14 CHAIRMAN KLEIN: RADANOVICH. IF WE COULD DO
15 THIS, KIRK, IF YOU COULD SEND E-MAILS TO THE BOARD
16 MEMBERS FOR THEIR INFORMATION ON THESE MEMBERS AND
17 THEIR CONTACT INFORMATION SO THEY CAN MAKE AN
18 INDEPENDENT DECISION WHO THEY COULD REACH OUT TO AND IF
19 THEY COULD DO SO IMMEDIATELY. THE VOTE COUNT IN THE
20 HOUSE WAS APPROXIMATELY 230 BEFORE THE PRESIDENT'S
21 THREATENED VETO, WITH 201 CO-SPONSORS AND MORE THAN 50
22 VOTE COUNT IN THE SENATE FOR THIS.

23 THE INDIVIDUALS THAT ARE ON THE FENCE HERE
24 NEED TO KNOW THAT WE'RE VERY STRONGLY SUPPORTIVE OF
25 THEM AND WILL BACK THEM UP. GAYLE WILSON AND I SAW

1 DAVID DREIER, CONGRESSMAN DAVID DREIER'S STAFF IN
2 WASHINGTON, D.C. THEY WERE QUITE SUPPORTIVE. IN FACT,
3 I BELIEVE WERE QUITE HELPFUL ACTUALLY IN GETTING THE
4 RULES COMMITTEE TO AGREE TO BRING THIS TO A VOTE. SO
5 IF HIS VOTE IS NOT KNOWN AT THIS POINT, IT'S BECAUSE
6 HE'S UNDER EXTRAORDINARY PRESSURE, BUT HE DID SUPPORT
7 PROPOSITION 71 PUBLICLY.

8 ADDITIONALLY, GAYLE WILSON, MAYBE YOU COULD
9 REPORT HOW JERRY LEWIS CONVEYED HIS SUPPORT OF OUR
10 POSITION IN THE PHONE CALL WHILE WE WERE IN CONGRESSMAN
11 DREIER'S OFFICE.

12 MS. WILSON: WELL, I DON'T SPECIFICALLY
13 REMEMBER THAT.

14 CHAIRMAN KLEIN: WITHOUT QUOTING HIM, BECAUSE
15 I CAN'T REALLY QUOTE HIM EITHER, GAYLE, IS THAT --

16 MS. WILSON: HE WAS ON THE FLOOR. THAT'S
17 RIGHT.

18 CHAIRMAN KLEIN: HE WAS ON THE FLOOR, AND HE
19 HAD HIS STAFF CALL TO SAY THAT HE WAS COMPLETELY BEHIND
20 WHAT WE WERE DOING WITH PROP 71.

21 NOW, THIS IS MUCH MORE RESTRICTIVE THAN PROP
22 71 BECAUSE CASTLE-DEGETTE ONLY DEALS WITH EXPANDING THE
23 LINES THROUGH ACCESS IN VITRO FERTILIZATION, CELLS THAT
24 ARE DIVIDED FOR LESS THAN 14 DAYS, THERE'S INFORMED
25 CONSENT, AND THEY WOULD OTHERWISE BE THROWN AWAY. SO

1 IT'S VERY RESTRICTIVE.

2 DR. PIZZO: BOB, DO YOU HAVE A SENSE -- LET'S
3 ASSUME OPTIMISTICALLY THAT IT PASSES IN THE HOUSE AND
4 THEN IN THE SENATE AS WELL AND THAT THE PRESIDENT THEN
5 VETOES IT. DO YOU HAVE A SENSE, GAYLE, WHAT THE VOTES
6 ARE LIKELY IN TERMS OF OVERTURNING THE VETO.

7 MS. WILSON: I'D BE SURPRISED IF THEY COULD
8 OVERTURN THE VETO.

9 DR. PIZZO: THAT'S MY SENSE BECAUSE IT'S
10 RIGHT TOO CLOSE.

11 MS. WILSON: I THINK THE MOMENTUM IS STILL ON
12 OUR SIDE JUST TO HAVE A VOTE THAT PASSES.

13 DR. PIZZO: AT LEAST GET THE VOTE PASSED
14 WOULD BE A REALLY IMPORTANT START.

15 CHAIRMAN KLEIN: I THINK GETTING A VOTE TO
16 PASS IT IS A VERY IMPORTANT MESSAGE FOR THE COUNTRY.
17 AND SO ANYTHING WE CAN EACH INDIVIDUALLY DO TO ADVANCE
18 THAT AGENDA WOULD BE VERY HELPFUL.

19 WHILE, KIRK, YOU'RE THERE, PERHAPS YOU COULD
20 ALSO JUST COVER THE OTHER FEDERAL. SENATOR ORRIN
21 HATCH, AS WE ALL KNOW, IS A LEADING PRO LIFE
22 REPUBLICAN, AND SENATOR FEINSTEIN AUTHORED AND CONTINUE
23 TO AUTHOR THIS YEAR A BILL TO PROHIBIT HUMAN PRODUCTIVE
24 CLONING. AND WHY DON'T YOU COVER THAT BILL AS WELL AS
25 CONGRESSWOMAN --

1 MR. KLEINSCHMIDT: IT'S IN THE PACKET THAT
2 YOU RECEIVED FOR THIS MEETING. HR 1822 IS BY
3 CONGRESSMAN MARY BONO, AND THE COMPANION BILL IN THE
4 SENATE IS SENATE BILL 876 BY SENATORS HATCH AND
5 FEINSTEIN. AS BOB JUST MENTIONED, THIS WOULD PROHIBIT
6 REPRODUCTIVE CLONING, BUT PERMIT THERAPEUTIC CLONING OR
7 SCNT.

8 THE OTHER PIECE THAT WE'RE FOLLOWING CLOSELY
9 IS HR 1357 BY CONGRESSMAN WELDON AND SENATE BILL 658 BY
10 SENATOR BROWNBACH. AND THIS PARTICULAR PIECE OF
11 LEGISLATION WOULD BAN BOTH REPRODUCTIVE AS WELL AS
12 THERAPEUTIC CLONING. AND THE HOUSE VERSION OF THIS
13 MEASURE HAS PASSED IN TWO PREVIOUS CONGRESSES.

14 DR. PIZZO: JUST ONE, MAYBE IT'S A MINOR
15 COMMENT, BUT I THINK IT'S RELEVANT. AND THAT IS, WHEN
16 THE TERM "THERAPEUTIC CLONING" IS USED, IT HAS A
17 NEGATIVE IMPACT ON INDIVIDUALS SUPPORTING IT. AND SO I
18 THINK ALL THE SURVEYS THAT HAVE BEEN DONE DEMONSTRATE
19 THAT IF WE CAN REFER TO THIS BY SOME OTHER NAME, AND
20 THE APPROPRIATE NAME IS SOMATIC CELL NUCLEAR TRANSFER
21 AT THIS POINT, THAT ACTUALLY RENDERS A MORE FAVORABLE
22 VIEW. I THINK THAT'S WHERE WE COME AT ODDS WITH THE
23 ADMINISTRATION THAT CLEARLY PREFERS TO USE THE CLONING
24 TERM BECAUSE IT EVOKES PUBLIC FEAR.

25 DR. PRIETO: I THINK THAT'S A VERY GOOD

1 POINT, THAT WE NEED TO TALK IN TERMS OF, AS I THINK DR.
2 PIZZO ALSO SAID EARLIER TODAY, THIS IS THE CREATION OF
3 PATIENT-SPECIFIC CELL LINES AND DISEASE-SPECIFIC CELL
4 LINES TO BRING US A STEP CLOSER TO CURES. AND USE THAT
5 SORT OF TERMINOLOGY BECAUSE THAT IS WHAT WE'RE TALKING
6 ABOUT.

7 DR. HALL: IF WE'RE TRYING TO BE SIMPLER, I
8 THINK JUST NUCLEAR TRANSFER IS OFTEN USED. I THINK IN
9 THE NATIONAL ACADEMIES REPORT THEY TRIED TO DO THAT.

10 DR. PIZZO: THAT WOULD BE A VERY GOOD THING,
11 ZACH, AS WELL. I THINK ANYTHING THAT AVOIDS THE TERM
12 "CLONING" IS A GOOD THING. AND I KNOW DR. BERG WAS
13 HERE EARLIER TODAY. HE AND I HAVE HAD MANY DEBATES
14 ABOUT THIS, BUT HE, I THINK, NOW AGREES THAT NOT USING
15 CLONING IS A GOOD IDEA.

16 DR. PRIETO: I STILL THINK IT'S IMPORTANT
17 THAT THIS BE UNDERSTANDABLE TO THE PUBLIC BECAUSE
18 PUBLIC SUPPORT FOR THIS ENTERPRISE -- AND ALTHOUGH
19 NUCLEAR TRANSFER IS ACCURATE, I DON'T THINK THAT MEANS
20 MUCH TO THE LAY PUBLIC; WHEREAS, PATIENT-SPECIFIC CELL
21 LINES AND DISEASE-SPECIFIC CELL LINES MEANS SOMETHING
22 THAT I THINK PEOPLE CAN UNDERSTAND.

23 DR. PIZZO: THAT'S A GOOD TERM EXACTLY. I
24 AGREE.

25 CHAIRMAN KLEIN: I THINK IT'S ALSO VERY

1 IMPORTANT TO RECOUNT A DISCUSSION WE HAD WITH
2 CONGRESSMAN CASTLE WHERE IN SUGGESTING TO HIM THAT IN
3 CALIFORNIA PEOPLE WERE QUITE RECEPTIVE DURING THE
4 CAMPAIGN TO UNDERSTANDING THIS IN THE CONTEXT THAT THIS
5 IS A SOLID AREA OF FAMILY VALUES WHERE FAMILIES
6 HISTORICALLY HAVE BEEN GIVEN THE RIGHT TO ACCESS AND TO
7 HAVE THE COUNTRY DEVELOP THE BEST MEDICAL TECHNOLOGIES
8 AND THERAPIES FOR THEIR CHILDREN, THEIR AGING PARENTS,
9 AND THEIR SPOUSES. AND TO PROHIBIT THIS DEVELOPMENT OF
10 THESE THERAPIES IS TO REALLY PROHIBIT PARENTS FROM
11 HAVING THE CHOICE OF ACCESSING THERAPIES FOR THEIR
12 CHILDREN, TO PROHIBIT PARENTS FROM ACCESS OF THERAPIES
13 FOR THEIR AGING PARENTS.

14 IT'S REALLY A GOVERNMENT INTERVENTION IN THE
15 RIGHTS OF THE FAMILY TO GET THE BEST HEALTHCARE IN THIS
16 NATION. AND IT'S TAKING AWAY RIGHTS THAT HAVE BEEN
17 SACROSANCT AND HELD BY THE FAMILY FOR A VERY LONG TIME
18 IN THIS COUNTRY.

19 SO WITH MANY LIBERTARIANS IN THIS COUNTRY,
20 THEY REJECT THIS PROHIBITION ON THE GROUNDS THAT IT
21 DENIES THE CHOICE OF THE FAMILY, AND IT PUTS GOVERNMENT
22 IN THE PLACE OF MAKING THAT DECISION INSTEAD OF
23 ALLOWING THE FAMILY ITS FUNDAMENTAL RIGHTS TO TAKE CARE
24 OF THEIR CHILDREN AND THEIR PARENTS.

25 THAT SEEMS TO HAVE A GREAT RESONANCE, AND I

1 THINK, GAYLE, HAD A GREAT RESONANCE IN WASHINGTON.

2 DR. PRIETO: I DON'T THINK IT SHOULD ESCAPE
3 ANYONE'S ATTENTION EITHER THAT THE SOUTH KOREANS
4 LAUNCHED SPUTNIK IN THIS ARENA LAST WEEK.

5 CHAIRMAN KLEIN: ALL RIGHT. KIRK, COULD YOU,
6 WHILE YOU'RE HERE, INFORMATIONALLY ALSO GO THROUGH AND
7 JUST GIVE US A QUICK UPDATE ON THE OTHER STATE
8 LEGISLATION THAT, IN FACT, THE STAFF RECOMMENDATION IS
9 TO BE QUITE SUPPORTIVE OF?

10 MR. KLEINSCHMIDT: SURE. COUPLE OF THEM WERE
11 MENTIONED EARLIER. ASSEMBLY CONCURRENT RESOLUTION 1 IS
12 SPONSORED BY ASSEMBLYWOMAN NEGRETE MCLEOD OF L.A., AND
13 THIS WOULD BASICALLY PUT THE LEGISLATURE ON RECORD
14 ENCOURAGING US TO, INDEED, PASS STRONG CONFLICT OF
15 INTEREST POLICIES AND TO REPORT OUR FINDING FOR OUR
16 POLICIES TO THE LEGISLATURE BY JULY 1ST. AND WITH THE
17 BOARD'S ACTION TODAY, YOU, IN FACT, HAVE MADE THAT
18 DEADLINE AND WILL BE ABLE TO REPORT ALL THE POLICIES
19 THAT WE'VE PASSED TO DATE. THAT ONE HAS PASSED THE
20 SENATE -- I'M SORRY -- ASSEMBLY AND IS IN THE SENATE
21 HEALTH AT THE CURRENT TIME.

22 ASSEMBLY CONCURRENT RESOLUTION 24 BY
23 ASSEMBLYMAN GENE MULLIN IS AN EXPANSION OF ASSEMBLY
24 CONCURRENT RESOLUTION 252, WHICH IS THE ONE THAT SUE
25 BRYANT AND MICHAEL GOLDBERG ARE PARTICIPATING WITH,

1 WHICH IS TO ASK THIS COMMITTEE TO COME UP WITH BEST
2 PRACTICES POLICY TO TREAT INTELLECTUAL POLICY DEVELOPED
3 FROM STATE FUNDS.

4 THE OTHER BILLS THAT WE ARE WATCHING CLOSELY,
5 THERE'S A COUPLE OF THEM THAT WE'RE NOT ENCOURAGING YOU
6 TO TAKE POSITIONS ON TODAY, BUT SENATE BILL 18 BY
7 SENATOR DEBORAH ORTIZ. THIS MEASURE HAS A NUMBER OF
8 DIFFERENT THINGS. THE PROVISION THAT'S FOCUSED ON THE
9 WORK OF THE INSTITUTE HAS TO DO WITH A STATE AUDIT THAT
10 WOULD BE REQUIRED TO BE COMPLETED AS CURRENTLY WRITTEN
11 BY THE END OF JUNE OF 2006. AND THEN THERE WOULD BE
12 SUBSEQUENT AUDITS IN THE NEXT THREE YEARS.

13 IT ALSO HAS SOME LANGUAGE HAVING TO DO WITH
14 PROHIBITION OF COMPENSATION FOR ANY EGG DONOR AND
15 DETAILS WHAT THAT POLICY WOULD BE, AS WELL AS DETAILS
16 OF INFORMED CONSENT PROVISIONS FOR ANY POTENTIAL EGG
17 DONOR.

18 CHAIRMAN KLEIN: LET ME JUST SUGGEST THAT THE
19 ISSUES WITH INFORMED CONSENT ARE ONLY TO MAKE IT CLEAR
20 THAT THERE'S NO INTENTION TO PROHIBIT THE AVAILABILITY
21 OF PRIOR LINES THAT MAY HAVE BEEN DEVELOPED UNDER
22 DIFFERENT INFORMED CONSENT PROVISIONS. THERE'S SOME
23 VERY TECHNICAL ISSUES TO MAKE SURE WE DON'T CREATE
24 LEGAL PROBLEMS FOR RESEARCH DEALING WITH BIOLOGICAL
25 MATERIALS THAT MAY HAVE ORIGINATED IN CALIFORNIA BEFORE

1 THESE NEW MEDICAL STANDARDS WERE IN PLACE.

2 STILL THE NIH INFORMED CONSENT REGULATIONS
3 WERE ALREADY IN PLACE. SO THE VERY HIGH STANDARD WAS
4 THERE. WE'VE JUST ENHANCED THAT STANDARD.

5 THE ADDITIONAL PROVISION IN THAT BILL IS THAT
6 SHE -- ONE COULD READ IT TO UNDERSTAND THAT WE'RE BEING
7 ASKED TO UNDERTAKE A CANCER STUDY OF HYPEROVULATION
8 DRUGS. THE CONSULTANT FOR SENATOR MIGDEN AND SENATOR
9 MIGDEN HAVE INDICATED TO US THEY DO NOT READ IT THAT
10 WAY AND WOULD CLARIFY IT IN COMMITTEE, THAT WE'RE
11 ENCOURAGED TO DO A STUDY, BUT WE'RE NOT REQUIRED TO
12 UNDERTAKE A STUDY. AND WE HAVE CERTAINLY EXPRESSED THE
13 FACT THAT IT'S NOT THE MISSION OF THIS INSTITUTE TO
14 UNDERTAKE BROAD-SCALE MEDICAL STUDIES IN THIS AREA.

15 WE HAVE A VERY FOCUSED MISSION, AND THE
16 DEPARTMENT OF HEALTH IN THE STATE MIGHT BE A MORE
17 APPROPRIATE PLACE TO UNDERTAKE THE STUDY. NATIONAL
18 CANCER INSTITUTE HAS UNDERTAKEN THE STUDY ON A VERY
19 BROAD SCALE. AND, KIRK, COULD YOU GIVE US THE CITATION
20 OF THAT, AND WE CAN PUT THAT STUDY UP ON OUR WEBSITE.

21 MR. KLEINSCHMIDT: I HAVE IT OVER THERE, BUT
22 I DON'T HAVE IT WITH ME AT THE PODIUM.

23 CHAIRMAN KLEIN: WE CAN PUT THAT CITATION UP
24 ON OUR WEBSITE AND E-MAIL THE INFORMATION TO EVERYONE.
25 NATIONAL CANCER INSTITUTE HAS UNDERTAKEN THAT STUDY.

1 THE BASIC CONCLUSIONS OF THAT STUDY IS THAT WHILE WOMEN
2 WHO HAVE FERTILITY ISSUES OR CHALLENGES SEEM TO HAVE
3 SOME GENETIC CONNECTION TO A STRONGER PROCLIVITY FOR
4 CANCER, BUT THERE IS NO STATISTICAL DIFFERENCE BETWEEN
5 THOSE WHO HAVE CANCER AND UNDERGO IN VITRO
6 FERTILIZATION AND THOSE WHO HAVE CANCER AND DON'T
7 UNDERGO IN VITRO FERTILIZATION. IS THAT CORRECT, DR.
8 HENDERSON?

9 DR. HENDERSON: THAT'S CORRECT.

10 CHAIRMAN KLEIN: IT'S ENCOURAGING AND I
11 PROPERLY RESTATED FROM MEMORY ONE OF MANY SCIENTIFIC
12 STUDIES. IT'S VERY IMPORTANT FOR PEOPLE TO REALIZE A
13 VERY THOUGHTFUL STUDY HAS BEEN UNDERTAKEN BY THE
14 NATIONAL CANCER INSTITUTE ON THIS VERY SUBJECT. AND SO
15 THE QUESTION IS WHY IS IT THAT THAT STUDY IS
16 INADEQUATE. THE PRODUCTIVE RIGHTS ORGANIZATIONS IN
17 THIS COUNTRY BELIEVE THAT THAT STUDY IS, IN FACT,
18 ADEQUATE, BUT THAT IS NOT WITHIN OUR MISSION STATEMENT.
19 IT'S A DIFFERENT MISSION STATEMENT.

20 MR. KLEINSCHMIDT: LAST COMMENT ABOUT SB 18
21 IS THAT THERE IS A PROVISION REQUESTING US TO DO -- I
22 SHOULD SAY ENCOURAGING THE ICOC TO REVIEW EXISTING
23 STUDIES CONCERNING THE HEALTH RISKS AND BENEFITS OF
24 OVARIAN STIMULATION DRUGS FOR ASSISTED OOCYTE
25 PRODUCTION AND IDENTIFY GAPS IN CURRENT KNOWLEDGE BASED

1 ON THE HEALTH RISKS AND BENEFITS TO AND TO TAKE FURTHER
2 RESEARCH AS NECESSARY. SO THE INTERPRETATION IS THAT
3 IT'S INTENT LANGUAGE USING THIS WORD "EXPECTATION,"
4 IT'S A BIT OF CONCERN.

5 DR. HENDERSON: I SHOULD JUST SAY FOR
6 EVERYBODY'S INTEREST THAT THERE'S A VERY LARGE POOLING
7 STUDY OF OVARIAN CANCER CASES GOING ON IN THE U.K. AND
8 THE UNITED STATES NOW TAKING TOGETHER SEVERAL THOUSAND
9 CASES OF OVARIAN CANCER AND MATCHED CONTROLS WHERE THIS
10 SUBJECT, THAT IS, THE ROLE, POTENTIAL ROLE, OF
11 STIMULATING DRUGS, IS BEING INVESTIGATED AGAIN. AND
12 THAT REPORT, I THINK, IS DUE OUT WITHIN THREE TO SIX
13 MONTHS.

14 CHAIRMAN KLEIN: IT WOULD BE VERY HELPFUL,
15 DR. HENDERSON, IF WE COULD BRING THAT ON THURSDAY WITH
16 US TO THE HEARING, THE CITATIONS TO THAT REPORT.

17 KIRK, I THINK WE'VE ADEQUATELY COVERED THE
18 SUBJECT. AND KIRK HAS AN EXTRAORDINARY JOB TO DO WITH
19 FEDERAL AND STATE LEGISLATION MOVING CONCURRENTLY UNDER
20 TREMENDOUS PRESSURE.

21 I EXPECT TO BE DEDICATING A HUGE PORTION OF
22 MY OWN TIME TO THIS IN THE COMING 60 DAYS AS WELL.

23 KIRK, ANY OTHER ITEMS THAT WE NEED TO COVER?

24 MR. KLEINSCHMIDT: THAT'S IT. THERE IS A
25 RESOLUTION IN YOUR MATERIALS REGARDING THE STATE

1 LEGISLATION.

2 CHAIRMAN KLEIN: WHAT WE ATTEMPTED TO DO IS
3 BREAK OUT THE MOST IMPORTANT PART OF THAT RESOLUTION,
4 AND WE CAN LOOK FORWARD POTENTIALLY TO PASSING A MORE
5 FORMAL RESOLUTION THAT COVERS ALL THE REST OF THE STATE
6 LEGISLATION AT THE NEXT MEETING, BUT WE GOT THROUGH THE
7 ACTION RELATED TO SCA 13, WHICH IS THE IMMEDIATE ITEM
8 ON WHICH AN OPPOSITION STATEMENT WAS NEEDED.

9 ON SB 18 WE DID NOT RECOMMEND OPPOSITION,
10 RATHER CONCERN, WHICH WE CAN EXPRESS WITHOUT A
11 RESOLUTION. I THANK YOU VERY MUCH.

12 IS THERE -- IF THE BOARD PLEASES, I WOULD
13 TAKE PUBLIC COMMENT AND COMPLETE THIS MEETING. PUBLIC
14 COMMENT? YES.

15 MS. MEADE: THANK YOU. MY NAME IS ANN MEADE,
16 AND I'M AN INTERESTED MEMBER OF THE PUBLIC. I'VE BEEN
17 LISTENING TO THE DISCUSSION OF THE LEGISLATION, STATE
18 AND FEDERAL, AND REALIZING I'VE BEEN FOLLOWING THIS
19 WITH GREAT INTEREST IN THE PAPERS, BUT IT'S HARD TO
20 KNOW THE IMPORT OF THE LEGISLATION AND WHAT TO DO.

21 YOU'VE GOT A HUGE POPULAR BASE OF SUPPORT IN
22 THIS STATE, BUT PEOPLE DON'T REALLY UNDERSTAND WHAT THE
23 ISSUES ARE. IT'S HARD TO UNDERSTAND IT IN THE PRESS.
24 I WONDERED IF, SHORT OF ADVOCACY, THIS IS KIND OF A
25 QUESTION FOR THE COUNSEL, IF YOU COULD PUT SOMETHING

1 LIKE THE LEGISLATIVE ANALYSIS ON YOUR WEBSITE JUST FOR
2 STARTERS OR -- AND EVEN MORE SO, IS THERE ANY MORE
3 ACTIVE WAY TO REACH OUT TO THE PUBLIC, AGAIN SHORT OF
4 ADVOCACY, BUT OF LETTING THE PEOPLE THAT VOTED FOR THIS
5 KNOW THAT THERE IS A NEED FOR PUBLIC ACTION, FOR
6 EXAMPLE, AND HOW TO UNDERSTAND THE ISSUES, HOW TO
7 INTERPRET THEM? THANK YOU.

8 CHAIRMAN KLEIN: THANK YOU VERY MUCH. JAMES
9 HARRISON, MAYBE YOU COULD SKETCH FOR US THE BROAD
10 DIMENSION OF PUBLIC EDUCATION THAT WE CAN PARTICIPATE
11 IN AND WHAT THE GUIDELINES WOULD BE.

12 MR. HARRISON: THE INSTITUTE CAN CLEARLY PUT
13 ANALYSIS OF THIS LEGISLATION ON ITS WEBSITE IN AN
14 EFFORT TO EDUCATE THE PUBLIC, AS WELL AS MAKE IT CLEAR
15 TO THE PUBLIC THE POSITIONS THAT ITS TAKEN TODAY ON THE
16 VARIOUS PIECES OF LEGISLATION.

17 THE LINE TENDS TO BE DRAWN AT EFFORTS
18 DIRECTED AT THE GRASS ROOTS LEVEL, TO VOTERS, TO HAVE
19 THEM THEN CONTACT THEIR LEGISLATORS.

20 CHAIRMAN KLEIN: MY UNDERSTANDING IS THAT THE
21 INSTITUTE CAN RESPOND TO ORGANIZATIONS' REQUESTS FOR
22 INFORMATION AND EXPLANATIONS OF OUR POSITIONS SO THAT
23 THE CALIFORNIA MEDICAL ASSOCIATION, THE NATIONAL
24 MEDICAL ASSOCIATION, THE GOLDEN STATE MEDICAL
25 ASSOCIATION, FOR EXAMPLE, WHO WERE SUPPORTERS, CAN

1 UNDERSTAND WHAT OUR POSITION IS AND WHY WE'VE TAKEN THE
2 POSITION; IS THAT CORRECT?

3 MR. HARRISON: THAT'S CORRECT.

4 CHAIRMAN KLEIN: AND THAT ALSO OBVIOUSLY
5 INVOLVES PATIENT ADVOCACY ORGANIZATIONS AND
6 INSTITUTIONS. MR. REYNOLDS.

7 MR. REYNOLDS: THANK YOU. REGARDLESS OF THE
8 FATE OF THE SB 18, I ENCOURAGE THE INSTITUTE AND THE
9 BOARD MEMBERS TO TAKE A SERIOUS LOOK AT THE VARIOUS
10 DATA ON THE EFFECTS OF HYPER-STIMULATING DRUGS ON THE
11 LONG-TERM HEALTH EFFECTS ON WOMEN. MY UNDERSTANDING,
12 AND I'M SPEAKING SECONDHAND, AS MY COLLEAGUES WHO
13 AREN'T PRESENT ARE THE EXPERTS ON THIS, IS THAT THERE'S
14 NOT CONSENSUS IN THE REPRODUCTIVE HEALTH FIELD ABOUT
15 THE LONG-TERM HEALTH EFFECTS OF THESE DRUGS. I WOULD
16 BE GLAD TO OFFER TO GET TOGETHER SOME DATA AND
17 SCIENTIFIC STUDIES AND FORWARD THAT TO YOU FOR YOUR
18 REVIEW.

19 CHAIRMAN KLEIN: THAT WOULD BE HELPFUL. AND
20 WE WILL FORWARD TO YOU THE STUDIES THAT DR. HENDERSON
21 IS REFERENCING SO THAT YOU CAN MONITOR THOSE AS WELL.
22 BE INTERESTED IN YOUR VIEW OF THEIR OUTCOME. IT MAY
23 SUBSTANTIALLY ADD TO THE INFORMATION AVAILABLE.

24 MR. REYNOLDS: YES.

25 CHAIRMAN KLEIN: ADDITIONAL PUBLIC COMMENT?

1 MR. SCHUPPENHAUER: JUST A COMMENT ON THE
2 CANCER IMPACT OF USING HORMONES OUT OF THE IN VITRO
3 FERTILIZATION SET, THAT SCIENTIFIC DISCUSSION HAS BEEN
4 FAIRLY CONTENTIOUS. WANT TO GO BACK INTO THE END OF
5 THE '90S. SOME OF THE RESEARCH WAS ACTUALLY DONE OUT
6 OF THE INSTITUTE OF ROBERT GALLO. AND WHEN I MENTION
7 THAT NAME, YOU WILL UNDERSTAND THAT THERE WAS A LOT OF
8 DEGREE OF SUSPECT ABOUT THE IMPACT, FOR INSTANCE, HCG,
9 THE IMPACT OF HCG ON VARIOUS CANCER FORMS THAT CAN GO
10 BOTH WAYS.

11 IF YOU GO BACK TO THE LITERATURE, THERE'S NOT
12 A VERY SIMPLE DISCUSSION AND NOT VERY SIMPLE RESEARCH
13 IN THERE; AND BECAUSE OF THE INVOLVEMENT OF DR. GALLO,
14 A LOT OF THE RESEARCH WAS CONTENDED, ETC.

15 THE MAJOR POINT THAT I WANTED TO MAKE WAS
16 THAT JUST FROM AN OUTSIDER'S PERSPECTIVE WHEN I'M
17 LOOKING AT THE POSITIONS YOU'RE TAKING, I THINK ONE OF
18 THE KEY REASONS WHY THE PROP 71 IS IMPORTANT FOR THE
19 STATE OF CALIFORNIA IS AN ECONOMIC REASON. AND I'M
20 REALLY MISSING THE ECONOMIC IMPACT OF \$3 BILLION BEING
21 SPENT, WHAT THAT MEANS FOR CALIFORNIA ON A GLOBAL
22 SCALE.

23 WE'RE TALKING ABOUT ETHICAL VALUES AND WE'RE
24 TALKING ABOUT ALL SORTS OF OTHER THINGS, BUT I THINK IT
25 IS VERY, VERY IMPORTANT FOR THE PUBLIC TO UNDERSTAND

1 THAT THE U.S. IS ALREADY BEHIND IN TERMS OF STEM CELL
2 RESEARCH. AND IF CALIFORNIA IS NOT CATCHING UP AND
3 WE'RE LOSING ANYTHING THAT STATE OF CALIFORNIA HAS ON
4 THE ECONOMIC SIDE, YOU ARE AWARE OF THE \$50 MILLION
5 THAT WERE SPENT IN -- OR GRANTED IN NEW YORK JUST
6 YESTERDAY. AND THE CLEAR AND ONLY REASON WAS IN ORDER
7 TO MAKE NEW YORK UNIVERSITIES COMPETITIVE FROM A
8 SCIENTIFIC AND BUSINESS PERSPECTIVE. THANKS VERY MUCH.

9 CHAIRMAN KLEIN: THANK YOU. ANY ADDITIONAL
10 PUBLIC COMMENT? MOTION TO ADJOURN? WALTER BARNES
11 INDICATES THAT HE HAS AN INFORMATIONAL ITEM TO PUT
12 FORWARD.

13 MR. BARNES: I'LL KEEP IT VERY SHORT. AT THE
14 LAST MEETING I MENTIONED TO ALL OF YOU THAT THERE WERE
15 MEMOS COMING OUT ON PER DIEM AND ON TRAVEL EXPENSES.
16 THESE ARE TO REFLECT THE POLICIES THAT YOU ADOPTED AT
17 THE APRIL MEETING. THOSE MEMOS ARE OUT NOW. THERE'S A
18 COPY OF THEM UNDER TAB 14 IN YOUR NOTEBOOKS.

19 WE'VE ALSO SEPARATELY SENT OUT TO YOU
20 ENROLLMENT FORMS SO THAT THAT THOSE OF YOU THAT WISH TO
21 RECEIVE PER DIEM CAN FILL THEM OUT AND BE ENTERED INTO
22 THE PAYROLLING SYSTEM SO THAT WE CAN BEGIN PAYING
23 THOSE. I'VE BEEN GETTING BOTH THE ENROLLMENT FORMS AS
24 WELL AS THOSE WHO HAVE INDICATED THAT THEY WANT TO
25 WAIVE IT AND GETTING THAT INFORMATION IN, SO I SHOULD

1 BE ABLE TO START PUTTING THAT STUFF INTO THE SYSTEM
2 THIS WEEK. SO YOU SHOULD BE STARTING TO GET
3 REIMBURSEMENTS FROM THOSE PROBABLY WITHIN A TWO-WEEK
4 PERIOD. AND THEN AS YOU SUBMIT THEM ON A MONTHLY BASIS
5 OR WEEKLY BASIS, AS THE CASE MAY BE, WE'LL GET THEM OUT
6 TOO.

7 ANYWAY, THE OTHER THING IS THAT BOTH CLAIM
8 FORMS, THE TRAVEL EXPENSE CLAIM FORM AND THE PER DIEM
9 CLAIM FORM, ARE NOW ON THE WEBSITE, THE CIRM WEBSITE.
10 YOU LOOK FOR ADMINISTRATIVE INFORMATION, AND IT ALLOWS
11 YOU TO FILL AND PRINT, SO YOU CAN ENTER IN ALL THE
12 INFORMATION ON BOTH FORMS, PRINT IT OUT, SIGN IT,
13 ATTACH ALL YOUR RECEIPTS, AND SEND IT IN. SO HOPEFULLY
14 THAT WILL BE A LITTLE EASIER THAN TRYING TO SEARCH
15 THROUGH THE GENERAL SERVICES WEBSITE FOR IT.

16 AND OBVIOUSLY, AS ALWAYS, IF YOU HAVE ANY
17 QUESTIONS, MY PHONE NUMBER IS ON THERE. GIVE ME A
18 CALL.

19 DR. HENDERSON: I JUST WONDERED, DR. HALL, IF
20 YOU'VE HAD -- YOU HAD AN OPEN ITEM HERE FOR A REPORT
21 WITH NO DOCUMENTS. AND I WONDERED IF THERE WAS
22 ANYTHING ELSE AT THIS TIME.

23 CHAIRMAN KLEIN: THE REPORT THAT HE MADE
24 ADDRESSED THE CONFLICTS PROVISIONS.

25 DR. HALL: PRESIDENT'S REPORT, I DON'T KNOW

1 IF YOU WANT TO DO THAT AT THIS LATE DATE OR NOT.

2 CHAIRMAN KLEIN: IT'S THE PLEASURE --

3 DR. HALL: HAPPY TO DO SO IF YOU WANT.

4 DR. HENDERSON: I JUST WANTED TO GIVE YOU THE
5 OPPORTUNITY.

6 CHAIRMAN KLEIN: WHY DON'T WE HEAR --

7 DR. HALL: THERE IS ONE ITEM I WOULD LIKE TO
8 BRING TO THE ATTENTION OF THE COMMITTEE. SO FIRST IS
9 JUST TO LET YOU KNOW THAT IN THE -- WITH ALL THE
10 POLITICAL FIRESTORMS FLYING OVERHEAD, WE HAVE BEEN BUSY
11 UNDERNEATH WITH OUR SCIENTIFIC ACTIVITIES. WE WERE
12 VERY PROUD TO ISSUE OUR FIRST RFA A WEEK AGO FRIDAY.

13 (APPLAUSE.)

14 DR. HALL: WE HAVE BEGUN INTERVIEWS. AND
15 MARY MAXON AND ARLENE CHIU DID A FABULOUS JOB IN
16 GETTING THAT OUT.

17 WE HAVE INTERVIEWS FOR OUR SCIENTIFIC PROGRAM
18 REVIEW OFFICERS. WE ARE BEGINNING THAT. WE ARE
19 SCHEDULING THE FIRST MEETING OF THE GRANTS REVIEWS AND
20 STANDARDS WORKING GROUP. WE'VE POSTED A JOB FOR THE
21 SENIOR STAFF OFFICER FOR THE STANDARDS WORKING GROUP,
22 AND WE HAVE BEEN HARD AT WORK FINALIZING THE SCIENTIFIC
23 AND ADMINISTRATIVE PROGRAM FOR THE BUILDOUT OF THE NEW
24 HEADQUARTERS.

25 NOW, THE ONE THING I REALLY WANTED TO MENTION

1 TO YOU IS I HAVE TALKED BEFORE ABOUT A SCIENTIFIC
2 PRIORITIES MEETING WHOSE PURPOSE IS TO IDENTIFY
3 SCIENTIFIC MEDICAL OPPORTUNITIES AND BARRIERS TO
4 PROGRESS AND TO IDENTIFY WAYS IN WHICH SPECIFIC
5 INITIATIVES BY CIRM MIGHT ADVANCE THE FIELD. AND THE
6 RECOMMENDATIONS FROM THIS COMMITTEE WILL BE THE BASIS
7 FOR OUR OWN STRATEGIC PLANNING.

8 WE WANT TO INVITE BOTH CALIFORNIA SCIENTISTS
9 AND INTERNATIONAL EXPERTS. WE WILL HAVE SESSIONS THAT
10 ARE OPEN TO THE PUBLIC, AND WE HOPE THESE SESSIONS WILL
11 SERVE AS AN EDUCATIONAL AS WELL AS SCIENTIFIC PURPOSE.

12 WE ARE NOW IN DISCUSSION ABOUT A DATE, AND WE
13 ARE HOPING TO HAVE A MEETING IN LATE SEPTEMBER. WE DO
14 HAVE A DISTINGUISHED PLANNING COMMITTEE FOR THIS
15 MEETING, AND I WANTED TO LET YOU KNOW THAT. IT'S AN
16 INTERNATIONAL GROUP. WE HAVE PETER ANDREWS FROM
17 UNIVERSITY OF EDINBURGH, WHO'S ONE OF THE LEADING STEM
18 CELL RESEARCHERS IN BRITAIN; WE HAVE GEORGE DALEY,
19 HARVARD MEDICAL SCHOOL; IAN DUNCAN FROM UNIVERSITY OF
20 WISCONSIN; RUSTY GAGE FROM THE SALK INSTITUTE; MYSELF,
21 DOUG MELTON FROM HARVARD; ED PENHOET AND JANET WRIGHT
22 ON THE ICOC.

23 WE WILL BE MEETING SOON, AND OUR PURPOSE WILL
24 BE TO GO OVER THE FORMAT TO DECIDE ON THE TOPICS THAT
25 WE WANT TO ADDRESS AND TO CHOOSE THE SPEAKERS. OUR

1 INTENT IS TO HAVE ROUGHLY FIVE SESSIONS THAT WILL EACH
2 BE FOCUSED ON A PARTICULAR TOPIC. WE WILL HAVE TWO OR
3 THREE SPEAKERS WHOM WE WILL IMPORE NOT TO GIVE THEIR
4 USUAL SCIENTIFIC SEMINARS, BUT TO BASICALLY GIVE US AN
5 ASSESSMENT OF WHERE WE ARE WITH RESPECT TO THAT
6 PARTICULAR TOPIC, WHAT OPPORTUNITIES THERE ARE, WHAT
7 CHALLENGES THERE ARE, AND WHAT WE MIGHT DO.

8 I STAND CORRECTED. PETER ANDREWS IS AT
9 SHEFFIELD, NOT EDINBURGH. I BEG YOUR PARDON, PETER.

10 AT ANY RATE, AND THEN WE WILL HAVE A
11 SUMMING-UP MEETING IN WHICH WE WILL ASK EACH OF THESE
12 SESSIONS -- FOR EACH SESSION WE'LL HAVE SEVERAL
13 SPEAKERS, WE'LL HAVE A PERIOD OF DISCUSSION, AND THEN
14 WE'LL ASK THE SPEAKERS AND PANEL MEMBERS TO COME UP
15 WITH SEVERAL RECOMMENDATIONS FOR THE CIRM. WE WILL
16 HAVE A SUMMARY OF THAT AT THE END OF THE MEETING. ALL
17 THIS WILL BE OPEN TO THE PUBLIC. WE HOPE TO ATTRACT
18 SCIENTISTS FROM ACROSS CALIFORNIA TO COME TO THE
19 MEETING, AS WELL AS I HOPE ALL OF YOU CAN BE THERE, IF
20 YOU HAVE THE TIME INTERSPERSED WITH ALL THE OTHER
21 MEETINGS. I THINK IT WILL BE AN EXCITING EVENT FOR US.
22 IT WILL BE SORT OF A FIRST STEP IN OUR PLANNING
23 PROCESS. THANK YOU VERY MUCH.

24 CHAIRMAN KLEIN: WITH THAT, I'D LIKE TO CALL
25 THE MEETING AS ADJOURNED.

1 MS. KING: WE JUST HAVE ONE BRIEF
2 ANNOUNCEMENT FROM WES WEINERT THE TECH MUSEUM.

3 MR. WEINERT: I JUST WANTED TO SAY ON BEHALF
4 OF THE TECH MUSEUM, THANK YOU SO MUCH FOR COMING AND
5 SHARING YOUR KNOWLEDGE WITH OUR -- WITHIN OUR BUILDING.
6 WE APOLOGIZE, BUT WE CELEBRATE THE ENERGY OF THE
7 THOUSAND ODD SCHOOL KIDS THAT WERE OUTSIDE THE DOORS
8 TODAY. JUST WHAT A JOY IT WAS TO WORK WITH MELISSA AND
9 JENNIFER.

10 AND IF ANYBODY HERE IS INTERESTED, WE HAVE
11 REALLY, I THINK, A VERY INCREDIBLE GALLERY ON GENETICS.
12 AND GREG BROWN, ONE OF OUR SENIOR STAFF AND VP OF
13 ENGINEERING AND TECHNOLOGY, WOULD LIKE FOR ANYBODY
14 WANTING TO JUST A THREE- TO FIVE-MINUTE TOUR OF THAT
15 GALLERY. IT WILL BE VERY BRIEF AND JUST UP THE STAIRS.
16 GREG IS JUST RIGHT HERE. SO AGAIN, THANK YOU SO MUCH.
17 WE HOPE TO HAVE YOU FOLKS COME BACK AGAIN.

18 CHAIRMAN KLEIN: AS I UNDERSTOOD IT, WE ARE
19 GOING TO RESCHEDULE THAT MEETING IN JUNE FOR
20 SACRAMENTO, SAME DAY, SO THAT WE CAN, IN FACT, BE
21 THERE. IN ADDITION, GAYLE WILSON HAS POINTED OUT WE
22 NEED TO ALL REACH OUT WITHIN OUR OWN AREAS. AND JAMES
23 HARRISON WILL PROVIDE SOME GUIDANCE ON WHAT IS
24 APPROPRIATE FOR THE DIFFERENT INSTITUTIONAL MEMBERS.
25 THANK YOU VERY MUCH. MEETING IS ADJOURNED.

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(APPLAUSE.)

(MEETING WAS THEN ADJOURNED AT 04:56

PM.)