

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

DATE: MONDAY, JUNE 20, 2005
5 P. M.

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

BRS FILE NO. : 72822

LOCATIONS: UCSF, LAUREL HEIGHTS CAMPUS
CHANCELLOR'S ROOM
3333 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA

UC IRVINE
NATURAL SCIENCES 1
ROOM NSI 3134, BUILDING 517
IRVINE, CALIFORNIA

UC DAVIS MEDICAL CENTER
CANCER BREAKOUT ROOM
4501 X STREET
SACRAMENTO, CALIFORNIA

SALK INSTITUTE
EXECUTIVE CONFERENCE ROOM
NORTH BUILDING
10010 N. TORREY PINES ROAD
LA JOLLA, CALIFORNIA

NORTHSTATE CARDIOLOGY CONSULTANTS
CONFERENCE ROOM
198 COHASSET ROAD
CHICO, CALIFORNIA

330 PLAZA STREET
HEALDSBURG, CALIFORNIA

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CONSIDERATION OF PROPOSED POLICIES:	069
A. BOARD CONFLICT OF INTEREST	
B. CONFLICT OF INTEREST, OPEN MEETINGS AND PUBLIC RECORDS, ANNUAL REPORTS AND PROCEDURES FOR ICOC AND WORKING GROUPS	
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1 IRVINE, CALIFORNIA; MONDAY, JUNE 20, 2005

2 05:03 PM

3

4 CHAIRMAN KLEIN: LET'S SEE WHO WE HAVE
5 PRESENT. WELCOME TO THE FIRST MEETING OF THE
6 LEGISLATIVE SUBCOMMITTEE OF THE ICOC. WE HAVE
7 PARTICIPANTS IN FIVE OTHER LOCATIONS PLUS THIS
8 LOCATION. WE'RE HERE IN SAN FRANCISCO. ARE WE ON-LINE
9 WITH IRVINE?

10 DR. BRYANT: YES, WE ARE.

11 CHAIRMAN KLEIN: CHICO?

12 DR. WRIGHT: YES.

13 CHAIRMAN KLEIN: HEALDSBURG? I JUST TALKED
14 TO JOAN A COUPLE MINUTES AGO. I KNOW SHE WAS ON HER
15 WAY TO GET ON-LINE.

16 SACRAMENTO?

17 DR. POMEROY: YES.

18 CHAIRMAN KLEIN: LA JOLLA? LA JOLLA? OKAY.
19 WE'RE GOING TO HAVE SOMEONE CALL BOTH LA JOLLA AND
20 HEALDSBURG IMMEDIATELY, SO WE'RE GOING TO PUT YOU ON
21 HOLD FOR JUST FOR A MOMENT.

22 MS. KING: SALK IS ON THE LINE.

23 CHAIRMAN KLEIN: WHAT LOCATION?

24 MS. KING: SALK INSTITUTE IN LA JOLLA.

25 CHAIRMAN KLEIN: CHECK ON HEALDSBURG.

1 MS. KING: I'M HERE WITH DR. MURPHY. WE'RE
2 AWAITING THE ARRIVAL OF JOHN REED AND TINA NOVA.

3 (PAUSE IN PROCEEDINGS.)

4 CHAIRMAN KLEIN: ARE WE -- DOES ANYONE HAVE
5 ANY INFORMATION ON HEALDSBURG, ANY OF THE STAFF?

6 MS. KING: I DO NOT EITHER, BOB. THIS IS
7 MELISSA KING, ALTHOUGH I WAS EXCHANGING E-MAILS WITH
8 ALLISON, JOAN'S ASSISTANT, EARLIER TODAY, AND SHE WAS
9 LEAVING HER OFFICE TO BRING SOME MATERIALS TO JOAN AT
10 AROUND 4:45.

11 CHAIRMAN KLEIN: I TALKED TO HER TEN MINUTES
12 AGO. SHE WAS TRYING TO GET ON. SO WE'RE JUST TRYING
13 TO FIGURE THAT OUT.

14 LET ME ASK THIS QUESTION. LET'S DO THIS.
15 LET'S START THE ROLL CALL, KIRK, IF YOU COULD, PLEASE.
16 JOAN IS JOINING IN FIVE MINUTES. THERE WE GO. OKAY.

17 IF WE COULD HAVE KIRK KLEINSCHMIDT CALL THE
18 ROLL.

19 MR. KLEINSCHMIDT: SUSAN BRYANT.

20 DR. BRYANT: HERE.

21 MR. KLEINSCHMIDT: MICHAEL GOLDBERG. BOB
22 KLEIN.

23 CHAIRMAN KLEIN: HERE.

24 MR. KLEINSCHMIDT: RICHARD MURPHY.

25 DR. MURPHY: HERE.

1 MR. KLEINSCHMIDT: TINA NOVA.
2 MS. KING: NOT HERE YET.
3 MR. KLEINSCHMIDT: ED PENHOET. CLAIRE
4 POMEROY.
5 DR. POMEROY: HERE.
6 MR. KLEINSCHMIDT: FRANCISCO PRIETO. JOHN
7 REED.
8 DR. REED: HERE.
9 MR. KLEINSCHMIDT: JOAN SAMUELSON. DAVID
10 SERRANO-SEWELL. JEFF SHEEHY.
11 MR. SHEEHY: HERE.
12 MR. KLEINSCHMIDT: JANET WRIGHT.
13 DR. WRIGHT: HERE.
14 MR. KLEINSCHMIDT: THAT'S IT.
15 CHAIRMAN KLEIN: OKAY. HOW ARE WE DOING?
16 MR. HARRISON: WE'RE AT SEVEN. A QUORUM IS
17 EIGHT.
18 CHAIRMAN KLEIN: SO WE NEED --
19 DR. POMEROY: HOW MANY MEMBERS ARE THERE ON
20 THE COMMITTEE?
21 CHAIRMAN KLEIN: THERE ARE 12 THAT ARE -- THE
22 COMMITTEE IS SIZED TO INCLUDE UP TO 14 MEMBERS. THERE
23 ARE 12 MEMBERS, AND ED PENHOET SAID THAT HE WOULD ALSO
24 BE WILLING TO SERVE, BUT NEITHER ED IS HERE, NOR IS
25 JOAN HERE.

1 MS. KING: WE EXPECT TINA NOVA IN LA JOLLA AT
2 SALK AS WELL.

3 CHAIRMAN KLEIN: OKAY. WHILE WE ARE WAITING,
4 I WOULD LIKE TO REMIND THE PUBLIC THAT PUBLIC COMMENTS
5 WILL BE, AS GENERALLY THE CASE, THREE MINUTES, BUT
6 YOU' RE INVITED TO SUBMIT ADDITIONAL INFORMATION. AND
7 WE WILL HAVE PUBLIC COMMENT IMMEDIATELY FOLLOWING EACH
8 ITEM, AND WE' LL HAVE GENERAL PUBLIC COMMENT AT THE END
9 AS WELL IN THIS PROCESS.

10 POTENTIALLY, WHILE WE ARE WAITING, I WOULD
11 INDICATE THAT THE CALIFORNIA COUNCIL ON SCIENCE AND
12 TECHNOLOGY TASK FORCE ON INTELLECTUAL PROPERTY IS DUE
13 IN THE BEGINNING OF JULY. AND IT WOULD BE BENEFICIAL
14 IF WE CREATED A VERY PROACTIVE AND CONSTRUCTIVE
15 SUBCOMMITTEE OF THIS GROUP AND/OR INCLUDING OTHER
16 MEMBERS OF THE BOARD SO THAT WE COULD HAVE A
17 PARTNERSHIP WITH THE LEGISLATURE IN ARRIVING AT THE
18 FINAL INTELLECTUAL POLICY PROCESS.

19 POTENTIALLY ON THIS BOARD AGENDA, AS WE GO
20 DOWN TOWARDS THE SUBSEQUENT ITEMS ON THE AGENDA, WE
21 COULD DISCUSS A PROCESS. THERE' S A POTENTIAL CALENDAR
22 OF EVENTS THAT HAS BEEN DISCUSSED WITH DR. HALL AND
23 WITH COUNSEL THAT WE' D LIKE TO HAVE THIS COMMITTEE
24 CONSIDER; BUT AS A PART OF THAT, THE INTENTION WOULD BE
25 TO INVITE MEMBERS OF THE LEGISLATURE WITH MEMBERS OF

1 THE COMMITTEE AND/OR OTHER MEMBERS OF THE BOARD AND
2 MEMBERS OF THE CALIFORNIA COUNCIL ON SCIENCE AND
3 TECHNOLOGY INTO A JOINT GROUP THAT COULD PROACTIVELY
4 WORK WITH POLICY POSSIBLE FOR THE STATE, AND
5 PARTICULARLY TO MAKE SURE THAT IF THERE'S OPPORTUNITIES
6 FOR COMPASSIONATE CARE, THAT THOSE ARE CONSIDERED.

7 CERTAINLY FROM INTELLECTUAL PROPERTY REVENUES
8 WE MIGHT WELL HAVE A SOURCE, IF THE LEGISLATURE WERE SO
9 TO DECIDE, TO FUND COMPASSIONATE CARE, BUT THIS IS A
10 PROCESS THAT HOPEFULLY WE CAN BEGIN IN A VERY DIFFERENT
11 WAY THAN WE BEGAN THIS LAST SERIES OF LEGISLATIVE
12 INTERFACES BY CREATING A JOINT TASK FORCE.

13 THE CALIFORNIA COUNCIL ON SCIENCE AND
14 TECHNOLOGY REACHED OUT TO US EARLY ON, AND I APPOINTED
15 TWO MEMBERS OF THE BOARD TO THAT TO CREATE A
16 COOPERATIVE INTERFACE, BUT IT WOULD BE APPROPRIATE,
17 GIVEN THAT THIS HAS BEEN AN AREA OF DIFFICULTY THUS
18 FAR, TO HAVE A JOINT TASK FORCE WITH MEMBERS OF THE
19 LEGISLATURE SO WE TRY AND BUILD TOGETHER THE BEST
20 SOLUTION IN A PROACTIVE AND CONSTRUCTIVE WAY.

21 THAT IS SOMETHING THAT WILL COME UP ON A
22 LATER ITEM ON THE AGENDA CONSIDERING ITEM 5,
23 CONSIDERATION OF ASSEMBLY TASK FORCE.

24 I WOULD ALSO, TO MAKE SURE WE GET A GOOD
25 SOLID, SUBSTANTIVE DISCUSSION, ASK THAT ITEM 3, THE

1 MISSION STATEMENT, FOLLOW ITEMS 4 AND 5 SO THAT WE CAN
2 PROACTIVELY FULFILL THE OBLIGATION THAT WE STATED ON
3 JUNE 6TH, THAT WE WOULD ADDRESS OUR GOOD FAITH IN
4 PROACTIVELY MOVING FORWARD ON ENHANCING OUR POLICIES.
5 AND WE CAN EXPAND THAT DISCUSSION FURTHER TO ARTICULATE
6 ROLES AND ASSIGNMENTS AT THE DISCRETION OF THE
7 SUBCOMMITTEE TO CREATE THE MOST CONSTRUCTIVE POLICY
8 POSSIBLE.

9 JOAN, ARE YOU THERE? WELL, WE NEED -- WE
10 NEED ONE MORE PERSON.

11 DR. WRIGHT: THIS IS JANET. I HAVE TO STEP
12 OUT IN THE HALLWAY AND ANSWER A PAGE. I'M NOT LEAVING
13 THE CALL, BUT IF YOU HOLD, I'LL BE RIGHT BACK.

14 CHAIRMAN KLEIN: ED CAN JOIN US. THANK YOU.

15 DR. POMEROY: I BELIEVE DR. PRIETO JUST
16 WALKED IN.

17 CHAIRMAN KLEIN: GOOD.

18 DR. POMEROY: A QUORUM.

19 CHAIRMAN KLEIN: THANK YOU, DAVIS. GIVEN A
20 QUORUM, I THINK WE CAN BEGIN. AND I'D LIKE TO ASK DR.
21 HALL IF HE COULD PLEASE SHARE YOUR STAFF REPORT ON
22 CONFLICT OF INTEREST, OPEN MEETINGS, PUBLIC RECORDS,
23 AND REPORTS AND PROCEDURES TO BEGIN THIS DISCUSSION.

24 MR. SHEEHY: I HAVE PROCESS ISSUES. I'D LIKE
25 TO KNOW -- I'D LIKE TO HEAR FROM -- HAVE SOME IDEA

1 WHAT'S GOING ON WITH THE LEGISLATURE, WHAT WE'RE
2 RESPONDING TO, HOW WHAT WE'RE GOING TO PROPOSE IS GOING
3 TO SATISFY WHAT WE'VE BEEN ASKED BY THEM TO RESPOND TO.
4 I'D LIKE TO KNOW WHAT THE PURPOSE OF THIS COMMITTEE IS
5 GOING TO BE, HOW WE SELECTED THE CHAIR OF THIS
6 COMMITTEE. I'D LIKE TO HEAR ABOUT THE LOBBYIST, HOW WE
7 CONTACTED THIS LOBBYIST, WHO HE'S RESPONSIBLE -- TO
8 WHOM DOES HE REPORT? WHAT ARE HIS RESPONSIBILITIES.

9 I'D LIKE TO GET MORE OF A GRIP ON THIS
10 RELATIONSHIP THAT WE HAVE WITH THE LEGISLATURE THAT IS
11 SO TOXIC WITH PEOPLE WHO ARE NOT NORMALLY IN MOST
12 CIRCUMSTANCES OUR ALLIES.

13 SO IT'S JUST -- WE CAN GO STRAIGHT INTO THIS
14 POLICY AND ADOPT NEW POLICY, BUT WE'VE BEEN ADOPTING
15 POLICY, YET OUR RELATIONSHIP CONTINUES TO DETERIORATE
16 WITH THE LEGISLATURE. SO WITHOUT SOME SENSE OF WHAT
17 WE'RE RESPONDING SPECIFICALLY TO CONCERNS OF THE
18 LEGISLATURE, THAT WHAT WE ADOPT WILL SATISFY THOSE
19 CONCERNS, I'D LIKE TO GET INTO THE HEART OF THE -- AND
20 THE DETAILS OF THE POLICY.

21 CHAIRMAN KLEIN: WELL, I CAN TELL YOU THAT
22 THE ITEMS THAT CAME OUT OF THE JUNE 6TH MEETING THAT
23 WE'RE -- THAT WENT INTO THE JUNE 6TH MEETING ON THE
24 PROPOSED ENHANCEMENTS TO POLICY IN THESE IMPORTANT
25 AREAS OF OPEN MEETINGS, CONFLICTS, THESE ITEMS CAME OUT

1 A MEETING CHAIRED BY DAVID PANUSH OF SENATOR PERATA'S
2 STAFF, PRESIDENT PRO TEM OF THE SENATE, INCLUDING A
3 NUMBER OF SENIOR CONSULTANTS TO THE SENATE, WHICH THAT
4 MEETING WAS ATTENDED BY PETER HANSEL, SENATOR ORTIZ'
5 CONSULTANT. IT WAS ATTENDED BY ZACH HALL, I, AND JAMES
6 HARRISON.

7 AND THE INTENT OF THAT MEETING WAS TO CAPTURE
8 ON A PROACTIVE, CONSTRUCTIVE BASIS CERTAIN CONCEPTS.
9 AS SENATOR ORTIZ SAID AT THE HEARING, OUR PROACTIVE
10 CONCEPTS THAT WE CAPTURED THERE WENT BEYOND AREAS THAT
11 SHE WOULD REALLY ASK THAT WE ADDRESS IN THAT WE HAVE
12 THE BOARD POLICY THAT'S PROPOSED ON DIVESTITURE OR
13 BLIND TRUST IN A CASE -- IN THE CASE OF ANYONE WHO, FOR
14 EXAMPLE, WOULD HOLD STOCK WHERE 5 PERCENT OF THE
15 REVENUES WOULD BE FOR THIS PURPOSE.

16 MR. SHEEHY: I GUESS MY POINT IS YOU'VE GONE
17 INTO THE POLICY, BUT I'D REALLY LIKE TO GET SOME OF
18 THIS PROCESS STUFF DEALT WITH.

19 DR. POMEROY: THIS IS CLAIRE POMEROY AT UC
20 DAVIS. I WOULD LIKE TO STRONGLY ECHO JEFF'S POINT. I
21 THINK THAT THIS IS A NEW COMMITTEE THAT IS STARTING UP.
22 IT IS ABSOLUTELY ESSENTIAL THAT WE DEFINE OUR CHARGE,
23 OUR MEMBERSHIP, OUR LEADERSHIP. AND, IN FACT, IT IS
24 INAPPROPRIATE TO JUMP RIGHT IN WITHOUT DISCUSSING HOW
25 WE'RE GOING TO GO ABOUT DOING OUR BUSINESS.

1 CHAIRMAN KLEIN: OKAY. WELL, CLAI RE, THERE
2 IS A REAL INTEREST IN THE LEGI SLATURE TO SEE IF WE' RE
3 GOING TO IN GOOD FAITH AND PROACTIVELY RESPOND TO IDEAS
4 THAT THE LEGI SLATURE IN A JOINT WORKING AGREEMENT WITH
5 US HAS PUT FORTH. I 'M CONCERNED THAT WE HAVE GOOD
6 SUBSTANTIVE SUGGESTION ON THOSE SO WE CAN MAKE AS MUCH
7 PROGRESS ON THESE GOOD FAITH ITEMS AS POSSIBLE. AND
8 THE -- WE SAID TO THE LEGI SLATURE AND THE PUBLIC ON
9 JUNE 6TH THAT WE WOULD DO THAT.

10 THE ITEM ON THE MISSION OF THIS INSTITUTE CAN
11 BE DI SCUSSED AT LENGTH FOR HOWEVER LONG YOU WOULD LIKE
12 TO DO IT, AND IT IS NOT AN ISSUE OF NOT DI SCUSSING. IT
13 IS THE ORDER AND SEQUENCE OF DI SCUSSING IT THAT' S AT
14 ISSUE HERE.

15 DR. POMEROY: FRANKLY, I DON' T THINK WE CAN
16 DO ANY DI SCUSSION UNTIL WE' VE DECIDED ON OUR PROCESS
17 AND WHAT THE SCOPE OF THIS COMMITTEE IS.

18 CHAIRMAN KLEIN: OKAY. WELL, IF YOU' D LIKE
19 TO MAKE A MOTION IN THAT REGARD, WE' LL JUST SEE WHAT --
20 WHAT THE WILL OF THE COMMITTEE IS.

21 DR. POMEROY: SO I 'M NOT POSITIVE I HAVE A
22 FORMAL MOTION AT THIS POINT. IF IT WOULD BE OKAY TO
23 MAKE A FEW COMMENTS BEFORE I HAVE A MOTION, I WOULD
24 APPRECIATE THAT.

25 CHAIRMAN KLEIN: WELL, IF WE MAKE A MOTION,

1 THEN, OF COURSE, YOU AS A BOARD MEMBER, AS ALWAYS, CAN
2 MAKE AS MANY COMMENTS AS YOU' D LIKE. BUT IF YOU' D LIKE
3 TO MAKE THEM BEFORE YOU MAKE A MOTION, THAT' S FINE
4 TOO.

5 DR. POMEROY: SO AS I VIEW WHAT THIS
6 COMMITTEE IS GOING TO DO, I, FIRST OF ALL, THINK THAT
7 IT' S NECESSARY TO DEFINE FOR SURE WHO THE MEMBERS ARE.
8 IT' S A LITTLE BIT UNCLEAR TO ME IF ED PENHOET IS A
9 MEMBER OR NOT. I WOULD THINK THAT WE SHOULD DEFINE A
10 MECHANISM BY WHICH WE IDENTIFY A CHAIR AND POSSIBLY A
11 VICE CHAIR FOR THIS COMMITTEE.

12 I THINK THAT IT WOULD BE A GOOD IDEA FOR US
13 TO DISCUSS WHAT THIS COMMITTEE WANTS TO DO. FOR
14 EXAMPLE, I THINK THERE ARE SOME SHORT-TERM, IMMEDIATE
15 NEEDS, THAT WE HAVE TO ADDRESS SOME POLICY ISSUES, AND
16 WE' VE CHOSEN TO DO THAT THROUGH THE LEGISLATIVE
17 COMMITTEE. I' M SUPPORTIVE OF THAT IN THE SHORT TERM.
18 BUT NORMALLY, IN MY EXPERIENCE, LEGISLATIVE COMMITTEES
19 ARE MORE ABOUT BUILDING RELATIONSHIPS AND LINES OF
20 COMMUNICATION WITH THE LEGISLATURE AND OTHER GOVERNMENT
21 OFFICIALS AND ARE NOT A POLICYMAKING COMMITTEE PER SE.
22 IN OTHER WORDS, NORMALLY A LEGISLATIVE COMMITTEE HELPS
23 COMMUNICATE BIDIRECTIONALLY WITH THE LEGISLATURE ABOUT
24 POLICY DECISIONS THAT ARE MADE BY A DIFFERENT GROUP.

25 IF THIS IS, IN FACT, A POLICYMAKING COMMITTEE

1 LONG TERM, THEN MAYBE WE NEED A DIFFERENT NAME. BUT AS
2 A LEGISLATIVE COMMITTEE, I THINK WE'RE ABOUT
3 COMMUNICATION, RELATIONSHIP BUILDING, ADVOCACY PERHAPS,
4 AND I THINK THAT IT WOULD BE VERY IMPORTANT FOR US TO
5 CLARIFY THAT.

6 CHAIRMAN KLEIN: OKAY. DID JOAN JUST COME
7 ON?

8 MS. SAMUELSON: YES, I DID. HI, EVERYBODY.
9 AND THERE ARE NO MEMBERS OF THE PUBLIC AT THIS SITE.

10 CHAIRMAN KLEIN: JOAN, THIS DISCUSSION IS --
11 RELATES TO WHETHER OR NOT WE MOVE THE MISSION STATEMENT
12 AFTER THE CONSIDERATION OF POLICY ENHANCEMENTS THAT WE
13 DISCUSSED ON JUNE 6TH OR WHETHER WE START WITH A FULL
14 DISCUSSION OF THE MISSION OF THIS COMMITTEE AND THEN GO
15 TO THESE POLICY ENHANCEMENTS.

16 MS. SAMUELSON: IS CLAIRE SPEAKING; IS THAT
17 RIGHT?

18 CHAIRMAN KLEIN: THAT WAS CLAIRE SPEAKING.

19 MS. SAMUELSON: AND THIS CONCERNS THE MISSION
20 STATEMENT, WHAT SHE WAS TALKING ABOUT? SOUNDS LIKE
21 SCOPE OF THE COMMITTEE.

22 CHAIRMAN KLEIN: EXACTLY AND ITS FUNCTION.
23 AND I WAS -- WHEN YOU CAME ON, I WAS -- SOMEONE ELSE
24 WAS TRYING TO SPEAK.

25 DR. PRIETO: FRANCISCO PRIETO HERE AT DAVIS.

1 I WANTED TO ADDRESS THESE SAME POINTS, AND I THINK WE
2 NEED TO STAY ON ITEM NO. 3, THE MISSION STATEMENT, AND
3 GET AN IDEA OF WHAT THE MEMBERSHIP AND STRUCTURE OF THE
4 COMMITTEE IS GOING TO BE, WHAT OUR PURPOSE AND OUR
5 MISSION ARE BECAUSE THAT DEFINES ALL OUR WORK, AND THEN
6 GO ON TO THE SUBSTANTIVE ITEMS.

7 I DON'T THINK IT NEEDS TO TAKE US TOO MUCH
8 TIME. I ALSO SAW AS THE ICOC MEETING AS A LEGISLATIVE
9 COMMITTEE IN THE SENSE THAT CLAIRE DESCRIBED IT, NOT A
10 COMMITTEE THAT WOULD SET POLICY. I UNDERSTAND WE'RE
11 GOING TO TALK ABOUT SUBSTANTIVE ITEMS OF POLICY, BUT I
12 WOULD SEE OUR ROLE AS BEING RECOMMENDING THE ADOPTION
13 OF THESE POLICIES OR NOT TO THE FULL BOARD AND
14 COMMUNICATING WITH THE LEGISLATURE AND THE MEMBERS OF
15 THE LEGISLATURE ABOUT THESE POLICIES AS WE DEVELOP
16 THEM.

17 CHAIRMAN KLEIN: YES. SPECIFICALLY, AS
18 BACKGROUND, IN THE MEETING PRIOR TO THE BOARD MEETING
19 ON THE 6TH THAT DAVID PANUSH CHAIRED FOR PRESIDENT PRO
20 TEM OF THE SENATE THAT I REFERRED TO -- AND, JOAN, JUST
21 FOR YOUR INFORMATION, I THINK YOU KNOW THIS
22 PREVIOUSLY -- PETER HANSEL WAS THERE, ALONG WITH ZACH
23 AND I AND JAMES HARRISON. THIS IS AT THE INVITATION OF
24 THE PRESIDENT PRO TEM AND HIS STAFF.

25 ZACH AT THAT COMMITTEE -- AT THAT WORKING

1 GROUP MEETING, THE QUESTION AROSE AS TO WHETHER OR NOT
2 WE COULD HAVE A BOARD MEETING QUICKLY AFTER THE JUNE
3 6TH MEETING TO CONSIDER POLICY ENHANCEMENTS. AND I
4 INDICATED THAT, BECAUSE OF THE 29 MEMBERS OF THE BOARD,
5 I DIDN'T THINK WE COULD GET THEM ALTOGETHER QUICKLY,
6 BUT I BELIEVE WE COULD HAVE A LEGISLATIVE COMMITTEE
7 BECAUSE AT THE PRIOR BOARD MEETING I HAD ANNOUNCED THAT
8 WE WOULD BE CREATING A LEGISLATIVE COMMITTEE AT THE
9 JUNE 6TH BOARD MEETING. AND BEING A SMALLER GROUP, IT
10 WOULD BE EASIER TO RECONVENE THEM.

11 AND THE INDICATION FROM THAT MEETING WAS,
12 WHICH WAS A VERY PRODUCTIVE MEETING WHERE WE WORKED OUT
13 A NUMBER OF POSSIBLE ENHANCEMENTS TO OUR POLICY, THAT
14 IT WOULD BE -- WE HAD SUGGESTED THAT WE COULD ASK THAT
15 COMMITTEE WHETHER OR NOT THEY COULD ENDORSE THOSE
16 POLICY POSITIONS FOR THE BOARD. AND IT WAS POINTED OUT
17 THAT WOULD BE VERY HELPFUL AS A PROACTIVE GOOD FAITH OF
18 THIS PARTNERSHIP AND THIS VERY POSITIVE WORKING
19 RELATIONSHIP THAT CAME OUT OF THAT DAY'S MEETING.

20 SO IN JUNE 6TH I INTRODUCED THE LEGISLATIVE
21 COMMITTEE WITH THAT OBJECTIVE, AND WE CREATED IT
22 STATING THAT THE PURPOSE OF THIS MEETING TODAY, PRIMARY
23 PURPOSE OF THIS MEETING TODAY, AS STATED ON JUNE 6TH TO
24 THE PUBLIC, PRESS, AND THE LEGISLATORS, WAS, IN FACT,
25 TO FOLLOW THROUGH ON SEEING WHAT POLICY RECOMMENDATIONS

1 OF THE PRESIDENT THAT WE COULD RECOMMEND TO THE BOARD
2 FOR THE JUNE 12TH, WHICH WOULD BE A FULL DISCUSSION AT
3 THE BOARD MEETING.

4 MR. SHEEHY: THAT'S NOT MY RECOLLECTION OF
5 THAT MEETING.

6 MS. KING: BOB, DR. REED HAS A QUESTION IN
7 SAN DIEGO. HE'S BEEN A LITTLE TOO FAR AWAY FROM THE
8 PHONE.

9 CHAIRMAN KLEIN: DR. REED.

10 DR. REED: THANK YOU. SO IN THE MATERIALS
11 THAT WERE GIVEN TO US, THERE'S AN AGENDA ITEM NO. 3,
12 LEGISLATIVE COMMITTEE IT'S TITLED, WHICH HAS
13 COMMISSION, MEMBERSHIP APPOINTMENT, DELIVERABLES,
14 MEETING FREQUENCY, STAFF RESOURCES. SO WAS THAT
15 CREATED BY CIRM STAFF?

16 CHAIRMAN KLEIN: WE CREATED THAT. THE ONLY
17 QUESTION -- WE WANT TO COVER THOSE ITEMS. THE ONLY
18 QUESTION IS WHAT THE ORDER IS. AND I HAVE ASKED, IN
19 ORDER TO ESSENTIALLY HONOR OUR PROCESS WITH THE
20 LEGISLATURE, TO MOVE FORWARD ON ITEMS 4 AND 5 AND THEN
21 GO TO ITEM 3 TO MAKE SURE WE HAVE A GOOD SUBSTANTIVE
22 DISCUSSION ON THOSE ENHANCEMENTS.

23 DR. REED: BOB, I'M JUST WONDERING IF THE
24 OTHER MEMBERS OF THE COMMITTEE HAVE HAD A CHANCE TO
25 REVIEW, PARTICULARLY THE PART LABELED COMMISSION, WHICH

1 HAS A FIVE- OR SIX-SENTENCE DESCRIPTION OF WHAT THE
2 CHARTER OF THE COMMITTEE WILL PRESUMABLY BE AS PROPOSED
3 AT LEAST BY CIRM STAFF. THEN PERHAPS WE COULD DISCUSS
4 THAT. AND IF THE PROPER WAY FROM A POINT OF RULES OF
5 ORDER PERSPECTIVE TO DO THAT IS TO HAVE A MOTION, THEN
6 I WOULD PROPOSE A MOTION THAT WE ACCEPT THE CHARGE OF
7 THE COMMITTEE AS OUTLINED IN THE STATEMENT ENTITLED
8 COMMISSION AS OUR CHARTER BY WHICH WE PROCEED AS A
9 COMMITTEE.

10 CHAIRMAN KLEIN: ALL RIGHT. NOW, QUESTION
11 FOR YOU. IS IT YOUR -- IS IT YOUR MOTION THAT WE
12 DEBATE DISCUSSING THIS AS THE CHARTER AND ADDRESSING
13 THESE OTHER ITEMS, AND THEN THERE ARE OTHER ISSUES OF
14 VERY SIGNIFICANT IMPORTANCE THAT JEFF SHEEHY HAS
15 RAISED. AND WOULD WE SUGGEST COVERING THOSE OTHER
16 ITEMS ON A LATER AGENDA ITEM, OR ARE YOU SUGGESTING
17 THAT WE WOULD ALSO COVER THOSE UNDER THIS ITEM?

18 DR. REED: I THINK WE HAVE TO COVER THEM
19 LATER BECAUSE WE HAVE TO AGENDIZE, IF THERE IS SUCH A
20 WORD, THESE ISSUES FOR THE PUBLIC, AND SO WE CAN'T
21 BEGIN TO DISCUSS ISSUES THAT WEREN'T ALREADY IN THE
22 AGENDA.

23 MR. SHEEHY: IT JUST SEEMS STRANGE TO ME THAT
24 WE'RE REACTING -- I HAVE PAPER FROM THE LEGISLATURE. I
25 HAVE NO REPRESENTATION FROM OUR LOBBYIST WHO WE'RE

1 PAYING. I DON'T KNOW HOW WE ENDED UP WITH THE CHAIR OF
2 THIS COMMITTEE. WE HAVEN'T ADOPTED A PURPOSE FOR THIS
3 COMMITTEE. WE HAVE A FUNDAMENTALLY FLAWED PROCESS OF
4 INTERACTION WITH THE LEGISLATURE. THESE ARE PEOPLE WHO
5 ARE NORMALLY OUR FRIENDS. WE HAVE TO SIGNAL THAT WE'RE
6 DOING BUSINESS IN A DIFFERENT WAY. WE HAVE TO BE MORE
7 PROACTIVE IN HOW WE SET OURSELVES UP IN THE FUTURE TO
8 DEAL WITH THE LEGISLATURE. THAT'S MY FEELING. MAYBE
9 I'M CRAZY.

10 DR. POMEROY: BOB, THIS IS CLAIRE POMEROY.
11 NOT HAVING HEARD A SECOND TO DR. REED'S MOTION, I HAVE
12 ANOTHER MOTION.

13 DR. MURPHY: CLAIRE, I WOULD -- I DIDN'T WANT
14 TO INTERRUPT, BUT I'M VERY HAPPY TO SECOND JOHN'S
15 MOTION.

16 CHAIRMAN KLEIN: THE MOTION IS MADE AND
17 SECONDED. BOARD COMMENTS ON THE MOTION? JEFF SHEEHY
18 JUST MADE ONE. ADDITIONAL BOARD COMMENTS ON THE
19 MOTION?

20 DR. BRYANT: I HAVE AN INTERJECTION, WHICH IS
21 THAT, FOR THE MEMBERS OF THE PUBLIC THAT ARE PRESENT,
22 THIS IS SUE BRYANT, COULD YOU PLEASE ASK PEOPLE TO
23 STATE THEIR NAME BEFORE THEY SPEAK?

24 CHAIRMAN KLEIN: I CAN ASK THEM IF THEY WOULD
25 WISH TO. YOU MEAN ON THE BOARD?

1 DR. BRYANT: YES, THE BOARD MEMBERS SO THAT
2 THE PUBLIC CAN UNDERSTAND WHO'S TALKING.

3 CHAIRMAN KLEIN: THANK YOU VERY MUCH.

4 DR. MURPHY: THAT WAS RICH MURPHY WHO WAS THE
5 SECOND ON THAT MOTION.

6 DR. PRIETO: BOB, THIS IS FRANCISCO PRIETO.
7 I HAVE A QUESTION WHETHER THE PAPER TITLED "LEGISLATIVE
8 SUBCOMMITTEE" WITH THE COMMISSION THAT JOHN REED
9 MENTIONED, WHETHER THAT ENTIRE ITEM DOESN'T FIT WITHIN
10 THE SCOPE OF ITEM NO. 3 ON OUR AGENDA AND ISN'T A
11 NECESSARY PART OF ESTABLISHING THIS COMMITTEE. THAT
12 IS, ESTABLISHING THE MEMBERSHIP AND THE MANNER IN WHICH
13 WE'LL OPERATE.

14 CHAIRMAN KLEIN: I THINK THAT HE IS, IN FACT,
15 SAYING THAT THAT DOES HANDLE ITEM 3 ON THE AGENDA.

16 DR. PRIETO: WELL, HE REFERRED TO THE FIRST
17 PARAGRAPH, WHICH MENTIONS THE COMMISSION OF THIS
18 COMMITTEE -- OF THIS SUBCOMMITTEE. BUT THE PAPER ON
19 WHICH WE FIND THIS ALSO INCLUDES MEMBERSHIP APPOINTMENT
20 AND SUGGESTIONS, DELIVERABLES, AND MEETING FREQUENCY.
21 AND I THINK THAT THIS IS THE TIME TO ADDRESS THESE AND
22 GET THEM OUT OF THE WAY.

23 DR. REED: BOB, JOHN REED HERE. I'D ADD A, I
24 GUESS, A CLARIFICATION ABOUT MY INTENT. THE MOTION DID
25 ONLY ADDRESS THE PART OF THAT AGENDA ITEM 3 WHICH IS

1 ENTITLED "COMMISSION," BUT I WOULD BE HAPPY TO AMEND IT
2 TO INCLUDE THE OTHER ITEMS AND RECOMMEND THAT WE ACCEPT
3 THEM, AND THAT WE THEN PROCEED FROM THERE TO ELECTING A
4 CHAIR FOR THE COMMITTEE, HAVING DONE THAT.

5 WE HAVE TO ALSO APPROVE THE MEMBERS, AND WE
6 NEED TO DO THAT BY WAY OF A MOTION AS WELL.

7 CHAIRMAN KLEIN: OKAY. THE MOTION HAS BEEN
8 MADE AND AMENDED. THE -- DISCUSSION BY THE BOARD?

9 DR. WRIGHT: I APOLOGIZE. THIS IS JANET.
10 I'VE BEEN IN AND OUT OF THE ROOM. COULD SOMEONE
11 RESTATE THE MOTION?

12 CHAIRMAN KLEIN: BASICALLY, DR. REED, COULD
13 YOU RESTATE THE MOTION?

14 DR. REED: I MOVE THAT WE ACCEPT AS THE
15 CHARTER AND STRUCTURE FOR THIS COMMITTEE THE TEXT
16 THAT'S BEEN SUBMITTED TO US AS AGENDA ITEM NO. 3.

17 DR. POMEROY: THIS IS CLAIRE POMEROY, AND
18 THIS IS VERY IMPORTANT AS WE DEFINE OUR ROLE. AND I
19 HAVE SOME DISCOMFORT WITH SOME OF THE WORDING UNDER
20 COMMISSION. I WOULD SUGGEST STRIKING THE -- THIS IS
21 JUST A SUGGESTION, NOT A MOTION BECAUSE WE'RE STILL
22 DISCUSSING THE PREVIOUS MOTION. BUT I WOULD SUGGEST
23 STRIKING HAS A DUAL ROLE AND THE PART ABOUT MAKING
24 POLICY RECOMMENDATIONS IN ANTICIPATION OF LEGISLATION
25 BECAUSE EVERYTHING COULD POTENTIALLY FALL IN THAT

1 CATEGORY.

2 I WOULD SUGGEST THE LEGISLATIVE SUBCOMMITTEE
3 REVIEW PROPOSED STATE AND FEDERAL LEGISLATION AND MAJOR
4 PUBLIC POLICY ISSUES AS THE REST OF THAT SENTENCE IS
5 WRITTEN, AND THEN ADD AND RESPONDING TO CONCERNS OF THE
6 STATE LEGISLATURE AND/OR STATE AND FEDERAL LEGISLATURE
7 TO PROVIDE TIMELY RESPONSES TO THEIR CONCERNS.

8 CHAIRMAN KLEIN: SO YOU WANT TO STRIKE ANY
9 PROCESS WHERE THERE WOULD BE RECOMMENDATIONS IN
10 ANTICIPATION OF LEGISLATION?

11 DR. POMEROY: YEAH. I THINK THAT MY
12 PROPOSAL -- I THINK WHAT THAT WAS MEANT TO SAY WAS THAT
13 WHEN WE HEAR FROM LEGISLATORS, THAT THEY'RE
14 ANTICIPATING PUTTING SOME LEGISLATION OUT, THAT WE
15 WOULD PROACTIVELY RESPOND. I AM ALL FOR DOING THAT.

16 BUT SAYING THAT WE'RE GOING TO MAKE POLICY
17 RECOMMENDATIONS IN ANTICIPATION OF LEGISLATION IS VERY
18 BROAD, SO I TRIED TO SPECIFICALLY SAY THAT WE WOULD
19 REVIEW INFORMATION THAT WE GOT FROM LEGISLATORS AND
20 RESPOND WITH RECOMMENDATIONS.

21 MS. SAMUELSON: CLAIRE, THIS IS JOAN
22 SAMUELSON. I TEND TO AGREE WITH YOU. MAYBE -- WHAT
23 I'M THINKING THE FUNCTION MIGHT BE IS IDENTIFYING
24 POLICY ISSUES THAT ARE RAISED OR THAT WE IDENTIFY IN
25 RESPONSE TO COMMUNICATIONS WITH THE LEGISLATURE, LET'S

1 SAY, AND THEN ACT ON THEM OR ROUTE THEM FOR APPROPRIATE
2 ACTION. FOR EXAMPLE, IT SEEMS TO ME THAT THE STANDARDS
3 WORKING GROUP SHOULD BE ENGAGED IN SOME WAY ON THESE
4 PROPOSED SO-CALLED ENHANCEMENTS, WHICH ARE EITHER
5 REVISING INTERIM STANDARDS THAT WE HAD BEFORE THEY
6 EXISTED, BEFORE WE APPOINTED OUR WORKING GROUP, OR
7 EITHER CHANGING THOSE OR IDENTIFYING NEW ONES THAT WE
8 DON'T HAVE IN PLACE YET. IT SEEMS TO ME WE SHOULD
9 START USING THAT PROCESS.

10 DR. POMEROY: ONCE AGAIN, JOAN, YOU SAID
11 THINGS MORE ARTICULATELY THAN I COULD. THANK YOU.

12 MS. SAMUELSON: YOU'RE WELCOME. AND THE ONLY
13 CAVEAT, I SUPPOSE, IS IF, IN FACT, THERE ARE REAL TIME
14 CONSTRAINTS, WE HAVE TO THINK ABOUT THAT, BUT I ALSO AM
15 ANXIOUS MYSELF TO GET OUR OWN PROCESSES IN GEAR.

16 DR. POMEROY: JOAN, THAT'S WHY I WAS TRYING
17 TO, BEFORE YOU JOINED US, MAKE A DISTINCTION BETWEEN A
18 SHORT-TERM CHARGE TO RESPOND URGENTLY TO THE CURRENT
19 LEGISLATIVE CONCERNS, AND THEN DEFINE A LONG-TERM
20 PROCESS SO THAT WE CAN PROACTIVELY DEVELOP A SYSTEM SO
21 THAT THERE AREN'T THESE URGENT NEEDS TO HAVE HASTILY
22 CALLED MEETINGS.

23 MS. SAMUELSON: RIGHT.

24 CHAIRMAN KLEIN: THE ISSUE IS -- CLAIRE, LET
25 ME UNDERSTAND. CERTAINLY HAVING A LONG-TERM PROCESS

1 WOULD BE VERY HELPFUL, INCLUDING INPUT FROM ALL OF THE
2 VARIOUS WORKING GROUPS ON ANYTHING THAT WOULD AFFECT
3 ANY OF THOSE WORKING GROUPS, BUT ARE YOU SUGGESTING
4 THAT WE DEFINE THAT LONG-TERM PROCESS TONIGHT?

5 DR. POMEROY: YES, I AM. I THINK ONE OF THE
6 CHALLENGES THAT WE FACE IN MANY OF OUR COMMITTEES IS
7 THAT WE JUMPED INTO DECISION-MAKING PRIOR TO
8 APPROPRIATE DEFINITION OF PROCESS. AND I THINK TONIGHT
9 WOULD BE AN OPPORTUNITY TO CHANGE THAT.

10 CHAIRMAN KLEIN: AND IF THAT SACRIFICES THE
11 ABILITY TO PASS ON ENHANCEMENTS THAT WE --

12 DR. POMEROY: BOB, I'M HERE FOR THE DURATION.
13 I'LL STAY LONG ENOUGH TO GET THE WORK DONE.

14 MS. SAMUELSON: I GUESS MY QUESTION IS WHAT
15 THE TIME CONSTRAINTS ARE.

16 CHAIRMAN KLEIN: WHEN DO WE LOSE OUR
17 INDIVIDUALS? WE INITIALLY TALKED ABOUT FIVE TO SEVEN,
18 AND WE NOTICED IT FIVE TO EIGHT, BUT I DON'T KNOW THAT
19 WE'RE GOING TO BE ABLE TO MAINTAIN EVERYONE FOR THAT
20 PERIOD OF TIME. LET'S JUST GO THROUGH AND TRY AND GET
21 AN ACCURATE VIEW HERE OF WHAT TIME WE HAVE AVAILABLE.

22 KIRK, CAN YOU JUST WALK THROUGH THE ROLL, AND
23 WE'LL JUST ASK PEOPLE WHAT THEIR TIME CONSTRAINTS ARE.

24 MR. SHEEHY: THAT'S NOT ON THE AGENDA. WE
25 HAVE A MOTION ON THE FLOOR THAT WE'RE CONSIDERING.

1 WE'VE HAD DISCUSSION ON IT. WE CAN'T -- WE'RE HAVING A
2 MEETING TO TRY TO GET THROUGH IT AS BEST AS WE CAN.

3 THAT'S IRRELEVANT TO THE ISSUE OF WHETHER OR NOT --

4 CHAIRMAN KLEIN: I THINK THE CHAIR THINKS
5 IT'S HIGHLY RELEVANT. I'M CURRENTLY THE CHAIR, AND I'D
6 LIKE TO KNOW FOR THE RESPECT OF THE OTHER MEMBERS OF
7 THE BOARD SO THEY CAN MAKE AN INFORMED DECISION. KIRK,
8 WHAT ARE THE -- CAN YOU JUST GO THROUGH THE NAMES,
9 PLEASE.

10 MR. KLEINSCHMIDT: SUSAN BRYANT.

11 DR. BRYANT: I'D REALLY LIKE TO BE OUT OF
12 HERE BY EIGHT.

13 MR. KLEINSCHMIDT: BOB.

14 CHAIRMAN KLEIN: I THEORETICALLY NEED TO BE
15 OUT OF HERE AT 7:30, BUT I'LL STAY AS LONG I NEED TO.

16 MR. KLEINSCHMIDT: RICHARD MURPHY.

17 DR. MURPHY: EIGHT.

18 MR. KLEINSCHMIDT: TINA NOVA. ED PENHOET.
19 CLAIRE POMEROY.

20 DR. POMEROY: LONG AS IT TAKES.

21 MR. KLEINSCHMIDT: FRANCISCO PRIETO.

22 DR. PRIETO: I DON'T HAVE A DEADLINE.

23 MR. KLEINSCHMIDT: JOHN REED.

24 DR. REED: 8 O'CLOCK.

25 MR. KLEINSCHMIDT: JOAN SAMUELSON.

1 MS. SAMUELSON: 8 0' CLOCK.
2 MR. KLEINSCHMIDT: JEFF SHEEHY.
3 MR. SHEEHY: AS LONG AS IT TAKES.
4 MR. KLEINSCHMIDT: JANET WRIGHT.
5 DR. WRIGHT: AS LONG AS I CAN LEAVE AND COME
6 BACK. I CAN'T GUARANTEE I CAN STAY AS LONG AS
7 POSSIBLE. I'LL KEEP COMING BACK IN.
8 CHAIRMAN KLEIN: IT APPEARS THAT WE LOSE A
9 QUORUM AT 8 0' CLOCK.
10 DR. POMEROY: SO THIS IS CLAIRE POMEROY. I'M
11 GOING TO SUMMARIZE MY COMMENTS WITH SPECIFIC WORDING
12 THAT CAN -- THAT IS MY PARTICULAR DESIRE AS PART OF MY
13 DISCUSSION. I WOULD AMEND THIS TO READ, IT'S NOT A
14 MOTION, I WOULD SAY THE LEGISLATIVE SUBCOMMITTEE WILL
15 REVIEW STATE AND FEDERAL LEGISLATION AND MAJOR PUBLIC
16 POLICY ISSUES RELATED TO STEM CELL RESEARCH AND THE
17 OPERATIONS OF THE CIRM AND IDENTIFY LEGISLATIVE
18 CONCERNS AND RESPOND TO THEM IN A TIMELY MANNER. AND
19 THEN THE SUBCOMMITTEE SHALL MAKE RECOMMENDATIONS TO THE
20 ICOC THAT WILL BE CONSIDERED BY THE BOARD.
21 SO I'M STRIKING THE POLICIES. I WOULD ALSO
22 UNDER APPOINTMENT REMOVE THE PIECE ABOUT MEMBERS MAY BE
23 ADDED BETWEEN MEETINGS BY THE CHAIRMAN. AND I WOULD
24 SUGGEST THAT WE DISCUSS SPECIFICALLY THE FACT THAT A
25 CHAIR AND A VICE CHAIR AND WILL BE APPOINTED FOR THIS

1 COMMITTEE. THAT'S MY DISCUSSION AND INPUT.

2 CHAIRMAN KLEIN: AND, DR. REED, IT'S YOUR
3 MOTION. DO YOU ACCEPT THAT AS AN AMENDMENT?

4 DR. REED: IF DR. POMEROY WOULD CARE TO ALLOW
5 THAT TO STAND AS AN AMENDMENT, THAT'S FINE WITH ME.

6 DR. POMEROY: I WOULD BE DELIGHTED.

7 DR. PRIETO: BOB, FRANCISCO PRIETO HERE. I
8 WAS TRYING TO DRAW UP LANGUAGE OF MY OWN, BUT IT
9 BASICALLY RUNS ALONG THE LINES OF WHAT CLAIRE JUST
10 STATED. AND I THINK THAT THAT'S MORE APPROPRIATELY
11 WHAT THE CHARGE OF THIS COMMITTEE SHOULD BE, IN MY
12 OPINION.

13 CHAIRMAN KLEIN: ALL RIGHT. ANY ADDITIONAL
14 COMMENTS FROM THE BOARD?

15 DR. MURPHY: RICH MURPHY. GOING BACK TO A
16 POINT THAT CLAIRE MADE, DO WE ALSO NEED TO ADD
17 SOMETHING HERE THAT SAYS MEMBERS OF THE COMMITTEE SHALL
18 BE CHARGED WITH INTERACTING AS APPROPRIATE WITH
19 LEGISLATORS ON ISSUES THAT RELATE TO THE CIRM?
20 BASICALLY SAYING THAT WE -- THAT THE MEMBERS OF THIS
21 COMMITTEE COULD ACT AS ADVOCATES OR AS CONTACTS FOR
22 LEGISLATORS AND WOULD BE THE INTERMEDIATE BETWEEN THE
23 ICOC AND THE LEGISLATORS THEMSELVES?

24 CHAIRMAN KLEIN: WOULD YOUR THOUGHT, DR.
25 MURPHY, BE THAT OTHER BOARD MEMBERS WOULD NOT BE OR

1 THAT THESE COMMITTEE MEMBERS WOULD HAVE A SPECIAL
2 OBLIGATION?

3 DR. MURPHY: WE WOULD JUST RECOGNIZE THAT
4 RESPONSIBILITY THAT WE HAVE, BOB. AND IT WOULD IN NO
5 WAY LIMIT ANYONE WHO IS NOT ON THE COMMITTEE, BUT ON
6 THE ICOC, FROM HELPING AS NEEDED.

7 CHAIRMAN KLEIN: DR. REED, DO YOU ACCEPT THAT
8 AS A FRIENDLY AMENDMENT?

9 DR. REED: YES, I DO.

10 MR. SHEEHY: THIS IS JEFF SHEEHY. DO WE WANT
11 TO PUT ANYTHING ABOUT RESPONSIBILITY FOR LOBBYISTS OR
12 THEIR POTENTIAL CONSULTANTS THAT MIGHT BE RESPONSIBLE
13 FOR INTERACTION ON OUR BEHALF WITH THE LEGISLATURE?

14 CHAIRMAN KLEIN: I THINK IT MIGHT BE A GOOD
15 IDEA IF WE HAD A PROPOSAL BROUGHT TO THIS COMMITTEE ON
16 THE RETENTION OF REPRESENTATION SO THAT THIS COMMITTEE
17 SELECTS ITS REPRESENTATION. IS THAT WHAT YOU'RE
18 SUGGESTING?

19 MR. SHEEHY: I WAS JUST ASKING OTHER FOLKS'
20 THOUGHTS ON IT.

21 DR. POMEROY: JEFF, YOU'RE SUGGESTING THAT WE
22 ADD LANGUAGE TO THE COMMISSION THAT THIS COMMITTEE
23 WOULD BE RESPONSIBLE FOR OVERSEEING THE LOBBYING
24 EFFORTS DONE ON BEHALF OF THE CIRM BY OUR HIRED
25 CONSULTANTS?

1 MR. SHEEHY: IF WE DECIDED THAT WE NEEDED TO
2 INDEED HIRE CONSULTANTS.

3 DR. POMEROY: COULD YOU SUGGEST SPECIFIC
4 LANGUAGE, JEFF, FOR THAT BECAUSE I'D BE INTERESTED IN
5 IT?

6 MR. SHEEHY: WELL, IT'S REALLY A MORE
7 FUNDAMENTAL QUESTION. HOW DO WE DECIDE WHEN
8 CONSULTANTS AND LOBBYISTS ARE HIRED TO REPRESENT CIRM
9 AND ICOC?

10 DR. POMEROY: WOULD IT BE SOMETHING LIKE AND
11 ENSURING APPROPRIATE LOBBYING EFFORTS ON BEHALF OF THE
12 CIRM, THAT THAT WOULD BE OVERSEEN BY THIS COMMITTEE?

13 MR. SHEEHY: WELL, TO MAKE RECOMMENDATIONS TO
14 THE ICOC BECAUSE I THINK ANY CONTRACT LIKE THAT SHOULD
15 BE VOTED ON BY THE ICOC.

16 DR. POMEROY: AND TO MAKE RECOMMENDATIONS ON
17 LOBBYING CONTRACTS AND ACTIVITIES.

18 MR. SHEEHY: LOBBYISTS OR POLITICAL
19 CONSULTANTS WHOSE SERVICES WE MAY NEED.

20 MS. SAMUELSON: MAYBE THE TERMINOLOGY WOULD
21 BE REPRESENTATIVES OF THE -- HIRING ANY REPRESENTATION
22 OF THE ICOC.

23 CHAIRMAN KLEIN: REPRESENTATION. I THINK
24 JOAN IS RIGHT. WE MIGHT EVEN HAVE EXPERTS. ALTA CHARO
25 WAS SOMEONE THAT WE BROUGHT IN ON MEDICAL-ETHICAL

1 ISSUES. SO IT'S A LITTLE BIT BROADER THAN THAT. SO
2 IT'S REPRESENTATIVES OF THE ICOC TO THE LEGISLATURE.
3 DOES THAT MAKE SENSE, JEFF?

4 MR. SHEEHY: SURE.

5 CHAIRMAN KLEIN: JEFF SEEMS TO FIND THAT TO
6 BE ACCEPTABLE. DR. REED, DO YOU FIND THAT TO BE A
7 FRIENDLY AMENDMENT?

8 DR. REED: I DO FIND IT ACCEPTABLE.

9 CHAIRMAN KLEIN: OKAY. IS THERE ANY OTHER
10 BOARD COMMENT? PUBLIC COMMENT FROM SAN FRANCISCO?
11 MR. REED.

12 MR. REED: DON REED, CALIFORNIANS FOR CURE.
13 JUST THAT WHAT YOU GUYS ARE WORKING THROUGH NOW THROUGH
14 THE SMOKE AND FOG AND HEAT IS THE PRICE OF VICTORY. WE
15 CAME VERY CLOSE TO THE EDGE OF A CLIFF, AND THANKS TO A
16 LOT OF PEOPLE WORKING EXTREMELY HARD, REASON PREVAILED.
17 AND THANK YOU FOR MAKING THAT HAPPEN AND THANK YOU FOR
18 REACHING OUT NOW TO BUILD BRIDGES, WHICH WAS ALWAYS THE
19 INTENT TO BEGIN WITH. SO THIS IS THE PRICE OF VICTORY
20 WHICH YOU'RE PAYING NOW, BUT WE DID WIN.

21 CHAIRMAN KLEIN: WELL, I THINK THAT WHO
22 REALLY WON ARE THE PEOPLE OF CALIFORNIA BECAUSE WE HAVE
23 BETTER POLICIES POTENTIALLY. WE HAVE A PARTNERSHIP
24 WITH THE LEGISLATURE THAT HAS BEEN -- WE FOUND A WAY TO
25 WORK WITH THEM IN A JOINT EFFORT. WE'VE GOT SOME VERY

1 GOOD SUGGESTIONS FROM THE LEGISLATURE, SO WE HAVE
2 REALLY A JOINT PARTNERSHIP THAT'S BEEN FORGED. THAT IS
3 THE SUCCESS HERE, AND WE HAVE BETTER POLICIES FROM THAT
4 JOINT EFFORT.

5 MS. SAMUELSON: JUST ONE SECOND. THIS IS
6 JOAN SAMUELSON. THAT'S TRUE, BOB. AND AT THE SAME
7 TIME, DON, THANK YOU FOR SO CONSTANTLY BEING THERE AND
8 PUTTING IN A GOOD WORD THAT HEARTENS MY SOUL, I HAVE TO
9 SAY.

10 CHAIRMAN KLEIN: ANY ADDITIONAL COMMENTS FROM
11 SAN DIEGO? ANY ADDITIONAL COMMENTS FROM DAVIS?

12 DR. POMEROY: THERE'S NO PUBLIC COMMENTS.
13 BUT, SORRY, THIS IS CLAIRE POMEROY. I JUST NOTICED THE
14 LANGUAGE ABOUT DELIVERABLES THAT WOULD BE PART OF
15 DR. REED'S, AND IT NOW DOESN'T SEEM TO MATCH THE
16 COMMISSION. SO WE MAY NEED TO LOOK AT THAT.

17 CHAIRMAN KLEIN: OKAY. ANY ADDITIONAL
18 COMMENTS FROM CHICO?

19 DR. WRIGHT: NO.

20 CHAIRMAN KLEIN: ANY ADDITIONAL COMMENTS FROM
21 IRVINE?

22 DR. BRYANT: NO.

23 CHAIRMAN KLEIN: OKAY. DOES THAT COVER ALL
24 OF OUR OFFICES? I BELIEVE IT DOES. YOU TOLD ME THERE
25 WEREN'T ANY. SO THE -- WE HAVE A MOTION ON THE FLOOR.

1 WE'VE HAD BOARD COMMENT AND PUBLIC COMMENT. WOULD IT
2 BE ACCEPTABLE TO HAVE A VOTE ON THIS AND COME BACK TO
3 THE DELIVERABLES ITEM?

4 DR. PRIETO: FRANCISCO PRIETO HERE. ISN'T
5 DELIVERABLES PART OF THIS SAME MOTION? AS I UNDERSTAND
6 IT, WE DECIDED TO ACCEPT THE ENTIRE TEXT OF THE PIECE
7 THAT WAS BROUGHT BEFORE US. SO I THINK WE NEED TO
8 MODIFY EACH PART OF THAT BEFORE WE ADOPT IT.

9 CHAIRMAN KLEIN: WELL, WHAT I'M SAYING IS
10 WE'VE GONE THROUGH A PROCESS HERE. WE HAVE A MOTION, A
11 SECOND, WE'VE HAD AMENDMENTS TO THE MOTION. WE'VE NOW
12 HAD BOARD COMMENTS AND PUBLIC COMMENTS. I'M ASKING IF
13 WE CAN JUST HAVE A VOTE ON EVERYTHING, KNOWING THAT
14 WE'RE GOING TO THEN IMMEDIATELY COME BACK TO
15 DELIVERABLES.

16 DR. REED: SO, BOB, YOU WANT TO DO THIS IN A
17 TWO-STAGE PROCESS.

18 CHAIRMAN KLEIN: TWO-STAGE PROCESS SO WE GET
19 THE MAJORITY OF THIS OUT OF THE WAY AND THEN FOCUS ON
20 THE DELIVERABLE ITEMS.

21 DR. REED: SO HAVE THIS UP FOR A VOTE; AND IF
22 IT PASSES, THEN HAVE SOMEONE MAKE A MOTION FOR AN
23 AMENDMENT TO THE FIRST AMENDMENT TO THE CHARTER WHICH
24 WILL DEAL WITH DELIVERABLES?

25 CHAIRMAN KLEIN: EXACTLY.

1 DR. REED: THAT'S ACCEPTABLE TO ME.
2 CHAIRMAN KLEIN: THEN I WOULD CALL FOR THE
3 QUESTION. ALL IN FAVOR. WE NEED A ROLL CALL VOTE.
4 MR. KLEINSCHMIDT: SUSAN BRYANT.
5 DR. BRYANT: AYE.
6 MR. KLEINSCHMIDT: BOB KLEIN.
7 CHAIRMAN KLEIN: AYE.
8 MR. KLEINSCHMIDT: RICHARD MURPHY.
9 DR. MURPHY: AYE.
10 MR. KLEINSCHMIDT: TINA NOVA. ED PENHOET.
11 CLAI RE POMEROY.
12 DR. POMEROY: YES.
13 MR. KLEINSCHMIDT: FRANCISCO PRIETO.
14 DR. PRIETO: AYE.
15 MR. KLEINSCHMIDT: JOHN REED.
16 DR. REED: YES.
17 MR. KLEINSCHMIDT: JOAN SAMUELSON.
18 MS. SAMUELSON: YES.
19 MR. KLEINSCHMIDT: JEFF SHEEHY.
20 MR. SHEEHY: YES.
21 MR. KLEINSCHMIDT: JANET WRIGHT.
22 DR. WRIGHT: YES.
23 CHAIRMAN KLEIN: CLAI RE, YOU WANTED TO
24 ADDRESS DELIVERABLES?
25 DR. POMEROY: YES. I DON'T THINK THAT

1 WE -- I THINK THAT WE'VE REWRITTEN IT SO THAT WE AREN'T
2 ACTUALLY RECOMMENDING POSITIONS ON STEM CELL POLICIES,
3 SO I THINK THAT DELIVERABLES IS EFFECTIVE COMMUNICATION
4 WITH THE STATE AND FEDERAL LEGISLATION AND TIMELY
5 RESPONSES TO AREAS OF CONCERN.

6 CHAIRMAN KLEIN: INCLUDING RECOMMENDATIONS TO
7 THE BOARD?

8 DR. PRIETO: BOB, FRANCISCO PRIETO HERE. I
9 WAS GOING TO ADD THAT. I THINK THAT'S PART OF OUR
10 CHARGE.

11 CHAIRMAN KLEIN: IS THAT ACCEPTABLE, CLAIRE?

12 DR. POMEROY: ABSOLUTELY.

13 CHAIRMAN KLEIN: OKAY. SO I TAKE IT THAT,
14 FRANCISCO, YOU ARE A SECOND TO HER MOTION?

15 DR. PRIETO: SURE.

16 CHAIRMAN KLEIN: WE HAVE A FIRST AND A
17 SECOND. BOARD COMMENT ON THE MOTION. HEARING NO BOARD
18 COMMENT, IS THERE PUBLIC COMMENT ON THE MOTION FROM ANY
19 SITE? HEARING NO PUBLIC COMMENT, I CALL FOR THE
20 QUESTION. ALL IN FAVOR -- ROLL CALL AGAIN.

21 MR. KLEINSCHMIDT: SUSAN BRYANT.

22 DR. BRYANT: YES.

23 MR. KLEINSCHMIDT: BOB KLEIN.

24 CHAIRMAN KLEIN: YES.

25 MR. KLEINSCHMIDT: RICHARD MURPHY.

1 DR. MURPHY: YES.

2 MR. KLEINSCHMIDT: ED PENHOET. CLAIRE
3 POMEROY.

4 DR. POMEROY: YES.

5 MR. KLEINSCHMIDT: FRANCISCO PRIETO.

6 DR. PRIETO: YES.

7 MR. KLEINSCHMIDT: JOHN REED.

8 DR. REED: YES.

9 MR. KLEINSCHMIDT: JOAN SAMUELSON.

10 MS. SAMUELSON: YES.

11 MR. KLEINSCHMIDT: JEFF SHEEHY.

12 MR. SHEEHY: YES.

13 MR. KLEINSCHMIDT: JANET WRIGHT.

14 DR. WRIGHT: YES.

15 CHAIRMAN KLEIN: MOTION PASSES. OKAY.

16 SO WE HAVE NOW ADOPTED THE AMENDED MISSION
17 STATEMENT. IF WE CAN GO TO ITEM 4 ON THE AGENDA.

18 DR. POMEROY: WE STILL NEED A CHAIR, SO I
19 WOULD LIKE TO MAKE A MOTION.

20 CHAIRMAN KLEIN: WHAT IS YOUR MOTION?

21 DR. POMEROY: MY MOTION IS TO APPOINT JEFF
22 SHEEHY AS THE CHAIR AND ED PENHOET, IN ABSENTIA, AS THE
23 VICE CHAIR OF THE LEGISLATIVE SUBCOMMITTEE.

24 CHAIRMAN KLEIN: IS THERE A SECOND?

25 DR. WRIGHT: I'LL SECOND.

1 MS. KING: BOB, CAN YOU PLEASE -- CAN YOU
2 PLEASE HAVE SOMEONE RESTATE THE MOTION? WE JUST HAD
3 TINA NOVA JOIN US HERE IN LA JOLLA.

4 CHAIRMAN KLEIN: THANK YOU, TINA. TINA,
5 YOU' RE GOOD FOR UNTIL WHAT TIME?

6 DR. NOVA: I' M FINE. I' LL BE IN.

7 CHAIRMAN KLEIN: OKAY. GREAT.

8 THE QUESTION HERE, IF WE COULD RESTATE THE
9 MOTION, CLAIRE.

10 DR. POMEROY: MY MOTION WAS TO NOMINATE JEFF
11 SHEEHY AS THE CHAIR AND ED PENHOET AS THE VICE CHAIR OF
12 THE LEGISLATIVE SUBCOMMITTEE.

13 CHAIRMAN KLEIN: THE COMMITTEE DISCUSSION.

14 MS. SAMUELSON: JUST A QUESTION. JOAN
15 SAMUELSON. IS THE VICE CHAIR OF THE ICOC AN AD HOC
16 MEMBER OF ANY OR ALL COMMITTEES? MY MEMORY IS THAT THE
17 CHAIR IS, BUT I' M NOT SURE.

18 CHAIRMAN KLEIN: IN TERMS OF THIS SPECIFIC
19 COMMITTEE --

20 MS. SAMUELSON: I JUST MEANT IN GENERAL. IS
21 THERE ANY LANGUAGE IN PROP 71?

22 CHAIRMAN KLEIN: THERE IS NO LANGUAGE.

23 DR. MURPHY: RICH MURPHY. JEFF, THIS IS IN
24 NO WAY TO OPPOSE YOUR APPOINTMENT HERE, BUT I GUESS
25 WHEN I LOOK AT THE STRUCTURE OF THE CIRM AND THE ROLE

1 OF THE CHAIRMAN OF THE CIRM, I'VE ALWAYS CONSIDERED THE
2 MOST IMPORTANT ROLE THAT BOB CAN PLAY, GIVEN HIS
3 INTERACTIONS WITH PROP 71, IS CONNECTIONS WITH
4 GOVERNMENT IN SACRAMENTO. AND WHAT HIS ROLE SHOULD BE
5 FOR THE INSTITUTE, I THINK, ONE OF THE PRIMARY
6 RESPONSIBILITIES HE SHOULD HAVE IS REPRESENTING CIRM
7 WITH GOVERNMENT.

8 AND I'M WONDERING IF IT DOESN'T COMPLICATE
9 MATTERS BY HAVING BOB TAKE ON THAT MAJOR
10 RESPONSIBILITY, BUT THEN HAVING HIM NOT CHAIR THE
11 LEGISLATIVE SUBCOMMITTEE, WHICH, IN FACT, SHOULD BE THE
12 VEHICLE THROUGH WHICH CIRM INTERACTS WITH SACRAMENTO.
13 SO GIVEN THAT, I GUESS MY VIEW, AND AGAIN, THIS IS NOT
14 IN ANY WAY TO DETRACT FROM JEFF, MY VIEW IS THAT BOB
15 WOULD BE A MORE APPROPRIATE CHAIRMAN OF THIS
16 SUBCOMMITTEE THAN ANYONE ELSE.

17 CHAIRMAN KLEIN: I'M PREPARED TO ACCEPT
18 WHATEVER THE DIRECTION IS OF THE COMMITTEE. I DO
19 BELIEVE DR. MURPHY IS CORRECT. IT JUST COMPLICATES THE
20 ISSUE. IN THE MEETING THAT WE HAD WITH DAVID PANUSH,
21 PRESIDENT PRO TEM STAFF, AND THE OTHER CONSULTANTS, IT
22 WAS EFFECTIVE IN HAVING ME AS THE CHAIR, THE PRESIDENT,
23 AND THE GENERAL COUNSEL AT THAT MEETING. AND, OF
24 COURSE, THE POLICIES NEED TO BE TAKEN -- ANY
25 RECOMMENDATION OR ANY IDENTIFICATION BY THIS

1 LEGISLATIVE COMMITTEE, BUT AT LEAST UNDER THE CHARTER
2 IN PROP 71 IN MY ABILITY TO CARRY OUT THAT ROLE
3 EFFECTIVELY, ONCE I HAD THE TIME TO DEDICATE THAT,
4 HAVING GOTTEN THROUGH ALL OF THE OTHER SUBCOMMITTEES,
5 THAT WE HAVE EFFECTIVELY FORMED A PARTNERSHIP WITH A
6 NUMBER OF MEMBERS OF THE LEGISLATURE. AND I WOULD LIKE
7 TO CONTINUE TO CARRY THAT OUT WITH THE BENEFIT OF
8 HAVING THIS COMMITTEE. IT IS WHATEVER THE DESIRE IS OF
9 THIS SUBCOMMITTEE THAT WILL PREVAIL IN TERMS OF WHO
10 CHAIRS THIS SUBCOMMITTEE.

11 DR. PRIETO: FRANCISCO PRIETO HERE. I'D JUST
12 LIKE TO MAKE A POINT IN RESPONSE TO DR. MURPHY'S
13 COMMENTS, THAT I THINK JEFF ALSO HAS SOME STRONG
14 EXISTING RELATIONSHIP WITH THE LEGISLATURE AND JUST
15 REMIND THE OTHER MEMBERS OF THE SUBCOMMITTEE THAT HE IS
16 THE APPOINTEE OF THE PRESIDENT PRO TEM.

17 DR. MURPHY: DOESN'T THAT ITSELF PRESENT A
18 PROBLEM IN THAT BEING THE REPRESENTATIVE OF THE
19 LEGISLATURE, FOR HIM TO THEN REPRESENT THE CIRM,
20 COULDN'T THAT PROVIDE A CONFLICT FOR JEFF?

21 MS. SAMUELSON: THIS IS JOAN SAMUELSON. I
22 DON'T THINK SO. AND I SURE WATCHED JEFF DEMONSTRATE
23 HIS EXPERTISE DURING THE STRUGGLES WITH THE LEGISLATURE
24 THE LAST MONTH. AND I THINK AT THIS POINT IT'S A
25 MATTER OF BALANCING A BUNCH OF COMPETING PRIORITIES AS

1 THINGS HAPPEN FROM DAY ONE. BUT A SIGNIFICANT ONE, I
2 THINK, AT THIS POINT IS STEPPING BACK AND TRYING TO
3 CREATE A STRUCTURE WHERE WE'RE NOT ACCUSED OF BEING 28
4 FAITHLESS PEOPLE DIRECTED BY A CHAIR WHO PULLS ALL THE
5 STRINGS. THAT'S NOT VERY ARTFULLY SAID, BUT I KEEP
6 HEARING THOSE ACCUSATIONS, AND I BRISTLE EVERY TIME. I
7 KNOW IT NOT TO BE TRUE, OF COURSE. BUT I THINK THIS IS
8 ONE WAY THAT WE CAN BE DEMONSTRATING THAT THAT'S NOT
9 THE CASE.

10 DR. PRIETO: JOAN, FRANCISCO PRIETO HERE
11 AGAIN. I THINK THAT IS A VERY GOOD POINT BECAUSE I
12 THINK THAT WHAT WE SAW WHEN WE WENT BEFORE THE
13 LEGISLATURE AFTER OUR MEETING ON THE 6TH WAS THAT FOR
14 US TO BE EFFECTIVE AND TO MOVE THE WORK OF THE
15 COMMITTEE FORWARD AND GET TO THE POINT WHERE WE CAN
16 ISSUE GRANTS, AS WE ALL WANT TO DO, ALL OF US ARE GOING
17 TO HAVE TO BECOME MORE OF THE PUBLIC FACE OF THIS
18 COMMITTEE AND BE OUT THERE PLAYING A ROLE. AND I THINK
19 IT WOULD BE APPROPRIATE FOR OTHER MEMBERS OF THE BOARD
20 TO CHAIR SUBCOMMITTEES LIKE THIS. AND I THINK JEFF
21 WOULD BE PARTICULARLY APPROPRIATE FOR THIS ONE AND HAS
22 THE SKILL SET THAT WOULD MAKE HIM VERY EFFECTIVE AT IT.

23 MS. SAMUELSON: AND THAT'S NOT FOR A SECOND
24 TO SAY THAT BOB'S TREMENDOUS ACCESS AND TALENTS
25 WOULDN'T BE INCORPORATED. I'M OPERATING ON THE

1 ASSUMPTION THAT THEY WOULD AND COULD BE.

2 DR. PRIETO: I ALSO PRESUMED THAT BOB
3 CONTINUES PLAYING THIS PRIMARY ROLE OF THE FACE OF THE
4 CIRM AS OUR -- AS THE CHAIR OF OUR BOARD IN PRETTY MUCH
5 EVERYTHING WE DO.

6 DR. NOVA: THIS IS TINA NOVA IN SAN DIEGO.
7 WHAT OTHER BOARDS DOES OR SUBCOMMITTEES DOES JEFF SERVE
8 ON?

9 CHAIRMAN KLEIN: WHAT OTHER COMMITTEES DO YOU
10 SERVE ON, JEFF?

11 MR. SHEEHY: I'M ON THE WORKING GROUPS.

12 DR. NOVA: AND WHICH WORKING GROUP?

13 MR. SHEEHY: FACILITIES AND GRANTS.

14 CHAIRMAN KLEIN: HE'S ON THREE WORKING
15 GROUPS, STANDARDS, FACILITIES, AND GRANTS.

16 DR. BRYANT: COULD I JUST ASK A QUESTION OF
17 JEFF. THIS IS SUE BRYANT. SO IT STRIKES ME THAT ONE
18 OF THE ATTRIBUTES OF THE CHAIR OF THIS COMMITTEE HAS TO
19 BE ABLE TO BE AVAILABLE ON A MINUTE'S NOTICE TO GO TALK
20 TO PEOPLE WHEN EMERGENCIES ARISE IN THE LEGISLATURE. I
21 JUST WANTED TO KNOW HOW THAT WOULD WORK FOR YOU. WOULD
22 THAT BE POSSIBLE IN YOUR -- WITH YOUR LIFESTYLE AND SO
23 FORTH, WHATEVER IT IS, YOUR WORKING LIFE AND BLAH,
24 BLAH? I KNOW BECAUSE BOB'S WHOLE RESPONSIBILITY RIGHT
25 NOW IS DEALING WITH ICOC MATTERS, SO I DON'T SEE THAT

1 AS AN ISSUE FOR HIM. FOR ANY OF THE REST OF US, IF
2 ANYBODY SUGGESTED ANY OF THE BOARD MEMBERS, I WOULD
3 HAVE SERIOUS QUESTIONS ABOUT THE AMOUNT OF TIME THEY'D
4 BE ABLE TO DEVOTE TO IT AND WHETHER THEY'D BE AVAILABLE
5 ON A MINUTE'S NOTICE TO GO TALK TO PEOPLE THAT WERE
6 CAUSING PROBLEMS OR WHATEVER OR NEEDED INPUT.

7 I'M NOT SUGGESTING THAT YOU DON'T. I'D JUST
8 LIKE TO HEAR WHAT YOUR AVAILABILITY IS IN THAT AREA.

9 DR. WRIGHT: JEFF, THIS IS JANET WRIGHT.
10 WHILE YOU'RE SPEAKING, MAYBE YOU CAN TELL US YOUR
11 FEELINGS ABOUT HOLDING THIS JOB, WHAT YOU THINK ABOUT
12 THAT.

13 DR. POMEROY: BY THE WAY, I MIGHT JUST ADD
14 THAT I DIDN'T ASK JEFF IF HE'D BE WILLING TO DO THIS.
15 HE MIGHT ADDRESS THAT AS WELL.

16 MR. SHEEHY: THIS IS NOT SOMETHING I'M
17 SEEKING, AND I WANT TO ASSURE RICHARD MURPHY THAT
18 ABSOLUTELY NO OFFENSE IS TAKEN BY HIS COMMENTS. THAT
19 WAS ENTIRELY APPROPRIATE.

20 TO BE PERFECTLY HONEST, I THINK IT WOULD BE A
21 SUCCESSFUL ENDEAVOR IF I DIDN'T HAVE TO SPEND A LOT OF
22 TIME ON THIS. I MEAN WE'RE REALLY -- ONE OF MY
23 FRUSTRATIONS IS THE AMOUNT OF TIME THAT I'VE SPENT ON
24 THIS EFFORT UP UNTIL THIS POINT. SO IT WOULD BE -- I
25 WOULD APPRECIATE -- I WOULD THINK -- I WOULD APPRECIATE

1 GETTING A PROCESS IN PLACE WHERE I WOULD SPEND LESS
2 TIME ON THIS. BECAUSE I WAS APPOINTED BY THE SENATE,
3 BECAUSE I HAVE RELATIONSHIPS WITH LEGISLATURE, AND
4 LEGISLATORS AND THE SENATE, I'VE BEEN TALKING TO
5 PEOPLE. I'VE BEEN TALKING TO DAVID PANUSH. I'VE BEEN
6 TALKING TO PETER HANSEL. AND I SPENT MORE TIME ON THIS
7 THAN ALMOST ANYTHING ELSE IN MY LIFE EXCEPT MY BABY.

8 SO, IN GENERAL, I WOULD SAY THAT THIS WOULD
9 PROBABLY NOT BE THE MOST ROBUST COMMITTEE IF I DID
10 THIS, BUT THAT WOULD BE MY GOAL IS TO SETTLE THESE
11 ISSUES WITH THE LEGISLATURE TO THEIR SATISFACTION SO WE
12 DIDN'T FIGHT THIS OUT FOR THE ENTIRE REST OF OUR
13 EXISTENCE, THAT WE COULD GET INTO A POSITION WHERE THE
14 PEOPLE WHO SUPPORT US SUPPORT US, AND WE'RE ONLY
15 DEALING WITH THE PEOPLE WHO DON'T SUPPORT US, WHICH 60
16 PERCENT OF THE CALIFORNIANS VOTED NOT TO ACCEPT THEIR
17 VIEW. DOES THAT MAKE SENSE?

18 DR. PRIETO: JEFF, I THOUGHT THAT WAS VERY
19 WELL PUT BECAUSE I THINK IF WE DO OUR JOB HERE AND
20 ESTABLISH AN ONGOING METHOD OF COMMUNICATING AND
21 MAINTAINING OPEN LINES OF COMMUNICATION, THEN THE JOB
22 SHOULD BECOME MUCH LESS ARDUOUS, AND I HOPE THAT WILL
23 HAPPEN QUICKLY.

24 CHAIRMAN KLEIN: I WOULD REMIND EVERYONE
25 WE'RE GOING TO HAVE A ROBUST POLICY PROCESS TO REALLY

1 GET THROUGH THIS INTELLECTUAL PROPERTY AREA, WHICH
2 SCIENTIFICALLY IS VERY IMPORTANT, WHICH IS VERY
3 IMPORTANT ON THE HUMAN SCALE, AND WE CAN EXPECT THAT
4 THERE'S GOING TO BE A NUMBER OF LEVELS OF INTERFACE
5 WITH BOTH THE ASSEMBLY AND THE SENATE OVER THE NEXT
6 THREE YEARS THAT'S FAIRLY ACTIVE.

7 WE HAVE A PARTNERSHIP WE'RE FORMING WITH THEM
8 TO JOINTLY WORK WITH THEM ON POLICIES AND HAVE
9 TREMENDOUS BENEFIT OF SENATOR PERATA'S LEADERSHIP,
10 ALONG WITH SENATOR DUNN, SENATOR SPEIER, AND SENATOR
11 ORTIZ IN WORKING TOGETHER TO CREATE A TEAM APPROACH TO
12 THIS RATHER THAN HAVING JUST TWO PARTIES IN THE
13 PROCESS, WHICH HAS CREATED AN OPPORTUNITY FOR MODERATED
14 DISCUSSIONS THAT COMES TO THE BEST ANSWER FOR EVERYONE.

15 IN ANY CASE, I EXPECT OVER THE NEXT 36 MONTHS
16 THAT THIS WILL BE A ROBUST POLICY OUTREACH TO TRY AND
17 INVOLVE PEOPLE PROACTIVELY AND CONSTRUCTIVELY.

18 MS. SAMUELSON: I HOPE THAT'S THE CASE AND
19 EXPECT IT WILL BE. MY SENSE, THOUGH, IS THAT IT WILL
20 ENGAGE THE ENTIRE ICOC AND THE CIRM, FOR THAT MATTER,
21 IN THE WORKING GROUPS TO REALLY FLESH OUT WHAT THESE
22 POLICIES SHOULD ENTAIL. AND THAT THE LEGISLATIVE
23 COMMITTEE IS -- WHAT I'M UNDERSTANDING FROM WHAT WE
24 JUST PASSED, AND THAT MAKES SENSE TO ME, IS THAT THE
25 LEGISLATIVE COMMITTEE IS A FACILITATOR AND

1 COMMUNICATOR.

2 CHAIRMAN KLEIN: I THINK THAT'S VERY CORRECT.

3 DR. POMEROY: AND I THINK THAT WE ALSO
4 COMMITTED THE ENTIRE LEGISLATIVE SUBCOMMITTEE AS WELL
5 AS ALL THE ICOC MEMBERS TO PLAYING AN ACTIVE ROLE, AND
6 I WOULD CERTAINLY HOPE THAT WE ARE NOT DELEGATING ALL
7 RESPONSIBILITIES FOR THIS COMMUNICATION TO A CHAIR. SO
8 I THINK THAT THE CHAIR'S RESPONSIBILITY FOCUSED ON
9 RUNNING THE SUBCOMMITTEE.

10 CHAIRMAN KLEIN: I THINK THAT IT WAS
11 EXTREMELY EFFECTIVE FOR THE BOARD TO HAVE A MEETING IN
12 SACRAMENTO, WHICH HOPEFULLY WE'LL REPEAT. CLAIRE
13 HOSTED THERE IN THE GREAT CITY OF SACRAMENTO WHERE THE
14 BOARD MEMBERS WERE ALL PARTICIPANTS IN REACHING OUT AND
15 SETTING UP LINES OF COMMUNICATION. BUT I THINK -- DO
16 WE HAVE A MOTION ON THE FLOOR HERE? AND IS THERE A
17 SECOND TO THE MOTION?

18 DR. WRIGHT: I SECONDED IT.

19 CHAIRMAN KLEIN: SO WE HAVE A MOTION AND A
20 SECOND. IS THERE OTHER BOARD DISCUSSION?

21 DR. PRIETO: JUST SORT OF A PROCESS QUESTION.
22 GIVEN WHAT CLAIRE HAD JUST SAID AND JEFF'S STATEMENT,
23 ISN'T IT APPROPRIATE, WOULD WE NOT CONSIDER IT
24 APPROPRIATE THAT THE CHAIR, AS PART OF HIS DUTIES,
25 WOULD DELEGATE CERTAIN COMMUNICATIONS FROM THIS

1 SUBCOMMITTEE WITH LEGISLATORS TO OTHER MEMBERS OF THE
2 SUBCOMMITTEE AS HE DEEMS APPROPRIATE?

3 MS. SAMUELSON: SURE.

4 DR. PRIETO: JUST TO CLARIFY THAT, THAT'S HOW
5 I WOULD SEE HIS ROLE, THAT HE WOULD NOT BE THE SOLE
6 COMMUNICATOR.

7 CHAIRMAN KLEIN: I THINK THAT HAS BEEN TRUE
8 IN THE PAST. CERTAINLY IN THE LAST SEVERAL MONTHS,
9 WE'VE PROBABLY HAD TEN OR TWELVE DIFFERENT BOARD
10 MEMBERS WHO WERE VERY ACTIVE IN COMMUNICATING.

11 THE ISSUE IS, I THINK, THAT WAS RAISED
12 BEFORE, QUITE APPROPRIATELY, IS THERE ARE ITEMS THAT
13 COME UP IN TERMS OF THE LEGISLATIVE RELATIONSHIP EVERY
14 SINGLE DAY. AND WE DO NEED TO BE ABLE TO RESPOND TO
15 THEM THAT DAY WHEN THEY COME UP. THAT DOESN'T ALLOW US
16 AT TIMES TO REACH OUT TO A BROADER GROUP, BUT THERE'S
17 AN ATTEMPT AT EVERY OCCASION WHERE IT IS POSSIBLE TO
18 INVOLVE OTHER BOARD MEMBERS BECAUSE OF STRENGTH OF
19 RELATIONSHIPS AND INPUT.

20 DR. MURPHY: I THINK -- I GUESS I'M LOOKING
21 AT TWO OTHER ISSUES HERE. ONE IS IF I WERE A STATE
22 LEGISLATOR MAKING THESE JUDGMENTS, I THINK I WOULD
23 BE -- AND, AGAIN, THIS IS NOT A KNOCK ON JEFF, BUT I
24 WOULD BE VERY PLEASED TO HAVE THE CHAIRMAN OF THE BOARD
25 COME TO ME AND TO REASON WITH ME ON THE ISSUES THAT ARE

1 I M P O R T A N T T O T H E L E G I S L A T O R A N D A L S O T O T H E C I R M . I
2 J U S T T H I N K I T S E N D S A V E R Y S T R O N G M E S S A G E F O R T H E T O P
3 G U N T O B E T H E R E R E P R E S E N T I N G T H E O R G A N I Z A T I O N .

4 I G U E S S T H E O T H E R T H I N G , A N D I ' V E T O U C H E D
5 U P O N T H I S B E F O R E A T I C O C M E E T I N G S , W H E N W E T H I N K O F T H E
6 R E L A T I O N S H I P O F T H E C H A I R T O T H E P R E S I D E N T , W E W A N T T O
7 M A K E S U R E T H A T T H E C H A I R I S L O O K I N G A T T H E L A R G E R
8 I S S U E S A F F E C T I N G T H E C I R M S O T H A T T H E P R E S I D E N T C A N
9 R E A L L Y F O C U S O N T H E O P E R A T I O N A L I S S U E S . A N D I R E M E M B E R
10 I N T H O S E D I S C U S S I O N S W E R E A L L Y D I D T A L K A B O U T
11 I N T E R A C T I O N S W I T H S A C R A M E N T O A S B E I N G A K E Y E L E M E N T I N
12 T H E R O L E O F T H E C H A I R M A N .

13 A N D I G U E S S I T H I N K H A V I N G N O W S O M E O N E E L S E
14 P O T E N T I A L L Y B E T H E C H A I R O F T H E C O M M I T T E E T H A T I S
15 U L T I M A T E L Y G O I N G T O B E T H E G A T E W A Y T O T H E L E G I S L A T O R
16 S E N D S A V E R Y D I F F E R E N T M E S S A G E . I T H I N K I T ' S A M U C H
17 S T R O N G E R M E S S A G E I F T H E C H A I R M A N O F T H E I C O C I S , I N
18 F A C T , T H A T P E R S O N W H O I S T H E C H I E F C O N T A C T W I T H T H E
19 P E O P L E I N S A C R A M E N T O .

20 C H A I R M A N K L E I N : O K A Y .

21 M S . S A M U E L S O N : A C O U P L E R E A C T I O N S T O T H A T .

22 C H A I R M A N K L E I N : D R . P E N H O E T H A S B E E N H E R E .
23 D R . P E N H O E T , D O Y O U W A N T T O M A K E A N Y C O M M E N T S ? Y O U
24 W E R E P L A C E D I N T O N O M I N A T I O N A S A V I C E C H A I R W I T H
25 M R . J E F F S H E E H Y A S T H E C H A I R O F T H I S C O M M I T T E E .

1 DR. PENHOET: I'D BE HAPPY TO SERVE ON THIS
2 COMMITTEE AS -- IN ANY CAPACITY THAT THE REST OF YOU
3 SEE FIT, INCLUDING VICE CHAIR TO WHOEVER THE
4 APPROPRIATE CHOICE AS CHAIR.

5 I THINK WHETHER OR NOT BOB KLEIN SERVES AS
6 CHAIR OF THE SUBCOMMITTEE, IN HIS ROLE AS CHAIRMAN AND
7 IN HIS ROLE AS ESSENTIALLY WITHIN THE CIRM AS A STATE
8 EMPLOYEE AND HIS ROLE AS CHAIRMAN OF ICOC, BOB IS GOING
9 TO INEVITABLY BE DEEPLY INVOLVED IN THE DISCUSSIONS
10 WITH SACRAMENTO. HE HAS A LONG HISTORY OF INVOLVEMENT,
11 AND I THINK AN UNPARALLELED KNOWLEDGE OF THE LEGAL
12 CONSTRUCT OF PROP 71, WHICH TURNS OUT TO BE AN
13 IMPORTANT ISSUE OFTENTIMES IN THESE DISCUSSIONS IN
14 SACRAMENTO.

15 SO I THINK JEFF WOULD DO A VERY FINE JOB AS
16 CHAIR OF THIS, BUT I ALSO THINK REALISTICALLY BOB WILL
17 STILL CONTINUE TO BE DEEPLY INVOLVED IN THE DISCUSSION.
18 SO IT SEEMS TO ME HOW WE WORK OUT THE DETAILS OF THE
19 RELATIONSHIP BETWEEN THE CHAIR OF THIS SUBCOMMITTEE AND
20 BOB'S ONGOING ACTIVITIES. I DO AGREE WITH RICHARD
21 MURPHY, THAT BOB'S PRESENCE AS CHAIRMAN IS VERY
22 IMPORTANT TO THE LEGISLATORS IN SACRAMENTO. SO I WOULD
23 BE PLEASED TO WORK WITH JEFF ON THIS PROJECT, BUT I
24 THINK REALISTICALLY BOB HAS TO BE DEEPLY INVOLVED IN
25 THIS IN ONE OR ANOTHER OF HIS VARIOUS ROLES IN THIS

1 ORGANIZATION.

2 MS. SAMUELSON: I DON'T DISAGREE WITH THAT.
3 I THINK BOB, IN ANY CAPACITY, WILL CONTINUE TO BE
4 INVOLVED AND SHOULD BE, AND THAT'S TO THE GOOD. I'VE
5 ALSO SEEN HOW BOB HAS BECOME A LIGHTNING ROD, AND IT'S
6 A DIFFICULT THING TO CONTEND WITH FOR ALL OF US. AND I
7 THINK HAVING SOMEONE ELSE SERVING AS CHAIR COULD REALLY
8 HELP US BEGIN TO UNTANGLE FROM THAT PERCEPTION.

9 CHAIRMAN KLEIN: JOAN, I THINK THAT'S A
10 POLITICAL STRATEGY FROM AN INDIVIDUAL PERSPECTIVE THAT
11 CREATED THAT ISSUE. BUT THAT'S FOR EVERYONE TO DECIDE.

12 ARE THERE MORE COMMENTS?

13 DR. PRIETO: JUST TO ECHO DR. PENHOET'S
14 COMMENTS, I THINK THAT REGARDLESS OF OUR CHOICE FOR
15 CHAIR OF THIS SUBCOMMITTEE, THAT BOB'S ROLE IS GOING TO
16 REMAIN PARAMOUNT BECAUSE HE REMAINS AS CHAIR OF THE
17 ENTIRE ICOC, WHICH WILL MAKE ALL FINAL DECISIONS AND
18 SET POLICIES. I WOULD THINK THAT IF JEFF IS WILLING TO
19 SERVE, I THINK THAT WE HAVE SOMETHING TO GAIN BY TAKING
20 ADVANTAGE OF HIS EXPERTISE AND PUTTING HIM FORWARD IN
21 THIS ROLE, AND I THINK IT WOULD SERVE US WELL.

22 CHAIRMAN KLEIN: DOES THAT MEAN THAT IF -- AS
23 THE CHAIRMAN OF ICOC, IF I'M NEGOTIATING WITH THE
24 LEGISLATURE ON SOMETHING, THAT IN ORDER TO REPRESENT
25 THIS COMMITTEE, THAT JEFF NEEDS TO COME TO SACRAMENTO

1 WITH ME?

2 DR. PRIETO: WELL, AS WE SEE IN THIS MEETING,
3 I DON'T THINK THAT ANYONE NECESSARILY NEEDS TO BE
4 PHYSICALLY PRESENT AT ANY INDIVIDUAL MEETING IF THEY
5 CAN BE IN COMMUNICATION.

6 DR. REED: CAN I MAKE A COMMENT? IN LIGHT OF
7 THE COMMENTS THAT DR. MURPHY MADE ABOUT WHAT I THINK A
8 CRITICAL ROLE THIS COMMITTEE PLAYS IN OUR INTERFACE
9 WITH THE LEGISLATURE, AND ALSO WITH THE COMMENTS THAT
10 JEFF MADE ABOUT HIS CONCERNS OVER THE AMOUNT OF TIME
11 THAT IS REQUIRED FOR SERVING ON THE ICOC IN GENERAL,
12 AND NOW TALKING ABOUT ADDING A COMMITTEE CHAIRMANSHIP
13 TO THAT, I AM CONCERNED THAT THIS IS GOING TO BE ONE OF
14 THE MORE TIME-CONSUMING COMMITTEES. I CAN -- THINKING,
15 FOR EXAMPLE, ABOUT THE AMOUNT OF TIME THAT MUST GO INTO
16 SIMPLY IDENTIFYING THE KEY ISSUES AND PREPARING THE
17 AGENDAS AND DOING ALL THE SORTS OF THINGS THAT A
18 COMMITTEE CHAIR WOULD BE INVOLVED IN, IN MY EXPERIENCE
19 WITH THOSE SORT OF THINGS AT A MUCH LESS COMPLICATED
20 LEVEL, IT'S BEEN VERY TIME-CONSUMING.

21 AND SO I MIGHT OFFER THE FOLLOWING, WHICH I
22 HOPE WILL BE INTERPRETED AS A FRIENDLY AMENDMENT, THAT
23 WE CHANGE THE MOTION TO NOMINATE BOB KLEIN AS CHAIR AND
24 JEFF SHEEHY AS VICE CHAIR OF THIS COMMITTEE.

25 DR. BRYANT: THAT WAS GOING TO BE MY

1 SUGGESTION ALSO.

2 DR. POMEROY: I THINK WE SHOULD VOTE ON THE
3 CURRENT MOTION; AND THEN IF IT FAILS, INTRODUCE THE
4 SECOND ONE.

5 MS. SAMUELSON: THAT DOESN'T SOLVE THE
6 UNDERLYING ISSUES FOR ME. I DO THINK THAT ANOTHER OF
7 OUR MANY TO-DOS IS GETTING EFFECTIVE STAFFING AND
8 SUPPORT OF OUR COMMITTEE MEMBERS. I THINK INEVITABLY A
9 LOT OF US ARE BURDENED WITH A LOT OF WORK, AND WE'RE
10 HAPPY TO ASSUME IT. WE NEED TO BE SUPPORTED WELL
11 ENOUGH. AND I SEE THAT AS IMMINENTLY DOABLE.

12 CHAIRMAN KLEIN: JOAN, AS YOU KNOW, THE
13 PROBLEM IS WE COULDN'T GET SUPPORT STAFF HIRED UNTIL WE
14 GOT THE \$5 MILLION DONATION, WHICH NOW GIVES US THE
15 ABILITY TO PROVIDE ADEQUATE SUPPORT STAFF.

16 MS. SAMUELSON: SURE.

17 CHAIRMAN KLEIN: THAT WAS A TIME AND RESOURCE
18 CONSTRAINT ISSUE.

19 DR. MURPHY: ANOTHER POINT. I THINK THE
20 POINT JOAN RAISES RAISES THE OTHER ISSUE, THAT YOU AS
21 CHAIRMAN OF THE BOARD ALSO HAVE A STAFF THAT IS
22 AVAILABLE TO YOU ALL THE TIME AND CAN WORK WITH YOU
23 COMFORTABLY. AND JEFF, WORKING FROM A DISTANCE, WOULD
24 HAVE TO RECRUIT YOUR STAFF, WOULD HAVE TO GO THROUGH
25 YOU, GO THROUGH THE STAFF, AND IT JUST SEEMS LIKE TO DO

1 WHAT HE WOULD NEED TO, BUT IT JUST SEEMS LIKE ADDING AN
2 EXTRA STEP AND AN EXTRA LAYER OF DIFFICULTY, WHICH I
3 THINK IS UNNECESSARY.

4 CHAIRMAN KLEIN: ANY ADDITIONAL BOARD
5 COMMENT?

6 DR. WRIGHT: YES. THIS IS ONE. JANET. I
7 THINK I KNOW YOU ALL WELL ENOUGH TO KNOW THAT WE WANT
8 TO GET THE WORK DONE. THAT'S WHAT WE WANT TO DO. AND
9 I KNOW FROM WHAT I'VE SEEN OF JEFF, MY GOSH, I'M
10 IMPRESSED WITH YOUR ABILITY, JEFF. BOB GOES WITHOUT
11 SAYING. I THINK WHAT I NEED TO HEAR IS WE'VE TALKED
12 ABOUT THE AVAILABILITY OF STAFF, THE AVAILABILITY OF
13 ADEQUATE TIME FOR THE CHAIR, WHOEVER IT IS, TO
14 ACCOMPLISH THIS TASK, TO BE AVAILABLE TO MAKE THIS
15 ALMOST A PRIMARY FOCUS OF YOUR WORKDAY. AND, JEFF, I
16 APPRECIATE WHAT YOU'RE SAYING. A JOB WELL DONE, THE
17 INVESTMENT MEANS WE WON'T HAVE TO CONTINUE TO DEVOTE
18 THIS MUCH TIME, BUT CONSIDERING HOW MUCH TIME WE'VE HAD
19 TO DEVOTE SO FAR, I'M NOT AS SANGUINE ABOUT OUR FUTURE
20 IN IRONING EVERYTHING OUT WITH THE LEGISLATURE. I
21 WOULD THINK IT'S MORE REALISTIC TO EXPECT THIS TO BE A
22 NEAR FULL-TIME POSITION.

23 I CLEARLY SUPPORT YOU, JEFF. I SECONDED THE
24 MOTION, BUT I'D LIKE TO HEAR FROM YOU WITH SOME OF THIS
25 DISCUSSION WHAT YOU'RE FEELING ABOUT CHAIR VERSUS VICE

1 CHAIR, CO-CHAIR. IS THERE SOME OTHER MODEL THAT WE
2 OUGHT TO LOOK AT IN ORDER TO GET THE WORK DONE?

3 MR. SHEEHY: I GUESS -- AND I APPRECIATE
4 EVERYONE'S THOUGHTS. IT'S NOT REALLY CLEAR TO ME HOW
5 WE GOT INTO THE POSITION THAT WE'RE IN NOW VIS-A-VIS
6 THE DEMOCRATIC CAUCUS OF THE SENATE, CALIFORNIA STATE
7 SENATE. AND THAT'S WHERE THE BULK OF OUR TIME HAS BEEN
8 IN DEALING WITH THE DEMOCRATIC CAUCUS IN THE CALIFORNIA
9 STATE SENATE. THESE ARE FOLKS WHO WITH REASONABLE
10 COMMUNICATION FOR THE MOST PART SHOULD BE A HUNDRED
11 FIFTY PERCENT SUPPORTIVE OF ALL OF OUR EFFORTS.

12 I DON'T -- LIKE I SAID, I'M NOT SEEKING TO BE
13 CHAIR HERE, BUT UNLESS WE TURN THIS RELATIONSHIP
14 AROUND, WE'RE GOING TO BE DOING THIS FOR MANY, MANY
15 MORE MONTHS. AND I, FOR ONE, CANNOT CALL PEOPLE ON A
16 FIRE DRILL ANYMORE, SCREAMING THE POLICY THAT HAS GONE
17 THROUGH THREE COMMITTEES OF THE SENATE IS TERRIBLE AND
18 THAT THEY HAVE TO STOP IT. AND THEY'RE SAYING HOW DID
19 WE GET HERE. IF WE DON'T SET UP A PROCESS TONIGHT, AND
20 IT DOESN'T HAVE TO BE ME AS CHAIR OR CO-CHAIR. IT
21 COULD BE ED. IT COULD BE -- BUT RIGHT NOW THE PROCESS
22 WE HAVE HAS FAILED. AND IF YOU DON'T THINK SO, HOW DID
23 WE HAVE SCA 13 SO CLOSE TO THE BALLOT.

24 CHAIRMAN KLEIN: OKAY.

25 MR. SHEEHY: CAN I FINISH MY COMMENT?

1 SO IF WE'RE NOT GOING TO MAKE THE DECISION
2 TONIGHT TO CHANGE THE WAY IN WHICH WE INTERACT WITH THE
3 LEGISLATURE IN SUCH A FUNDAMENTAL FASHION THAT I CAN
4 PICK UP THE PHONE AND WITH A STRAIGHT FACE CALL PEOPLE
5 I KNOW AND LOBBY THEM AND NOT GET TOLD THAT, YOU KNOW,
6 YOU'RE ALREADY DEFEATED BECAUSE YOU GUYS -- WE'RE
7 GETTING KILLED IN THE PRESS. WE'RE GETTING KILLED IN
8 THE LEGISLATURE. AND WE'RE GETTING KILLED BY PEOPLE
9 WHO SUPPORT US. INTELLECTUALLY IF SOMEONE ELSE HAS A
10 WAY TO GET US A PROCESS THAT GETS US OFF THIS, THIS IS
11 NOT WHERE WE SHOULD BE SPENDING OUR TIME. I'D BE HAPPY
12 TO HEAR IT. I'D BE HAPPY TO HEAR ANYTHING THAT WOULD
13 GET US OUT OF THIS MESS.

14 CHAIRMAN KLEIN: JEFF, I'D LIKE TO RESPOND TO
15 YOU BECAUSE, OF COURSE, I'VE BEEN TALKING WITH THE
16 LEGISLATURE. AND GIVEN THAT WE GOT THROUGH THE SITE
17 SELECTION PROCESS AND ALL OF THE SUBCOMMITTEE PROCESSES
18 TO SET UP THE VARIOUS -- THE GRANTS COMMITTEE, THE
19 STANDARDS COMMITTEE, THE FACILITIES COMMITTEE, AND WE
20 EFFECTIVELY ADOPTED THE NATIONAL ACADEMY STANDARDS AND
21 ACCOMPLISHED A LOT OF OTHER VERY CRITICAL ISSUES THAT
22 MEMBERS OF THE LEGISLATURE WANTED TO SEE US ACCOMPLISH,
23 AND WE WANTED TO HAVE ACCOMPLISHED AS A CORE PORTION OF
24 OUR RESPONSIBILITY.

25 WHEN WE STARTED ON THIS ON MARCH THE 3D AND

1 MET WITH SENATOR ORTIZ, THERE WERE ISSUES AND POSITIONS
2 THAT WERE PUT FORTH THAT HAD JUST RECENTLY BEEN BROUGHT
3 INTO A PARTNERSHIP WHERE WE WERE ALL WORKING TOGETHER
4 ON THE SOLUTION. THAT CAME ABOUT WITH SENATOR PERATA,
5 SENATOR DUNN, SENATOR SPEIER, AND SENATOR ORTIZ ALL
6 WORKING TOGETHER INSTEAD OF AN INDIVIDUAL DOING THAT.

7 AS YOU KNOW, THERE'S ITEMS THAT WERE
8 CONCERNED WITH LEADERSHIP, TRYING TO MOVE THINGS
9 FORWARD THAT WERE LEADERSHIP ISSUES. ONCE WE WERE ABLE
10 TO TALK TO A SUFFICIENT NUMBER OF THE SENATE MEMBERSHIP
11 AND EXPLAIN OUR POSITIONS, WE FORMED A REALLY
12 FUNCTIONAL PARTNERSHIP. AND I HAVE BEEN TOLD THAT THE
13 LEGISLATURE IS LOOKING FOR US TO MOVE FORWARD ON THE
14 COURSE THAT WE OUTLINED IN THE JUNE 6TH MEETING, WHICH
15 THEY FOUND TO BE EXTRAORDINARILY CONSTRUCTIVE. AND TO
16 SEE IF WE, IN FACT, CAN PUSH FORWARD ON THESE POLICY
17 ENHANCEMENTS, THEY FEEL THAT THAT IS THE FOUNDATION OF
18 A GREAT PARTNERSHIP AND RELATIONSHIP THAT MORE THAN
19 ADDRESSES THEIR CONCERNS.

20 SO THE ISSUE IS IF YOU HAVE 47 DIFFERENT
21 THINGS YOU HAVE TO ADDRESS, MANY OF WHICH ARE NOW
22 BEHIND US IN TERMS OF MY AREA OF INITIAL
23 RESPONSIBILITY, WE HAVE THE ABILITY TO FOCUS ON THIS
24 PARTNERSHIP, FUNCTIONAL PARTNERSHIP, THAT WE'VE NOW
25 CREATED. CERTAINLY, YOU SAW IN THE PRESS THAT SCA 13

1 IS NOT ANY LONGER GOING FORWARD WITH TO THE BALLOT ON
2 NOVEMBER 2D BECAUSE THE PARTNERSHIP IN THE SENATE
3 RECOGNIZES THE PROACTIVE STEPS THAT WE ARE TAKING IN
4 INCORPORATING PUBLIC COMMENTS AND THE LEGISLATORS'
5 COMMENT IN ENHANCING WHAT IS ALREADY THE BEST NATIONAL
6 POLICIES ON THESE POINTS.

7 AS SENATOR SPEIER SAID, WE ALREADY EXCEED ON
8 MANY OF THESE ISSUES THE NIH POLICIES AND THE UC SYSTEM
9 POLICIES AND THE MAJOR FOUNDATION POLICIES IN THIS
10 COUNTRY. THERE IS AN AREA OF CONTINUED CONCERN. WE'RE
11 GOING TO HAVE TO WORK VERY DILIGENTLY. I'VE MET
12 PROBABLY TEN TIMES IN THE LAST FIVE DAYS OR HAD PHONE
13 CALLS RELATING TO A PROCESS THAT I HOPE WE DISCUSS
14 LATER TODAY RELATED TO INTELLECTUAL PROPERTY IN ORDER
15 TO CREATE A PARTNERSHIP THAT IS AROUND INTELLECTUAL
16 PROPERTY ISSUE TO MOVE IT FORWARD.

17 AND SPECIFICALLY I'VE TALKED TO ED PENHOET
18 ABOUT BEING A PRINCIPAL, AND HE'S BEEN DEALING WITH
19 LEADERSHIP ON THAT ISSUE. HE HAS HAD A NUMBER OF
20 MEETINGS THAT DEALT SPECIFICALLY WITH INTELLECTUAL
21 PROPERTY ISSUE.

22 SO WE HAVE MADE A TREMENDOUS PROGRESS. WE
23 CAN'T GET EVERYTHING ACCOMPLISHED AT ONCE AS MUCH WE
24 WOULD LIKE TO GET IT ACCOMPLISHED, BUT THE -- WE HAVE,
25 IN FACT, FORMED A GOOD SOLID RELATIONSHIP, ALTHOUGH IT

1 TOOK A LOT OF COMMUNICATION TO MAKE SURE THAT EVERYONE
2 REALLY UNDERSTOOD WHAT WAS BEING PROPOSED.

3 DR. PRIETO: I AGREE THAT I THINK WE'VE COME
4 TO A MUCH BETTER PLACE IN OUR RELATIONSHIP WITH THE
5 LEGISLATURE THAN WE WERE A MONTH AGO, BUT IT HAS BEEN
6 QUITE A TORTUOUS PROCESS. AND I THINK THAT THE POINT I
7 MADE EARLIER ABOUT PUTTING ANOTHER FACE FORWARD AND
8 SPECIFICALLY A MEMBER OF THE ICOC IN THIS CAPACITY
9 WOULD SERVE US WELL.

10 I THINK THE OTHER CONCERN I HAVE IS MAKING
11 YOU WEAR YET ANOTHER HAT.

12 CHAIRMAN KLEIN: THIS IS A HAT THAT I ALREADY
13 WEAR.

14 MS. SAMUELSON: BOB, JOAN SAMUELSON. I'M
15 SORRY TO INTERRUPT, FRANCISCO.

16 CHAIRMAN KLEIN: YOU KNOW, WE CLEARLY, JOAN,
17 HAVE DIFFERENT POSITIONS ON THIS COMMITTEE. THERE'S A
18 NUMBER OF US WHO'VE ALL SPOKEN. I THINK ALMOST
19 EVERYONE ON THE COMMITTEE HAS SPOKEN. IS IT
20 APPROPRIATE, TO BE CONSTRUCTIVE, TO SEE IF WE CAN CALL
21 FOR THE QUESTION?

22 DR. POMEROY: I THINK YOU BETTER HAVE PUBLIC
23 COMMENT.

24 CHAIRMAN KLEIN: I UNDERSTAND THAT PART OF
25 THE PROCESS WE HAVE TO GO THROUGH.

1 MS. SAMUELSON: SURE.

2 CHAIRMAN KLEIN: IS THERE PUBLIC COMMENT IN
3 LA JOLLA? IS THERE PUBLIC COMMENT IN DAVIS?

4 DR. POMEROY: NONE.

5 CHAIRMAN KLEIN: IS THERE PUBLIC COMMENT IN
6 HEALDSBURG?

7 MS. SAMUELSON: NONE.

8 CHAIRMAN KLEIN: IS THERE PUBLIC COMMENT IN
9 CHICO?

10 DR. WRIGHT: NO.

11 CHAIRMAN KLEIN: PUBLIC COMMENT IN SAN
12 FRANCISCO?

13 MR. REED: DON REED. JEFF SHEEHY IS ONE OF
14 OUR GREATEST CHAMPIONS, AND HE'S ALWAYS THERE WHEN THE
15 FIGHTING IS AT THE THICKEST. AND HE'S A TREMENDOUS
16 REPRESENTATIVE OF US, BUT NOBODY KNOWS THE WHOLE THING
17 LIKE BOB DOES. PERSONALLY, I WOULD LIKE TO SEE HIM
18 PROTECT HIMSELF MORE AND TAKE SOME OF THE BURDEN OFF
19 HIS SHOULDERS. IF HE WANTS IT, NOBODY CAN COME CLOSE
20 TO HIS CAPACITY TO DEAL WITH ALL THE DIFFERENT AREAS
21 AND TO BRING THEM ALTOGETHER AT THE SAME TIME. I THINK
22 HE'S THE MAN.

23 CHAIRMAN KLEIN: IRVINE?

24 DR. BRYANT: NO.

25 CHAIRMAN KLEIN: CALL FOR THE QUESTION. ROLL

1 CALL. THE MOTION WAS JEFF SHEEHY AS CHAIR AND ED
2 PENHOET AS VICE CHAIR.
3 DR. PENHOET: ONE VOTE OR TWO VOTES?
4 CHAIRMAN KLEIN: MOTION WAS A SINGLE VOTE.
5 IT'S PROPOSED AS A COMBINED SLATE.
6 MR. KLEINSCHMIDT: SUSAN BRYANT.
7 DR. BRYANT: NO.
8 MR. KLEINSCHMIDT: BOB KLEIN.
9 CHAIRMAN KLEIN: NO.
10 MR. KLEINSCHMIDT: RICHARD MURPHY.
11 DR. MURPHY: NO.
12 MR. KLEINSCHMIDT: TINA NOVA.
13 DR. NOVA: NO.
14 MR. KLEINSCHMIDT: ED PENHOET.
15 DR. PENHOET: ABSTAIN.
16 MR. KLEINSCHMIDT: CLAIRE POMEROY.
17 DR. POMEROY: YES.
18 MR. KLEINSCHMIDT: FRANCISCO PRIETO.
19 DR. PRIETO: YES.
20 MR. KLEINSCHMIDT: JOHN REED.
21 DR. REED: NO.
22 MR. KLEINSCHMIDT: JOAN SAMUELSON.
23 MS. SAMUELSON: YES.
24 MR. KLEINSCHMIDT: JEFF SHEEHY.
25 MR. SHEEHY: YES.

1 MR. KLEINSCHMIDT: JANET WRIGHT.

2 DR. WRIGHT: YES.

3 MR. KLEINSCHMIDT: FIVE YES, FIVE NO, ONE
4 ABSTAIN.

5 DR. PENHOET: IN ALL FAIRNESS, I BELIEVED I
6 COULDN'T VOTE BECAUSE I WAS A NOMINEE. I WAS SURPRISED
7 THAT JEFF VOTED BECAUSE HE'S A NOMINEE. I DON'T THINK
8 YOU CAN VOTE FOR YOURSELF OR CAN YOU?

9 CHAIRMAN KLEIN: JEFF'S STATEMENT IS THAT HE
10 CAN. YOU CAN VOTE FOR YOURSELF. WHAT WOULD YOU LIKE
11 TO DO?

12 DR. PENHOET: I VOTE NO.

13 CHAIRMAN KLEIN: THE VOTE IS NO, SO THE
14 MOTIONS FAILS.

15 DR. PRIETO: BOB, CAN I MAKE AN ALTERNATIVE
16 MOTION?

17 CHAIRMAN KLEIN: YES.

18 DR. PRIETO: FRANCISCO PRIETO. TO NOMINATE
19 ED PENHOET AS CHAIR AND JEFF AS -- WELL, JEFF, IF HE'S
20 STILL WILLING TO SERVE, AS VICE CHAIR.

21 MR. SHEEHY: THAT WAS GOING TO BE MY
22 SUGGESTION. I THINK SINCE ED CAN SERVE IN THE CHAIR'S
23 STEAD FOR PROP 71, KIND OF HANDLES THAT KIND OF
24 RESPONSIBILITY ISSUE THAT WAS A LITTLE BIT TROUBLING
25 ABOUT ME BEING CHAIR. THAT THE VICE CHAIR OF THE ICOC

1 CAN ASSUME DUTIES OF THE CHAIR WHEN NEEDED. I THINK
2 THAT WOULD BE AN EXCELLENT SUGGESTION.

3 DR. REED: POINT OF ORDER. I HAD OFFERED
4 ESSENTIALLY AN ALTERNATIVE MOTION EARLIER IN THE
5 MEETING. AND JUST POINT OF ORDER IN TERMS OF HOW TO
6 PROCEED BECAUSE I WAS PLANNING TO OFFER THAT SAME
7 MOTION. I JUST DON'T KNOW WHETHER I'M ALLOWED TO DO
8 THAT PRIOR TO OR AFTER DR. PRIETO.

9 CHAIRMAN KLEIN: WELL, ED, WHAT IS YOUR
10 PLEASURE? WOULD YOU LIKE TO HEAR JOHN REED'S MOTION,
11 OR WHAT WOULD LIKE TO DO FROM YOUR POSITION?

12 DR. PENHOET: I HAVE A FINITE AMOUNT OF TIME
13 FOR THIS ACTIVITY MYSELF. I'LL HAVE TO GIVE UP SOME
14 OTHER ACTIVITIES THAT I'M ENGAGED IN. THOSE OTHERS ARE
15 TAKING SOME LEADERSHIP WITHIN CIRM ON DEVELOPING
16 PROPOSALS FOR THE BOARD RELATED TO INTELLECTUAL
17 PROPERTY. THAT'S ONE OF THE OTHER THINGS. AND SECOND
18 OF ALL, TO BEGIN TO ASSIST ZACH IN THE PROCESS OF
19 STRATEGIC PLANNING, WHICH IS A PROCESS WHICH WILL -- IS
20 LEADING TOWARDS OUR MEETING IN OCTOBER 1ST AND 2D. I,
21 FRANKLY, DON'T HAVE THE TIME TO DO ALL THREE OF THESE,
22 SO I WILL HAVE TO GIVE UP SOMETHING ELSE IN ORDER TO DO
23 THAT.

24 I THINK IT'S MORE APPROPRIATE FOR ME TO BE A
25 VICE CHAIR IN THIS. THANK YOU, JEFF, THOUGH, FOR YOUR

1 SUPPORT. GIVEN MY OTHER DUTIES. IT'S UP TO YOU, ZACH,
2 I DON'T KNOW HOW MUCH OUR STRATEGIC PLANNING IS GOING
3 TO TAKE.

4 DR. PRIETO: DR. PENHOET, FRANCISCO PRIETO
5 HERE. ARE YOU SAYING YOU WOULD PREFER NOT TO SERVE AS
6 CHAIR OF THIS COMMITTEE?

7 DR. PENHOET: THAT'S CORRECT.

8 CHAIRMAN KLEIN: HE SAID THAT'S CORRECT.

9 DR. PENHOET: I DON'T HAVE THE TIME TO DO IT
10 WELL.

11 DR. PRIETO: I'LL WITHDRAW MY MOTION THEN.

12 CHAIRMAN KLEIN: DR. REED HAS A MOTION, I
13 BELIEVE.

14 DR. PRIETO: CAN WE HEAR THAT RESTATED?

15 DR. REED: I'M GOING TO RESTATE IT WITH AN
16 AMENDMENT. IN AN EFFORT TO STAFF THE POSITION WITH
17 SOME GEOGRAPHIC DIVERSITY, WHICH MAY BE IMPORTANT IN
18 DEALING WITH THE LEGISLATURE, I'D LIKE TO AMEND MY
19 MOTION TO MOVE THAT BOB KLEIN SERVE AS CHAIR AND TINA
20 NOVA AS VICE CHAIR OF THE LEGISLATIVE COMMITTEE.

21 CHAIRMAN KLEIN: IS THERE A SECOND?

22 MR. SHEEHY: SECOND. I'LL BE HONEST, NO
23 OFFENSE, MR. KLEIN, BUT WHEN YOU'RE IN THE ROOM, ALL OF
24 THE AIR IS ABSORBED.

25 CHAIRMAN KLEIN: THAT'S FINE.

1 MR. SHEEHY: I'VE ALREADY BEEN FALLING BEHIND
2 TRYING TO CATCH UP, BEING THE LAST PERSON TOLD, NOT
3 REALLY KNOWING WHAT'S GOING ON, AND I DON'T WANT TO PUT
4 MY NAME ON THAT AGAIN.

5 CHAIRMAN KLEIN: QUESTION WAS TINA NOVA AS
6 THE VICE CHAIR.

7 MR. SHEEHY: I SECONDED THE MOTION.

8 CHAIRMAN KLEIN: JEFF SHEEHY SECONDED THE
9 MOTION WITH TINA NOVA AS THE VICE CHAIR.

10 DR. PENHOET: IF I COULD COMMENT. I THINK IT
11 WOULD BE VERY IMPORTANT IF WE COULD HAVE ONE PERSON
12 OTHER THAN YOU, BOB, FROM THE PATIENT ADVOCACY
13 COMMUNITY SERVE ON THIS IN THIS ROLE. SO TINA WOULD BE
14 A PERFECTLY ACCEPTABLE CHOICE TO ME, BUT I ALSO THINK
15 IT MIGHT BE USEFUL, GIVEN THE COMPLEXITY OF THIS AND
16 GIVEN THE BALANCE THAT PEOPLE APPARENTLY SEEK HERE, TO
17 HAVE TWO VICE CHAIRS.

18 CHAIRMAN KLEIN: THAT WOULD BE A GOOD IDEA.
19 I WOULD HIGHLY ENDORSE THAT.

20 MS. SAMUELSON: DO WE HAVE A SECOND SO THAT
21 WE CAN DISCUSS IT?

22 DR. BRYANT: SECOND.

23 CHAIRMAN KLEIN: IS THERE A SECOND?

24 DR. BRYANT: SECOND.

25 MS. SAMUELSON: I HAVE ANOTHER SUGGESTION,

1 JUST TO COMPLICATE MATTERS MORE, AND THEN AN
2 EXPLANATION. I DON'T THINK A SOLUTION WITH BOB AS
3 CHAIR SOLVES WHAT I SEE AS THE UNDERLYING PROBLEM,
4 WHICH I ALREADY DESCRIBED. SO I'M NOT GOING TO REPEAT
5 MYSELF UNLESS ANYBODY HAS A QUESTION ABOUT IT.

6 SO THIS IS WITHOUT HAVING ASKED PERMISSION,
7 BUT I'M WONDERING ABOUT THE COMBINATION OF CLAIRE
8 POMEROY, WHO'S IN SACRAMENTO, AS CHAIR WITH JEFF SHEEHY
9 AS VICE CHAIR.

10 AND ONE EDITORIAL COMMENT. I THINK WE MUST
11 TAKE THE TALENT WE HAVE ON OUR FULL COMMITTEE AND USE
12 IT AND SUPPORT IT AND EXPAND FROM IT. AND I THINK
13 THAT'S GOING TO BE OUR STRENGTH.

14 CHAIRMAN KLEIN: THERE IS A MOTION ON THE
15 FLOOR, JOAN. I THINK YOU MADE COMMENTS ON THE EXISTING
16 MOTION.

17 MS. SAMUELSON: OKAY. WE'VE HAD SORT OF
18 COMPETING ONES BEFORE.

19 CHAIRMAN KLEIN: THIS IS A MOTION AND A
20 SECOND.

21 MS. SAMUELSON: OKAY.

22 CHAIRMAN KLEIN: ANY ADDITIONAL DISCUSSION ON
23 THE MOTION ON THE FLOOR? AND I BELIEVE WOULD IT BE
24 ACCEPTABLE TO THE PERSON MAKING THE MOTION TO ACCEPT
25 DR. PENHOET'S PROPOSAL, THAT WE IDENTIFY A CO-CHAIR,

1 WHETHER IT BE IDENTIFIED NOW OR LATER, BUT A SECOND
2 CO-CHAIR FROM THE PATIENT ADVOCATE COMMUNITY?

3 DR. REED: THAT'S ACCEPTABLE TO ME. I WOULD
4 SUGGEST DO IT LATER, BUT THAT'S ACCEPTABLE TO ME.

5 DR. PRIETO: POINT OF CLARIFICATION HERE.
6 FRANCISCO PRIETO. ARE WE TALKING CO-CHAIRS OR A CHAIR
7 AND TWO VICE CHAIRS?

8 CHAIRMAN KLEIN: THE MOTION WAS A CHAIR --

9 DR. PENHOET: AND TWO VICE CHAIRS.

10 CHAIRMAN KLEIN: AND DR. PENHOET CLARIFIED
11 THAT HE WAS TALKING ABOUT A CHAIR AND TWO VICE CHAIRS.

12 DR. PRIETO: THANK YOU.

13 DR. BRYANT: COULD I ASK WHETHER TINA NOVA IS
14 WILLING TO STAND IN THAT POSITION.

15 DR. NOVA: I WOULD BE MORE THAN HAPPY TO BE
16 THAT. THANK YOU SO MUCH FOR ASKING, AND I'D BE HONORED
17 TO SERVE WITH BOB AND TO REPRESENT SOUTHERN CALIFORNIA
18 AS WELL. JUST HAPPENS THAT POLITICS IS ONE OF MY
19 HOBBIES ANYWAY, SO I WOULD ENJOY IT. THANK YOU VERY
20 MUCH.

21 CHAIRMAN KLEIN: OKAY. ANY MORE BOARD
22 COMMENT? OKAY. ANY PUBLIC COMMENT FROM ANY SITE?
23 HEARING NO PUBLIC COMMENT FROM ANY SITE, ROLL CALL
24 VOTE.

25 MR. KLEINSCHMIDT: SUSAN BRYANT.

1 DR. BRYANT: COULD YOU JUST STATE THE MOTION
2 AGAIN?

3 CHAIRMAN KLEIN: MOTION IS FOR -- DR. REED,
4 WOULD YOU SAY --

5 DR. REED: THE MOTION IS TO ELECT BOB KLEIN
6 AS CHAIR, TINA NOVA AS VICE CHAIR, AND TO HOLD OPEN THE
7 POSSIBILITY TO IDENTIFY AN ADDITIONAL VICE CHAIR AS A
8 PATIENT ADVOCATE AT A FUTURE DATE.

9 DR. PENHOET: ANY REASON WHY WE COULDN'T DO
10 THAT NOW?

11 DR. REED: I'M JUST MINDFUL OF THE TIME, AND
12 IT TENDS TO TAKE US ABOUT HALF AN HOUR TO DISCUSS EACH
13 OF THESE MOTIONS. SO IF WE WANT TO GET TO THE REST OF
14 THE AGENDA, I THINK IT'S SOMETHING WE CAN DO LATER, BUT
15 IT'S AT THE WILL OF THE COMMITTEE.

16 CHAIRMAN KLEIN: THERE ARE PEOPLE THAT ARE
17 NOT HERE, LIKE DAVID SERRANO-SEWELL AND, LIKE, SHERRY
18 LANSING HAS BEEN IN ISRAEL. WE DON'T KNOW IF SHE WANTS
19 TO JOIN THIS COMMITTEE. THE ISSUE IS THAT THERE ARE --
20 DAVID SERRANO-SEWELL HAS PLAYED A VERY ACTIVE ROLE IN
21 THIS PROCESS, BUT WE HAVE TO TALK TO HIM. THERE ARE
22 OTHER --

23 MR. SHEEHY: I DON'T THINK DAVID WOULD DO IT.

24 CHAIRMAN KLEIN: WELL, THAT'S AFTER TALKING
25 TO HIM.

1 DR. MURPHY: I'D LIKE A CLARIFICATION. WHY
2 ARE WE TALKING ABOUT A SECOND VICE CHAIR?

3 CHAIRMAN KLEIN: IN ORDER TO JUST DIVERSIFY
4 THE PEOPLE WE CAN CALL ON, I THINK, IS ED'S POSITION;
5 IS THAT RIGHT, ED?

6 DR. PENHOET: TO INCLUDE A PATIENT ADVOCATE
7 OTHER THAN YOU IN THE LEADERSHIP OF THIS COMMITTEE.

8 CHAIRMAN KLEIN: RIGHT.

9 DR. PENHOET: MY POINT, JOHN, ABOUT URGENCY
10 OF MAKING THESE APPOINTMENTS IS I BELIEVE THERE'S A
11 VERY INTENSE PERIOD OF ACTIVITY BETWEEN NOW AND JULY
12 12TH, WHICH IS SIMPLY THREE WEEKS FROM NOW. SO MY
13 CONCERN IS THERE'S A LOT OF WORK TO DO RIGHT NOW. SO
14 I'M CONCERNED ABOUT PUTTING OFF THE CHOICE OF THE
15 SECOND PERSON.

16 DR. REED: ED, JOHN HERE. THE MORE NAMES WE
17 PUT ON THE SLATE, THE MORE COMPLICATED THIS BECOMES IN
18 TERMS OF DIFFERENT MEMBERS' PREFERENCES, ETC. I'D LIKE
19 TO HAVE THIS MOTION VOTED ON. I SEE IT, AGAIN, AS A
20 TWO-STEP PROCESS JUST LIKE THE LAST MOTION. SO I'D
21 LIKE TO HAVE US MOVE FORWARD WITH THE CURRENT MOTION,
22 AND THEN IN A SECOND STEP WE CAN THEN ADD THE THIRD
23 PERSON.

24 CHAIRMAN KLEIN: OKAY. ROLL CALL.

25 MR. KLEINSCHMIDT: SUSAN BRYANT.

1 DR. BRYANT: YES.
2 MR. KLEI NSCHMI DT: BOB KLEI N.
3 CHAI RMAN KLEI N: YES.
4 MR. KLEI NSCHMI DT: RI CHARD MURPHY.
5 DR. MURPHY: YES.
6 MR. KLEI NSCHMI DT: TI NA NOVA.
7 DR. NOVA: YES.
8 MR. KLEI NSCHMI DT: ED PENHOET.
9 DR. PENHOET: YES.
10 MR. KLEI NSCHMI DT: CLAI RE POMEROY.
11 DR. POMEROY: NO.
12 MR. KLEI NSCHMI DT: FRANCI SCO PRI ETO.
13 DR. PRI ETO: NO.
14 MR. KLEI NSCHMI DT: JOHN REED.
15 DR. REED: YES.
16 MR. KLEI NSCHMI DT: JOAN SAMUELSON.
17 MS. SAMUELSON: NO.
18 MR. KLEI NSCHMI DT: JEFF SHEEHY.
19 MR. SHEEHY: NO.
20 MR. KLEI NSCHMI DT: JANET WRI GHT.
21 DR. WRI GHT: NO.
22 MR. KLEI NSCHMI DT: FI VE NOES, SI X YESES.
23 CHAI RMAN KLEI N: THE MOTI ON PASSES.
24 DO WE WANT TO CONSIDER AN ADDI TIONAL PATI ENT
25 ADVOCATE NOW?

1 MS. KING: I JUST WANTED TO ADD A DATA POINT
2 FOR EVERYBODY JUST RELATED TO DAVID SERRANO-SEWELL. I
3 KNOW HE WAS MENTIONED, AND I KNOW YOU'VE BEEN CONCERNED
4 ABOUT TIME THE SUBCOMMITTEE HAS. HE'S ACTUALLY AGREED
5 TO BE THE VICE CHAIR OF THE FACILITIES SUBCOMMITTEE, IN
6 CASE THAT'S A HELPFUL DATA POINT. HE'S GOING TO BE
7 BUSY WITH THAT AS WELL.

8 CHAIRMAN KLEIN: THAT IS A VERY GOOD POINT.
9 I TALKED TO DAVID ABOUT BEING THAT VICE CHAIR. I'M
10 VERY APPRECIATIVE OF HIM BEING THE VICE CHAIR OF THAT
11 COMMITTEE.

12 IF THE -- I WOULD ASK. IT'S VERY, VERY
13 IMPORTANT IN OUR PARTNERSHIP WITH THE LEGISLATURE THAT
14 WE REALLY GET ON RECORD HERE WITH THE POLICY
15 ENHANCEMENTS THAT WE CAN. WE HAVE AN HOUR AND 25
16 MINUTES BEFORE WE'RE GOING TO LOSE MEMBERS OF THIS
17 COMMITTEE. DR. PRIETO, CAN I ASK THAT WE ACTUALLY HAVE
18 SOME TIME TO TALK TO INDIVIDUALS ABOUT BEING THAT
19 SECOND PATIENT ADVOCATE?

20 DR. PENHOET: THEN WE'LL HAVE TO HAVE ANOTHER
21 NOTICED MEETING TO MAKE THE ELECTION.

22 CHAIRMAN KLEIN: THAT INDIVIDUAL COULD WORK
23 WITH US IN THE INTERIM WITHOUT THE TITLE; AND THEN THE
24 BOARD AT OUR NEXT MEETING COULD BE ADDED.

25 DR. PENHOET: IN THE ABSENCE OF ANY

1 VOLUNTEERS, I GUESS AROUND THE TABLE --

2 DR. POMEROY: I'D LIKE TO NOMINATE FRANCISCO

3 PRIETO AS THE SECOND VICE CHAIR.

4 CHAIRMAN KLEIN: OKAY. IS THERE A SECOND?

5 DR. WRIGHT: I'LL SECOND THAT.

6 CHAIRMAN KLEIN: OKAY. ANY BOARD DISCUSSION?

7 DR. PRIETO, IS THAT ACCEPTABLE TO YOU?

8 DR. PRIETO: YES, THAT'S ACCEPTABLE. I'M

9 AVAILABLE IN SACRAMENTO AS WELL.

10 CHAIRMAN KLEIN: VERY HELPFUL. ALL RIGHT.

11 IS THERE ANY BOARD DISCUSSION FROM ANY LOCATION?

12 DR. MURPHY: ONLY THAT I THINK THAT'S AN

13 EXCELLENT CHOICE, AND I WOULD VOTE FOR IT WITH

14 ENTHUSIASM. RICH MURPHY.

15 CHAIRMAN KLEIN: ANY PUBLIC DISCUSSION? NO

16 PUBLIC DISCUSSION. CALL THE ROLL.

17 MR. KLEINSCHMIDT: SUSAN BRYANT.

18 DR. BRYANT: YES.

19 MR. KLEINSCHMIDT: BOB KLEIN.

20 CHAIRMAN KLEIN: YES.

21 MR. KLEINSCHMIDT: RICHARD MURPHY.

22 DR. MURPHY: YES.

23 MR. KLEINSCHMIDT: TINA NOVA.

24 DR. NOVA: YES.

25 MR. KLEINSCHMIDT: ED PENHOET.

1 DR. PENHOET: YES.

2 MR. KLEINSCHMIDT: CLAIRE POMEROY.

3 DR. POMEROY: YES.

4 MR. KLEINSCHMIDT: FRANCISCO PRIETO.

5 DR. PRIETO: YES.

6 MR. KLEINSCHMIDT: JOHN REED.

7 DR. REED: YES.

8 MR. KLEINSCHMIDT: JOAN SAMUELSON.

9 MS. SAMUELSON: YES.

10 MR. KLEINSCHMIDT: JEFF SHEEHY.

11 MR. SHEEHY: YES.

12 MR. KLEINSCHMIDT: JANET WRIGHT.

13 DR. WRIGHT: YES.

14 CHAIRMAN KLEIN: DR. PRIETO, WE'RE HAPPY TO

15 HAVE A UNANIMOUS VOTE.

16 DR. PRIETO: THANK YOU.

17 CHAIRMAN KLEIN: CAN WE GO TO ITEM 4?

18 DR. MURPHY: FRANCISCO, DON'T SCREW UP AN

19 OTHERWISE DYSFUNCTIONAL COMMITTEE.

20 CHAIRMAN KLEIN: DR. ZACH HALL, WOULD YOU

21 PLEASE PRESENT THE STAFF REPORT?

22 DR. HALL: ONE OF THE ISSUES THAT CAME UP

23 WITH REGARD TO SCA 13 INVOLVED POLICIES AND PROCEDURES

24 OF THE CIRM, CONFLICT OF INTEREST AND MEETING POLICIES

25 WITH RESPECT TO WORKING GROUPS, AND SO I WANT TO DEAL

1 WITH THEM. YOU HAVE RECEIVED TWO DOCUMENTS THAT ARE
2 RELATED TO THIS. THE FIRST IS THE DOCUMENTS THAT WENT
3 OUT AS PART OF AGENDA ITEM 4.

4 MS. SAMUELSON: I HAVE TO INTERRUPT. THIS IS
5 JOAN SAMUELSON. I APOLOGIZE. I HAVE TO WALK AWAY FOR
6 A FEW MINUTES AND I'LL BE BACK.

7 DR. HALL: ANYHOW, YOU'VE GOT A DOCUMENT THAT
8 WAS THE RESULT OF A -- DRAFTED OR WRITTEN BY JAMES
9 HARRISON, AND IT'S SUBSEQUENT TO THE JUNE 6TH MEETING
10 IN WHICH WE WERE TRYING TO REACH ACCOMMODATION WITH THE
11 LEGISLATURE ON A NUMBER OF THESE ISSUES AND REPRESENTED
12 WHAT WE THOUGHT WE COULD DO TO REACH THAT ACCOMMODATION
13 AND SATISFY THE CONCERNS OF SENATOR ORTIZ AND OTHERS.

14 THE PORTIONS, AS I SAY, FROM THE CONFLICT OF
15 INTEREST OF OUR WORKING GROUP MEMBERS AND ALL THE
16 ISSUES RELATED TO WORKING GROUP MEMBERS FALL UNDER THE
17 REALM OF CIRM. AND SO I HAVE WRITTEN UP AND EXPANDED
18 ON THOSE COMMENTS IN A SECOND DOCUMENT WHICH IS REALLY
19 BASED ON WHAT JAMES WROTE. AND YOU HAVE THAT. IT'S IN
20 THE BACK OF THE ROOM HERE, AND I ASSUME IS AVAILABLE AT
21 ALL THE SITES, BUT IT IS SIMPLY AN EXPANDED VERSION OF
22 THAT FOR YOUR REFERENCE.

23 MS. KING: DR. HALL, THIS IS MELISSA IN SAN
24 DIEGO. JUST TO CLARIFY FOR THE BOARD MEMBERS AS WELL,
25 THE ADDITIONAL DOCUMENT THAT DR. HALL IS TALKING ABOUT

1 IS SEPARATE FROM THE FULLY STAPLED TOGETHER PACKET.
2 THE DOCUMENT HE'S TALKING ABOUT IS ABOUT THREE PAGES
3 LONG, AND THE TITLE OF IT IS "PROPOSED POLICY
4 ENHANCEMENTS." IT WAS ADDED TO YOUR FOLDERS ON FRIDAY
5 AFTERNOON, SO YOU SHOULD HAVE IT RIGHT IN YOUR FOLDER.

6 DR. HALL: OKAY. GOOD. SO THIS GIVES SOME
7 HISTORY AND BACKGROUND TO THE PARTICULAR PROCEDURES
8 INVOLVED, AND WE START WITH CONFLICT OF INTEREST FOR
9 WORKING GROUP MEMBERS. AND SO LET ME BEGIN BY JUST
10 REMINDING YOU OF OUR DESIRE TO HAVE STRONG CONFLICT OF
11 INTEREST POLICIES, AND THAT WE HAVE ADOPTED POLICIES
12 FOR EACH OF OUR THREE WORKING GROUPS, GRANTS IN APRIL,
13 STANDARDS IN APRIL, AND FACILITIES MAY 23D. AND
14 FURTHER, THAT THESE POLICIES ARE BASED ON POLICIES USED
15 BY THE NIH, THE NATIONAL ACADEMY OF SCIENCES,
16 CALIFORNIA SPECIAL RESEARCH PROGRAMS. THEY GO BEYOND
17 THESE POLICIES IN A NUMBER OF REGARDS.

18 BECAUSE EACH OF THE WORKING GROUPS HAVE
19 DIFFERENT FUNCTIONS, THE POLICIES ARE NOT THE SAME, AS
20 YOU RECALL. AND THE WAY WE USE THESE POLICIES IS,
21 FIRST OF ALL, TO ASK EACH WORKING GROUP MEMBER TO SIGN
22 A STATEMENT THAT HE OR SHE AGREES TO FOLLOW THE
23 APPROPRIATE CIRM CONFLICT OF INTEREST POLICY WHEN THEY
24 ARE APPOINTED TO THE WORKING GROUP.

25 LET ME START WITH THE GRANTS AND FACILITIES

1 WORKING GROUPS BECAUSE THEY EVALUATE APPLICATIONS. AND
2 THESE WORKING GROUPS ARE RESPONSIBLE FOR EVALUATING THE
3 APPLICATIONS AND THEN RECOMMENDING A CERTAIN OF THEM
4 FOR FUNDING TO THE ICOC.

5 IT IS OUR RESPONSIBILITY AS CIRM STAFF TO BE
6 SURE THAT THE WORKING GROUP MEMBERS DO NOT PARTICIPATE
7 IN ANY DISCUSSION OR EVALUATION OF AN APPLICATION FOR
8 WHICH THEY HAVE A CONFLICT OF INTEREST. IN FACT, WE
9 TRY TO SEE THAT THEY DON'T SEE THE APPLICATIONS AT ALL.
10 AND OTHER MEMBERS OF THE GROUP ARE ENJOINED NOT TO
11 CONVEY TO THEM ANY ASPECT OF THE DISCUSSION.

12 HOW DO WE IDENTIFY WHICH WORKING GROUP
13 MEMBERS HAVE CONFLICT OF INTEREST? AND WE DO THAT BY,
14 AND I WILL COME BACK TO THIS LATER IN THE ENHANCEMENTS,
15 BUT PRIOR TO ANY GRANTS OR FACILITIES WORKING GROUP
16 MEETING, WE HAVE A LIST OF THE APPLICATIONS THAT HAVE
17 BEEN MADE. WE SEND THAT TO THE WORKING GROUP MEMBER
18 AND ASK THEM TO IDENTIFY ANY APPLICATIONS FOR WHICH
19 THEY MIGHT HAVE A CONFLICT OF INTEREST. AND THEY UNDER
20 PENALTY OF PERJURY IDENTIFY ANY APPLICATION FOR WHICH
21 THERE'S A SCIENTIFIC, PROFESSIONAL, OR PERSONAL
22 CONFLICT OF INTEREST.

23 AND AT THE MEETING PRIOR TO CONSIDERATION OF
24 EACH APPLICATION, WE THEN ASK THE WORKING GROUP MEMBER
25 TO STEP OUT OF THE ROOM AND NOT TO PARTICIPATE IN

1 EITHER THE DISCUSSION OR THE EVALUATION OF THAT GRANT.
2 AND IT'S OUR JOB TO BE SURE THAT THIS IS DONE. WE
3 MAINTAIN A RECORD OF WHO PARTICIPATES IN THE DISCUSSION
4 AND EVALUATION OF EACH GRANT, AND THAT'S PART OF THE
5 PERMANENT RECORD OF THE COMMITTEE; I.E., WHO WAS THERE.

6 AFTER THE MEETING, ALL PRESENT, INCLUDING
7 STAFF, SIGN A POSTREVIEW CERTIFICATION FORM, AGAIN,
8 UNDER PENALTY OF PERJURY, CONFIRMING THAT THEY DID NOT
9 VIOLATE CIRM CONFLICT OF INTEREST OR CONFIDENTIALITY
10 POLICIES, WHICH WE ALSO ARE VERY STRICT ABOUT, BUT
11 WHICH AREN'T THE PARTICULAR SUBJECT HERE.

12 NOW, THE PRE AND POSTREVIEW CERTIFICATION
13 FORMS YOU HAVE SEEN BEFORE. THEY WERE APPROVED AT THE
14 ICOC MEETING OF APRIL 7TH, 2005.

15 LET ME TURN NOW TO THE STANDARDS WORKING
16 GROUP. THEIR TASK IS TO DEVELOP MEDICAL AND ETHICAL
17 STANDARDS. THEY DO NOT REVIEW GRANT APPLICATIONS, AND
18 THEY DO NOT DISPENSE OR RECOMMEND DISPENSING FUNDS.
19 BUT THEIR FORM IDENTIFIES SEVERAL TYPES OF CONFLICT OF
20 INTEREST AND ASK MEMBERS TO IDENTIFY AND DESCRIBE IN
21 DETAIL THE SOURCE OF ANY CONFLICT THAT THEY MIGHT HAVE
22 RELEVANT TO A POLICY OR OTHER DISCUSSION THAT THE
23 COMMITTEE WILL ENGAGE IN. IF A CONFLICT IS IDENTIFIED,
24 THE PRESIDENT OR DELEGATED STAFF MEMBER ENSURES THAT
25 THAT MEMBER DOES NOT PARTICIPATE IN DISCUSSING OR

1 VOTING TO RECOMMEND POLICIES THAT WOULD PRESENT A
2 CONFLICT OF INTEREST.

3 NOW, FOLLOWING DISCUSSION WITH THE
4 LEGISLATURE, WE PROPOSE TO STRENGTHEN AND ENHANCE THE
5 MECHANISMS BY WHICH WE CARRY OUT THIS CONFLICT OF
6 INTEREST, AND TO DO SO IN A WAY THAT ALSO HOLDS US
7 ACCOUNTABLE AND LEAVES A RECORD OF WHAT WE'VE DONE.

8 SO WE ARE ASKING EACH NON-ICOC WORKING GROUP
9 MEMBER TO DISCLOSE TO CIRM CONFIDENTIALLY AND UNDER
10 PENALTY OF PERJURY ANY COMPANY, INSTITUTION, OR REAL
11 PROPERTY WHICH HE OR SHE HAS AN INTEREST IN OR
12 CONFLICT. TWO POINTS, NO. 1, THE ICOC --

13 CHAIRMAN KLEIN: DID WE LOSE ANY SITE?

14 MS. SAMUELSON: NO. I THINK YOU GOT ME BACK.

15 DR. HALL: SO THE TWO POINTS HERE, THE ICOC
16 MEMBERS SIGN A FORM 700. SO THIS INFORMATION IS
17 ALREADY A MATTER OF PUBLIC RECORD.

18 SECONDLY, WHAT WE ASK PEOPLE TO DISCLOSE ARE
19 SLIGHTLY DIFFERENT FOR EACH WORKING GROUP RELATED TO
20 THE POLICIES THAT WE'VE ASKED THEM TO SIGN. THOSE ARE
21 LISTED ON THE FORM. I'M HAPPY TO READ THROUGH THIS.
22 IF EVERYBODY HAS IT IN FRONT OF THEM, PERHAPS IT'S NOT
23 NECESSARY TO DO SO. THIS TIES IN VERY DIRECTLY WITH
24 THE POLICIES THAT WE HAVE PASSED BEFORE. IT DOES NOT
25 ASK MEMBERS TO SAY HOW MUCH THEY MAY HAVE INVESTED, BUT

1 SIMPLY TO SAY OR EARMARK, FOR EXAMPLE, THE GRANTS
2 WORKING GROUP, ALL CALIFORNIA-BASED ACADEMIC OR
3 NONPROFIT RESEARCH INSTITUTIONS FROM WHICH THEY RECEIVE
4 CURRENT INCOME OR OTHER BENEFITS OF \$5,000 OR MORE, ALL
5 BIOTECHNOLOGY AND PHARMACEUTICAL COMPANIES FROM WHICH
6 THEY RECEIVE CURRENT INCOME OR OTHER BENEFIT OR
7 INVESTMENTS OF \$5,000 OR MORE OR ANY REAL PROPERTY
8 INTEREST IN CALIFORNIA. I.E., WE DON'T NEED TO KNOW IF
9 THEY HAVE \$6,000 WORTH OF STOCK OR \$600,000 WORTH OF
10 STOCK. ALL WE NEED TO KNOW IS THERE'S A CONFLICT OF
11 INTEREST. THAT'S ALL WE ASK.

12 AND SO FOR THE STANDARDS WORKING GROUP, A
13 LITTLE BIT DIFFERENT HERE IN THAT THIS WAS A MODEL ON
14 THE NATIONAL ACADEMY. BECAUSE THEY DON'T HAVE A
15 CONNECTION TO COMPANIES OR INSTITUTIONS THAT RECEIVE --
16 MIGHT RECEIVE FUNDS FROM CIRM, THE BAR IS A LITTLE BIT
17 HIGHER, AND WE ASK FOR FINANCIAL INTEREST OVER \$10,000.
18 FACILITIES WORKING GROUP IS VERY SIMILAR EXCEPT IT HAS
19 NO. B, IF YOU WILL NOTICE, ALL CONSTRUCTION, REAL
20 ESTATE, OR DEVELOPMENT FIRMS FROM WHICH THEY OR THEIR
21 CLOSE FAMILY MEMBERS RECEIVE CURRENT INCOME OR OTHER
22 BENEFIT OR OWN AN INVESTMENT OF MORE THAN \$5,000. AND
23 THE TERMS OF MOST FAMILY MEMBERS ARE DEFINED FOR THEM.

24 ONE MORE THING AND I'LL ASK FOR QUESTIONS.
25 SO EACH NON-ICOC MEMBER FILLS THIS OUT AT THE

1 BEGINNING. AND IN FACT, BECAUSE WE HAVE A STANDARDS
2 WORKING GROUP MEETING COMING UP ON JULY 6TH, WE HAVE
3 ALREADY SENT THOSE FORMS OUT SO THAT WE CAN HAVE THEM
4 BACK IN TIME FOR THAT MEETING. AND BUT FOR THE GRANTS
5 AND FACILITIES WORKING GROUPS, WE ASK THEM TO DO IT AT
6 THE BEGINNING. AND THEN BEFORE EACH MEETING WHEN WE
7 SEND THEM THE LIST OF APPLICATIONS, WE ALSO SEND THEM A
8 COPY OF THEIR FORM. WE ASK THEM TO UPDATE IT, AND THEN
9 THEY HAVE IN FRONT OF THEM BOTH THEIR OWN DESCRIBED
10 COMPANIES OR HOLDINGS FOR WHICH THEY MIGHT HAVE A
11 CONFLICT OF INTEREST AND THE APPLICATIONS THAT ARE
12 BEFORE THEM.

13 ONE LAST POINT HERE, AND THAT IS ALL THIS
14 INFORMATION IS KEPT ON FILE AT OUR OFFICES. AND IT
15 WILL BE AVAILABLE THERE FOR REVIEW BY EITHER A STATE OR
16 AN INDEPENDENT AUDITOR. WE ALSO WILL HAVE OUR RECORDS
17 FROM THE MEETING ABOUT WHO WAS PRESENT AND VOTED ON
18 EACH APPLICATION. SO ONE CAN SIMPLY SIDE BY SIDE
19 COMPARE AND SEE IF WE ARE EFFECTIVE IN ENFORCING OUR
20 CONFLICT OF INTEREST REGULATIONS.

21 AND SIMILARLY, FOR THE STANDARDS WORKING
22 GROUP, AND, FINALLY, IF THERE'S A VIOLATION OF CONFLICT
23 OF INTEREST THAT EITHER WE FIND OUT AFTER A MEETING OR
24 THAT AN AUDITOR FINDS OUT, THEN THIS WILL BE REPORTED
25 TO THE LEGISLATURE ALONG WITH AN ANALYSIS OF HOW AND

1 WHY IT HAPPENED, AND A RECOMMENDED CORRECTIVE ACTION
2 THAT WE PLAN TO TAKE TO PREVENT FUTURE OCCURRENCES.

3 SOMEONE HAD A QUESTION. I'M NOT SURE WHO IT
4 WAS.

5 DR. PRIETO: THANK YOU, ZACH. I JUST HAD A
6 QUESTION WHY ONLY THE STANDARDS WORKING GROUP IS ASKED
7 TO DECLARE INTEREST IN INTELLECTUAL PROPERTY.

8 DR. HALL: I HAVE TO SAY I DON'T HAVE A FIRM
9 RATIONALE FOR THAT. THIS WAS DRAWN BY -- FROM THE --
10 IT WAS DRAWN FROM THE NATIONAL ACADEMIES, AND I
11 THINK -- I SUPPOSE THAT IF ONE HAS A PATENT ON SOME
12 PARTICULAR PROCESS.

13 DR. PRIETO: I CAN SEE --

14 DR. HALL: HAS AN INCOME, THEN YOU MAY HAVE
15 SOME, AS REGARDS A POLICY ISSUE, REMEMBER, THE
16 STANDARDS WORKING GROUP, IT'S NOT SO MUCH A MATTER OF
17 INVESTMENT IN COMPANIES OR INSTITUTIONS THAT MIGHT BE
18 APPLYING TO US FOR FUNDS, BUT THAT YOU MAY HAVE, IN
19 TAKING A PARTICULAR POSITION, YOU MAY HAVE A CONFLICT
20 OF INTEREST THAT WOULD SOMEHOW, EITHER PROFESSIONALLY
21 OR FINANCIALLY, BY WHICH YOU COULD BENEFIT FROM. SO
22 THAT YOUR POSITION MIGHT NOT BE BIAS FREE.

23 DR. PRIETO: ACTUALLY I THINK I UNDERSTAND
24 THAT, AS A MEMBER OF THE STANDARDS WORKING GROUP, THAT
25 YOU WOULD POTENTIALLY OPEN OR CLOSE THE DOOR TO A

1 PARTICULAR PROCESS IN WHICH YOU MIGHT HOLD AN INTEREST.
2 MY QUESTION WOULD BE WOULDN'T THAT POTENTIALLY OR
3 WOULDN'T THERE ALSO BE POTENTIAL CONFLICTS FOR AT LEAST
4 MEMBERS OF THE GRANTS WORKING GROUP? IT WOULD BE A BIT
5 OF A STRETCH FOR ME TO IMAGINE ONE FOR FACILITIES, BUT
6 I COULD SEE THAT THERE MIGHT BE AN ISSUE FOR GRANTS.

7 DR. HALL: I SUPPOSE. IT WOULD BE, I GUESS,
8 INDIRECT. THERE WE TEND TO THINK OF THE SOURCE OF
9 CONFLICT OF INTEREST BEING A PARTICULAR APPLICANT; THAT
10 IS, IF THIS COMPANY -- IF YOU HAD A COMPANY THAT HAD --
11 IN WHICH YOU RECEIVED INCOME FROM THE PATENT, I SUPPOSE
12 THAT WOULD APPLY, BUT I THINK IT WOULD BE COVERED.

13 CHAIRMAN KLEIN: WHICH WORKING GROUP ARE YOU
14 TALKING ABOUT?

15 DR. PENHOET: APPLYING THE SAME STANDARD OF
16 INTELLECTUAL PROPERTY THAT'S ARTICULATED IN THE
17 STANDARDS WORKING GROUP TO THE GRANTS WORKING GROUP.

18 DR. REED: IF I COULD MAKE A COMMENT. IT MAY
19 BE THAT THE REASON THE NATIONAL ACADEMY DIDN'T PUT THAT
20 INTO THE GUIDELINES THAT ARE CURRENTLY PRACTICED AT
21 NIH, FOR EXAMPLE, FOR REVIEWING GRANTS IS BECAUSE IT'S
22 VERY DIFFICULT SOMETIMES TO REALLY DRAW CLEAR
23 DISTINCTIONS BETWEEN WHERE ONE SCIENTIST'S INTELLECTUAL
24 PROPERTY BEGINS AND ANOTHER ONE'S ENDS. AND I SUSPECT,
25 PARTICULARLY UNDER FEAR OF PENALTIES AND ALL SORTS OF

1 OTHER THINGS, THAT MIGHT SOMEONE WHO ACCIDENTALLY
2 DIDN'T RECUSE HIMSELF, THAT YOU MIGHT HAVE WHOLESALE
3 RECUSALS OF COMMITTEE MEMBERS FROM REVIEWING GRANTS FOR
4 FEAR THAT THEY DON'T KNOW EXACTLY HOW TO INTERPRET
5 THOSE FUZZY BOUNDARIES.

6 DR. HALL: THE FUZZY BOUNDARIES, IN FACT,
7 INVOLVE DOLLARS. BECAUSE IT SAYS ALL PROPERTY INTEREST
8 IN CALIFORNIA OF \$10,000 OR MORE, I SUPPOSE IF YOU
9 RECEIVE \$10,000 FROM A PATENT OR FROM A COPYRIGHT, THEN
10 THAT CONSTITUTES A POTENTIAL CONFLICT OF INTEREST, AND
11 YOU SIMPLY LIST WHAT THAT PATENT OR COPYRIGHT IS.

12 DR. REED: OKAY. AS LONG AS IT'S TIED, I
13 GUESS, TO THE FINANCIAL REMUNERATION.

14 DR. HALL: I THINK IT'S THE DOLLARS ARE THE
15 FINAL LINE HERE. THE QUESTION IS WOULD WE BE MISSING
16 ANYTHING IN THE GRANTS WORKING GROUP BY NOT INCLUDING
17 THAT? AND --

18 CHAIRMAN KLEIN: IS IT ALWAYS CLEAR WHICH
19 INTELLECTUAL PROPERTY MIGHT APPLY TO A GRANT WHERE THE
20 GRANT IS APPROVED AND THE GRANT GOES THROUGH A
21 DISCOVERY PROCESS? SO THE QUESTION IS IS IT ALWAYS
22 CLEAR WHAT INTELLECTUAL PATENTS AS TO PROCESS OR TOOLS
23 WOULD BE INFLUENCED.

24 DR. REED: I SUSPECT THAT'S WHY THE NATIONAL
25 ACADEMY DIDN'T, AND THAT'S NOT THE PRACTICE AT NIH

1 CURRENTLY.

2 DR. HALL: THE NIH, IN GENERAL, MOST OF THE
3 STUDY SECTIONS THERE ACTUALLY ARE NONPROFIT
4 INSTITUTIONS, SO THIS IS NOT PART OF THEIR STANDARD
5 PROCEDURE. THEY HAVE DO HAVE SPECIAL WORKING GROUPS.

6 MS. SAMUELSON: I HAVE A SUGGESTION, BEARING
7 IN MIND THE SCOPE OF THE COMMISSION THAT WE JUST
8 PASSED, AND IT SEEMS TO ME WE'RE SPOTTING A BUNCH OF
9 ISSUES VERY ABLY, BUT I'M WONDERING IF THERE ARE OTHERS
10 THAT WON'T OCCUR TO US. I'M THINKING AS A MATTER OF
11 PROCESS THAT THE APPROPRIATE THING TO DO WOULD BE TO
12 REFER THIS WITH PERHAPS THE TRANSCRIPT WHICH REFLECTS
13 ANY OF THE QUESTIONS WE'VE HAD TO THE WORKING GROUP
14 WHERE, FOR EXAMPLE, WE'VE GOT ALTA CHARO, WHO, I GUESS,
15 WAS ON THE GROUP THAT DEVELOPED THE NATIONAL ACADEMY
16 STANDARDS, I THINK, AND CAN FLESH THIS OUT WITH MORE
17 DETAIL AND A LITTLE MORE DELIBERATIVE PROCESS AND COME
18 BACK TO THE ICOC WITH RECOMMENDATIONS.

19 DR. HALL: ONE PROBLEM IS HARRIET RABB, ONE
20 OF THE TWO CO-CHAIRS OF THE STANDARDS WORKING GROUP,
21 WANTS ALL THIS CLEARED UP FOR HER COMMITTEE BEFORE THEY
22 MEET. SHE HAS ASKED US, IN FACT, TO OBTAIN THIS
23 INFORMATION FROM HER COMMITTEE MEMBERS BEFORE THEY
24 MEET, AND WE HAVE PROCEEDED TO DO SO. IF WE CAN DO
25 THAT OR NOT, I THINK WHETHER IT'S APPROPRIATE FOR THE

1 WORKING GROUPS TO DO THAT IS A SEPARATE QUESTION, BUT
2 WE'RE GOING TO AT LEAST NEED INTERIM STANDARDS HERE IF
3 WE'RE TO MOVE AHEAD ON SCHEDULE.

4 MS. SAMUELSON: THE SCHEDULE BEING WHAT?

5 CHAIRMAN KLEIN: ON JULY 12TH THIS IS TO GO
6 TO THE BOARD. THE LEGISLATIVE LEADERSHIP, WITH WHOM WE
7 HAVE THIS NEW PARTNERSHIP, SPECIFICALLY WANTS TO KNOW
8 IF -- WHAT WE'RE GOING TO BE MOVING AHEAD WITH BECAUSE
9 WE HAVE NOW A PARTNERSHIP WITH THEM AND WITH THE
10 PUBLIC, INCLUDING SOME COMMENTS THAT I WILL HIGHLIGHT
11 THAT MR. HALPERN PROVIDED, SO THAT THE POINT IS THIS IS
12 AN INSTALLMENT. WE CAN ALWAYS REFINE IT AND IMPROVE IT
13 WITH A GOOD FAITH INSTALLMENT.

14 DR. HALL: I HAVE A DIFFERENT TIME LINE.

15 MS. SAMUELSON: CAN WE, IN FACT, REFINE IT
16 AND IMPROVE IT, OR DO WE NEED TO GIVE AN UP OR DOWN TO
17 THE LEGISLATURE? I'M NOT SURE I COMPLETELY UNDERSTAND.
18 WHAT WE'RE BEING ASKED TO DO, WHAT THE CONSEQUENCES
19 ARE, I'M SAYING WE NEED A LITTLE MORE TIME.

20 DR. HALL: I HAVE A DIFFERENT TIME LINE. WE
21 HAVE ON JULY 6TH THE FIRST MEETING OF OUR STANDARDS
22 WORKING GROUP. AND WE HAVE ON AUGUST 3D AND 4TH THE
23 FIRST MEETING OF OUR GRANTS WORKING GROUP TO CONSIDER
24 OUR TRAINING GRANTS. AND IF WE ARE TO GET THEM OUT IN
25 TIME FOR THE ACADEMIC YEAR IN THE FALL SO THAT THEY CAN

1 BE MOST EFFECTIVE, WE WILL NEED TO MEET THOSE
2 SCHEDULES.

3 SO IF YOU HAVE FUNDAMENTAL OBJECTIONS TO
4 THESE, I THINK WE SHOULDN'T ACT. IF IT'S A QUESTION OF
5 TWEAKING THEM HERE AND THERE, I THINK WE SHOULD GO
6 AHEAD AND THEN THINK ABOUT PROCESSES FOR ADJUSTING THEM
7 LATER. I THINK -- SO I WOULD SAY IF YOU THINK THERE'S
8 A SERIOUS DEFECT IN THESE, LET'S STOP. LET ME POINT
9 OUT THAT ALL THREE OF THE POLICIES ON WHICH THESE ARE
10 BASED HAVE BEEN DISCUSSED AND APPROVED BY THE ICOC. SO
11 IN A SENSE WE HAVE TAKEN THOSE EXACT POLICIES WITH THE
12 EXACT WORDING ACTUALLY AND ADAPTED THEM TO THE
13 STATEMENTS THAT WE ASK THE ICOC -- THE WORKING GROUP
14 MEMBERS TO DISCLOSE.

15 MS. SAMUELSON: WELL, I REMEMBER THE --

16 DR. HALL: CRITERIA ARE BASED ON THE POLICIES
17 THAT WE'VE ALREADY PASSED.

18 MS. SAMUELSON: I DON'T SEE SERIOUS DEFECTS,
19 BUT NEITHER AM I SURE THAT I WOULD IDENTIFY THEM IN
20 THIS QUICK A PROCESS. I GUESS MY OBJECTION IS
21 FUNDAMENTAL. I THINK WE SHOULD HONOR THE PROCESS.
22 WITH SOMETHING THIS IMPORTANT, I WOULD BE LOATHE TO NOT
23 INCLUDE THE STANDARDS WORKING GROUP WITH THE TALENT ON
24 IT, AND TO BE DEMONSTRATING THAT WE ARE USING OUR
25 PROCESSES FROM THE OUTSET. AND I THINK THAT'S MORE

1 I M P O R T A N T T H A N O U R F I R S T R O U N D O F G R A N T S . A N D T H A T
2 D O E S N ' T M E A N T H A T ' S U N I M P O R T A N T . I T E M P H A S I Z E S H O W
3 I M P O R T A N T I T H I N K T H I S I S .

4 D R . H A L L : I T H I N K I -- I F Y O U W A N T T O ,
5 T H E N --

6 M S . S A M U E L S O N : I T I S O N E M E E T I N G .

7 D R . H A L L : I F W E W A N T T O J U S T S T O P H E R E ,
8 T H A T ' S O K A Y . T H E O T H E R I S S U E T H A T W E C O U L D D I S C U S S I S
9 W H E T H E R O R N O T T H E S T A N D A R D S W O R K I N G G R O U P I S T H E R I G H T
10 G R O U P T O D O T H I S O R N O T . B U T I T H I N K T H E R E A L Q U E S T I O N
11 I S D O W E W A N T T O G O A H E A D A N D P A S S T H E S E S T A N D A R D S
12 W H I C H A R E , I T H I N K , V E R Y H I G H S T A N D A R D S ? T H E Y A R E
13 B E T T E R T H A N T H E N I H S T A N D A R D S A C T U A L L Y I N A C O U P L E O F
14 W A Y S . W E H A V E D I S C L O S U R E , W H I C H N I H D O E S N O T D O . A N D
15 A L S O , A S B O B A N D O T H E R S H A V E P O I N T E D O U T , T H E S E P E O P L E
16 O N T H E G R A N T S W O R K I N G G R O U P , A T A N Y R A T E , T H E
17 S C I E N T I S T S A R E A L L F R O M O U T S I D E O F C A L I F O R N I A . S O I
18 T H I N K T H I S I S A V E R Y S T R O N G C O N F L I C T O F I N T E R E S T
19 P O L I C Y . I ' M N O T S A Y I N G T H A T W E C A N ' T T W E A K I T L A T E R .
20 A N D W H A T I T H I N K I S W E S H O U L D V O T E I T U P O R D O W N
21 B E C A U S E W E N E E D T O M O V E F O R W A R D W I T H O U R W O R K I N G G R O U P S
22 O R E L S E W E N E E D T O C A L L O F F T H O S E M E E T I N G S , W H I C H I
23 T H I N K W I L L M A K E A B I G D I F F E R E N C E .

24 C H A I R M A N K L E I N : O U R C H A I R M A N O F O U R
25 S T A N D A R D S C O M M I T T E E H A S A S K E D T H A T T H E S E B E A D O P T E D

1 BEFOREHAND. THESE ARE POLICIES VERSUS STANDARDS.

2 MS. SAMUELSON: I HEARD THAT. NOT HAVING
3 TALKED TO HER, I DON'T KNOW WHETHER THAT EXCLUDES THE
4 IDEA THAT SHE WOULD BE ABSOLUTELY WILLING TO HAVE THE
5 WORKING GROUP WEIGH IN ON THEM.

6 AND I GUESS THE OTHER THING IS -- THE
7 QUESTION OF WHETHER THERE'S STRONG STANDARDS OR
8 POLICIES, THERE'S A TWOFOLD QUESTION TO ME. IT'S
9 PARTLY ARE THEY STRONG IN IDENTIFYING AND RIGOROUS, BUT
10 THE OTHER SIDE OF THAT IS MIGHT THAT RIGOR IN ANY
11 RESPECT DISCOURAGE ANYONE WHOSE TALENT WE NEED IN OUR
12 OVERALL PROCESS FROM BEING INVOLVED. WILL THIS
13 DISCOURAGE MEMBERS OF THE WORKING GROUP OR ANYONE ELSE
14 WHOSE TALENT WE NEED? I JUST DON'T KNOW THE ANSWER TO
15 THAT.

16 DR. HALL: JOAN, I CONTACTED BY PHONE EACH
17 CANDIDATE FOR MEMBERS OF THE WORKING GROUP FOR THE
18 STANDARDS AND FOR THE GRANTS REVIEW WORKING GROUP. I
19 PROBABLY MADE 50 PHONE CALLS. IN EACH CASE WE SENT
20 THEM THE POLICIES, AND I ASKED THEM IF THERE WAS
21 ANYTHING IN OUR CONFLICT OF INTEREST POLICY THAT THEY
22 DISAGREED WITH OR COULDN'T LIVE WITH, AND THEY ALL SAID
23 THAT THEY WERE IN AGREEMENT. THIS WAS PRIOR TO THEIR
24 NOMINATION BECAUSE I THOUGHT WHAT WE DID NOT WANT WAS
25 TO NOMINATE PEOPLE WHO THEN SAID, OH, I CAN'T LIVE WITH

1 THIS. SO WE HAVE FOLLOWED THIS OUT FROM THE VERY
2 BEGINNING. WE PASSED OUR CONFLICT OF INTEREST POLICIES
3 FOR THAT VERY REASON SO WE COULD HAVE THEM IN PLACE IN
4 ORDER TO TELL THE WORKING GROUP MEMBERS HERE ARE THE
5 CONFLICT OF INTEREST POLICIES THAT WE INTEND TO ABIDE
6 BY; AND IF YOU CAN'T ABIDE BY THOSE, YOU SHOULDN'T
7 AGREE TO JOIN.

8 SO ALL OF THEM HAVE SIGNED OFF ON THIS, AND I
9 THINK THAT OUR SENSE IS THAT WE'VE HAD NO PROBLEM AT
10 ALL WITH IT SO FAR. SO I THINK THESE ARE BOTH STRONG,
11 AND I THINK THEY'RE ACCEPTABLE TO THE WORKING GROUP
12 MEMBERS.

13 MS. SAMUELSON: THAT'S GOOD INPUT. I GUESS
14 MY OTHER QUESTION IS IN TERMS OF ENFORCEABILITY. I
15 HEARD IN SACRAMENTO REPEATEDLY, AS WELL AS IN MEDIA
16 EDITORIALS AND COMMENTS, THAT THE ACCOUNTABILITY AND
17 ENFORCEABILITY IS A BIG CONCERN AT THIS POINT.

18 DR. HALL: I THINK WE HAVE A VERY STRONG
19 MECHANISM.

20 MS. SAMUELSON: -- LAID IN CONCRETE BECAUSE
21 THERE WAS COMMENT THAT IT COULD BE TWEAKED LATER, BUT
22 I'M ASSUMING IF WE SOMEHOW SIGN OFF ON IT AND
23 COMMUNICATE TO THE LEGISLATURE, THAT HAS TO BE A FINAL
24 ACT ON OUR PART.

25 CHAIRMAN KLEIN: THE ISSUE, JOAN, IS THAT

1 WE' LL HAVE HERE, AFTER GOING THROUGH THESE POLICIES, A
2 SEPARATE MOTION TO IN GOOD FAITH, JUST TO SHOW OUR
3 INTENT, DISCUSS THAT WITHOUT -- WE WOULDN' T CHANGE
4 THESE WITHOUT A 70-PERCENT VOTE AND WITHOUT NOTICE TO
5 THE LEGISLATURE EXPLAINING OUR CHANGE. BUT IF THE
6 ISSUE IS A CHANGE TO MAKE THEM MORE INCLUSIVE OR IS A
7 CHANGE TO MAKE THEM MORE EFFECTIVE, AT LEAST MY
8 DISCUSSION WITH THE PRESIDENT PRO TEM' S OFFICE, AND
9 CERTAINLY I THINK SENATOR ORTIZ WANTS THEM TO BE
10 EFFECTIVE AND WORK WELL, AS DOES SENATOR DUNN AND
11 SENATOR SPEIER, SO ALL OF THE LEADERSHIP MEMBERS THAT
12 HAVE BEEN DIRECTLY INVOLVED IN THE DISCUSSION OF THIS
13 HAVE AN INTEREST IN US SHOWING WHERE WE' RE GOING
14 BECAUSE IT' S BENEFICIAL TO THE PUBLIC, IT' S BENEFICIAL
15 TO THE LEGISLATURE TO UNDERSTAND THAT.

16 AND WE HAVE A NEW PARTNERSHIP WE' RE TRYING TO
17 PROACTIVELY WORK WITH. AND THERE' S A SUBSTANTIAL VALUE
18 IN COMMUNICATING THAT WE' RE WORKING TO EMBRACE THE
19 PUBLIC AND LEGISLATIVE IDEAS ON ENHANCING WHAT IS, AS
20 DR. HALL POINTS OUT, ALREADY HIGHER NATIONAL STANDARDS
21 THAN THE NATIONAL ACADEMY.

22 MS. SAMUELSON: MY QUESTION STILL IS WHAT IS
23 THE MECHANISM? IS THERE ANYTHING IN WRITING THAT
24 CONVEYS WHAT THE LEGISLATURE AS A WHOLE IS EXPECTING
25 FROM US IN TERMS OF THE ENFORCEABILITY AND PERMANENCY

1 OF THESE CHANGES?

2 DR. HALL: I THINK OUR EXPERIENCE FROM THE
3 JUNE 6TH MEETING WAS THAT THIS IS VERY MUCH IN THE
4 SPIRIT OF WHAT THE LEGISLATURE WANTS.

5 MS. SAMUELSON: THAT WAS THREE MEMBERS OF THE
6 SENATE. AND I HEARD MANY PEOPLE COMMUNICATING THEIR
7 SUPPORT FOR SENATOR ORTIZ.

8 DR. HALL: I'M SORRY. I MISSPOKE. WHEN WAS
9 THE MEETING WITH PANUSH?

10 CHAIRMAN KLEIN: JUNE 4TH.

11 DR. HALL: JUNE 4TH. THE JUNE 4TH FRIDAY
12 MEETING AT WHICH WE HAD PERATA, PERATA'S PEOPLE, WE HAD
13 PETER HANSEL WAS THERE.

14 CHAIRMAN KLEIN: WE HAD SENIOR CONSULTANTS
15 FOR MANY OF THE IMPORTANT REPRESENTATIVES.

16 DR. HALL: THE TREASURER'S OFFICE WAS THERE.

17 CHAIRMAN KLEIN: BOND COUNSEL WAS THERE.
18 YOU, I, AND OUR COUNSEL, AND LEGAL COUNSEL FOR THE
19 LEADERSHIP OF THE DEMOCRATIC CAUCUS.

20 DR. HALL: WE HAD A VERY PRODUCTIVE MEETING.
21 I APOLOGIZE I MISSPOKE ABOUT THE DATE BEFORE. ON THAT
22 MEETING WE DREW UP THESE POLICIES AND POLICY
23 ENHANCEMENTS.

24 LET ME JUST THAT SAY THAT WE HAVE PASSED
25 CONFLICT OF INTEREST POLICIES FOR EACH OF THE THREE

1 WORKING GROUPS. AND THESE ARE THE IMPLEMENTATION OF
2 THOSE POLICIES. IF THE ICOC DOESN'T WANT US TO
3 IMPLEMENT THE POLICIES, BECAUSE THEY WANT TO REVISIT
4 THEM, I THINK YOU CAN SAY THAT. BUT WE'RE NOT
5 INTRODUCING ANYTHING NEW HERE EXCEPT TO DESCRIBE IN
6 DETAIL EXACTLY HOW WE INTEND TO IMPLEMENT THOSE
7 POLICIES IN WHAT WE BELIEVE IS THE BEST POSSIBLE WAY.

8 DR. PENHOET: WE'VE GOT TWO REASONS TO PASS
9 THESE TODAY. THE FIRST REASON IS THAT WE HAVE THE WORK
10 TO DO WITHIN CIRM, AND WE HAVE EXISTING POLICIES FOR
11 THESE WORKING GROUPS, AND THESE WILL STRENGTHEN THOSE
12 POLICIES FURTHER. AND ZACH HAS TOLD US THAT THESE
13 FURTHER STRENGTHENING ARE ACCEPTABLE TO THE CURRENT
14 MEMBERS OF THE WORKING GROUPS.

15 THE SECOND REASON WE'RE DOING THIS IS TO BE
16 RESPONSIVE TO THE CONCERNS WE HAVE HEARD FROM VARIOUS
17 PEOPLE IN SACRAMENTO ABOUT STRENGTHENING THE POLICIES
18 WE CURRENTLY HAVE. AND SO THE ENTIRE ENHANCEMENT
19 PROJECT WAS LARGELY UNDERTAKEN IN RESPONSE TO CONCERNS
20 THAT MANY OF US HEARD FROM PEOPLE IN SACRAMENTO, URGING
21 US TO FURTHER STRENGTHEN THESE VARIOUS DIFFERENT
22 PROCEDURES OF OURS. HOWEVER, THEY ARE NOT INTENDED TO
23 BE THE FINAL ANSWER. THEY ARE INTENDED TO BE A
24 VIGOROUS RESPONSE TO THOSE CONCERNS. THEY MAY OR MAY
25 NOT SATISFY THE NEEDS OF THE VARIOUS OTHER

1 CONSTITUENCIES THAT WE HAVE, BOTH IN THE PUBLIC AND IN
2 THE STATE AND, THEREFORE, COULD BE MODIFIED FURTHER IN
3 RESPONSE TO THE ONGOING DIALOGUE WE HAVE WITH PEOPLE IN
4 SACRAMENTO. THAT'S ENTIRELY POSSIBLE.

5 I THINK WE SHOULDN'T CONFUSE THAT WITH THE
6 70-PERCENT VOTE. IF THERE ARE FURTHER CHANGES,
7 WHENEVER WE GET AN ACCEPTABLE SITUATION TO ALL THE
8 PARTIES INVOLVED, IT'S AT THAT POINT, I THINK, WHEN
9 PEOPLE WOULD LIKE TO SEE US HAVE A VERY STRONG BARRIER
10 TO CHANGE GOING FORWARD. THAT'S NOT WHAT WE'RE
11 DISCUSSING TODAY, AS I UNDERSTAND IT.

12 CHAIRMAN KLEIN: JOAN, I'D ALSO LIKE TO POINT
13 OUT IT INCLUDES CERTAIN INPUT FROM THE PUBLIC FROM
14 PRIOR PUBLIC MEETINGS.

15 MS. SAMUELSON: I JUST HAVE A CLARIFYING
16 QUESTION, WHICH IS IS THE 70-PERCENT VOTE PROCEDURE
17 PART OF THE TERMS THAT CAME FROM THAT MEETING FROM THE
18 LEGISLATURE THAT TAKES SCA 13 OFF THE TABLE?

19 CHAIRMAN KLEIN: IT'S PART OF A GOOD FAITH
20 EXPRESSION AND OUTREACH TO THE LEGISLATURE THAT TAKES
21 SCA 13 OFF THE TABLE.

22 DR. HALL: I HEARD THAT MOST CLEARLY
23 EXPRESSED IN A MEETING WITH SENATOR ORTIZ, AND DR.
24 POMEROY OR DR. PRIETO MAY WISH TO COMMENT ON THAT
25 FURTHER.

1 MS. SAMUELSON: I JUST WANT TO BE SURE WHAT
2 IT IS THAT WE'RE GETTING FOR WHAT WE'RE DOING, AND WHAT
3 THE ENFORCEABILITY MECHANISM WOULD BE, AND JUST HOW
4 THAT WOULD BE EXECUTED BECAUSE THAT I HEARD A LOT IN
5 EDITORIAL COMMENTS.

6 DR. PENHOET: WELL, ALL OF THESE PROCEDURES
7 AND, IN FACT, ALL OF THE DATA WILL BE AUDITED BY EITHER
8 THE STATE OR AN INDEPENDENT AUDITOR. SO I THINK IT'S
9 ABOUT AS STRONG AN ENFORCEMENT POLICY AS YOU CAN
10 DESIGN.

11 DR. MURPHY: CAN YOU EXPLAIN THAT, OR ZACH?
12 GIVE ME A SCENARIO WHERE AN INDEPENDENT AUDITOR WOULD
13 LOOK. COULD I, AS A MEMBER OF THE PUBLIC, HIRE AN
14 INDEPENDENT AUDITOR TO LOOK AT THIS?

15 CHAIRMAN KLEIN: DR. HALL, PLEASE EXPLAIN.
16 THIS IS A VERY SPECIFIC PROCESS.

17 DR. PENHOET: IT'S AN EXTREMELY IMPORTANT
18 PROCESS.

19 DR. HALL: SO WE WOULD EITHER HIRE AN
20 INDEPENDENT AUDITOR, WHOSE JOB WOULD BE TO COME IN AND
21 AUDIT THE PROCESS, OR AN AUDITOR FROM THE STATE. I
22 PRESUME THE STATE AUDITOR'S OFFICE WOULD COME IN AND
23 AUDIT OUR PROCESS. WE DO KNOW OF ONE EXAMPLE WHERE THE
24 CALIFORNIA SPECIAL PROGRAMS, UNIVERSITY OF CALIFORNIA
25 SPECIAL PROGRAMS -- WHAT'S IT CALLED? -- I ALWAYS

1 FORGET THE NAME OF THE UNIT, BUT THEY HAVE SPECIAL
2 RESEARCH PROGRAMS. THEY HAVE AIDS, BREAST CANCER, AND
3 TOBACCO-RELATED RESEARCH PROGRAMS. AND I DO KNOW THAT
4 THE GROUP FROM THE STATE CAME IN AND AUDITED THAT
5 PROCESS. THEY EXAMINED HOW THEY HAD ACTED, AND THERE
6 HAD BEEN A SPECIFIC COMPLAINT ABOUT BIAS IN ONE ASPECT
7 OF IT, AND THEY CONCLUDED THAT THERE WAS NOT BIAS, BUT
8 THAT THEY WOULD DO BETTER TO KEEP THEIR RECORDS LONGER
9 WAS BASICALLY THE CONCLUSION.

10 WE HAVE READ THAT. WE HAVE LEARNED FROM IT.
11 AND THAT'S THE KIND OF AUDIT. IT WOULDN'T BE THAT
12 ANYBODY COULD JUST WALK IN AND SAY, OH, I'M SORT OF
13 CURIOUS ABOUT HOW YOU'RE DOING THIS. LET ME HAVE A
14 LOOK. I'D LIKE TO SEE WHAT YOUR WORKING GROUP MEMBERS,
15 WHAT COMPANIES THEY OWN STOCK IN AND SO FORTH. WE
16 WOULD NOT DO THAT, AND WE WOULD NOT MAKE THESE RECORDS
17 PUBLIC. THEY'RE CONFIDENTIAL, BUT WOULD BE AVAILABLE
18 ON-SITE FOR A SUITABLY AUTHORIZED AUDITOR.

19 DR. PENHOET: IT'S ARTICULATED IN WRITING AT
20 THE BOTTOM OF THE PAGE THAT ZACH JUST REFERRED TO.
21 AVAILABILITY FOR AUDIT. GOES THROUGH THE PROCESS BY
22 WHICH THIS WOULD OCCUR.

23 CHAIRMAN KLEIN: AND DR. HALL APPROPRIATELY
24 STATES, JUST TO REFOCUS THE COMMITTEE DISCUSSION, THIS
25 IS AN AUDIT OF COMPLIANCE WITH THE CONFLICT PROVISIONS

1 WE' RE ADOPTING. SO IT IS TO PROVIDE ASSURANCES THAT WE
2 ARE CARRYING OUT THE CONFLICT AND RECUSAL POLICY. AND,
3 IN FACT, IF IN THE REVIEW IT TURNS OUT THAT THERE HAS
4 BEEN A PROBLEM, THEN THERE WOULD BE CORRECTIVE ACTIONS
5 TAKEN BY THE CIRM WITH A REPORT TO THE LEGISLATURE TO
6 PREVENT FUTURE OCCURRENCE. IS THAT A CORRECT
7 STATEMENT, DR. HALL?

8 DR. HALL: YES.

9 DR. POMEROY: SOMEONE ASKED ME A QUESTION
10 QUITE AWHILE BACK, WHICH I WILL ATTEMPT TO ADDRESS, AND
11 THEN I HAVE A QUESTION. I HEARD VERY CLEARLY FROM A
12 NUMBER OF THE LEGISLATORS THAT I TALKED WITH, AND
13 PARTICULARLY SENATOR ORTIZ, BUT OTHERS AS WELL, THAT
14 THEY WANTED TO SEE EACH ONE OF THESE RECOMMENDATIONS
15 THAT WE MADE LINKED TO THE NEED FOR A 70-PERCENT VOTE
16 TO CHANGE THEM.

17 AND MY IMPRESSION FROM TALKING TO THEM WAS
18 THAT THERE WAS A DESIRE TO HAVE THAT AT THIS POINT
19 BEFORE THE REQUESTED DEADLINE FOR RESOLVING THESE
20 ISSUES. SO I WOULD SUGGEST, IF EVERYONE IS
21 COMFORTABLE, THAT WE CONSIDER LINKING EACH OF THESE
22 RECOMMENDATIONS TO THE REQUIREMENT FOR A 70-PERCENT
23 VOTE TO CHANGE. I DON'T THINK THAT THAT PRECLUDES
24 TWEAKING.

25 DR. PENHOET: THIS IS ED, CLAIRE. YOU CAN

1 ENVI SION THE CIRCUMSTANCE IN WHICH, THROUGH OUR
2 DISCUSSIONS WITH THE LEGISLATURE, THAT FURTHER
3 DISCUSSIONS, PRESUMABLY AFTER THIS MEETING, ETC. , THAT
4 WE DECIDE WITH THEM TO MAKE SOME CHANGES. AND THAT
5 BECOMES A BARRIER TO MAKING THE CHANGES THEY WANT TO
6 MAKE. SO I THOUGHT WE INTRODUCE THE 70-PERCENT
7 SOLUTION, SO TO SPEAK, WHEN WE HAVE A FINAL SET.

8 DR. POMEROY: I DON'T KNOW THAT THAT WILL
9 ADDRESS THE CONCERNS THAT WERE EXPRESSED, BUT WE CAN
10 DISCUSS THAT. MY QUESTION IS FOR ZACH.

11 CAN YOU EXPLAIN THE REVIEW BY A STATE OR
12 INDEPENDENT AUDITOR? I'M NOT SURE WHAT THE "OR"
13 IMPLIES. WHO'S CHOOSING WHICH OF THOSE? IN OTHER
14 WORDS, IS THE STATE -- IF THE LEGISLATURE WANTED THE
15 STATE AUDITOR TO COME IN, BUT WE'D ALREADY DONE AN
16 INDEPENDENT AUDITOR.

17 DR. HALL: IT'S WORDED THIS WAY JUST TO SAY
18 WHICH ONE IT IS IS TO BE DETERMINED LATER.

19 DR. POMEROY: BY WHOM?

20 CHAIRMAN KLEIN: THE BOARD.

21 DR. HALL: BY THE BOARD AND IN DISCUSSION
22 WITH THE LEGISLATURE. I JUST DIDN'T WANT TO LEAVE THE
23 DOOR OPEN EITHER WAY. THAT ISSUE IS NOT TO BE RESOLVED
24 HERE. THE BOARD MAY DECIDE THEY WANT AN INDEPENDENT
25 AUDITOR. THE STATE MAY DECIDE THEY WANT THE STATE

1 AUDITOR TO DO THIS. AND THEN I THINK WE NEGOTIATE OR
2 WORK OUT SOME SOLUTION WITH THEM. IT WAS NOT MEANT TO
3 DO ANYTHING OTHER THAN TO SAY THAT CAN BE DECIDED
4 LATER. THIS JUST SETS UP THE PROCESS THAT WILL ALLOW
5 THAT AUDIT TO TAKE PLACE BY WHOMEVER DOES IT.

6 DR. POMEROY: GETTING BACK TO JOAN'S POINT
7 ABOUT THE FEEDBACK THAT WE ALL GOT BY THE DESIRABILITY
8 FOR ENFORCEABILITY, I HEARD A VERY STRONG DISTINCTION
9 MADE BY SEVERAL OF THE PEOPLE THAT I TALKED TO ABOUT AN
10 INDEPENDENT AUDITOR HIRED BY CIRM VERSUS THE STATE
11 AUDITOR. AND I'M NOT POSITIVE IF WE LEAVE THIS SORT OF
12 VAGUE, WE COULD CHOOSE THAT IT'S AN INDEPENDENT AUDITOR
13 OF OUR CHOICE, IF THAT WILL BE SATISFACTORY TO A NUMBER
14 OF THE PEOPLE THAT WE TALKED TO.

15 CHAIRMAN KLEIN: CLAIRE, WE HAVE THE
16 OPPORTUNITY BETWEEN NOW AND THE BOARD MEETING TO HELP
17 GET ADDITIONAL INPUT TO CLARIFY THAT. I THINK DR. HALL
18 IS RIGHT NOW PROVIDING AN OPPORTUNITY FOR THE BOARD TO
19 GO EITHER DIRECTION. AND WE HAVE TIME BETWEEN NOW AND
20 JULY 12TH TO GET THE INPUT TO RESOLVE HOW THAT SHOULD
21 BE SET UP. BUT I THINK I WOULD ALSO LIKE TO, THOUGH, I
22 HOPE, EMBRACE THE POSITION THAT YOU WERE SUGGESTING,
23 THAT WE RECOMMEND TO THE BOARD THAT THESE BE ADOPTED,
24 AND THAT THE BOARD ADOPT THEM WITH A PROVISION THAT
25 THEY ONLY BE AMENDED WITH A 70-PERCENT VOTE AND NOTICE

1 TO THE LEGISLATURE THEN IDENTIFYING IT.

2 SO IT'S AN INTERMEDIATE POSITION BETWEEN
3 YOURS AND ED'S IN THAT BY THE TIME WE GET TO THE BOARD,
4 WE'LL HAVE MORE INFORMATION. AND WHEN WE DO ADOPTION
5 AT THE BOARD, OUR RECOMMENDATION WOULD BE TO ADOPT
6 THESE WITH A 70-PERCENT VOTE TO AMEND AND NOTICE TO THE
7 LEGISLATURE EXPLAINING ANY AMENDMENT.

8 DR. HALL: I'D LIKE TO ASK THE SUBCOMMITTEE
9 FOR A VOTE ON THIS POLICY ENHANCEMENT UP OR DOWN.

10 CHAIRMAN KLEIN: IS THERE A MOTION ON THE
11 FLOOR?

12 DR. REED: IF NOT SO, JOHN REED HERE. I'D BE
13 HAPPY TO MAKE SUCH A MOTION.

14 CHAIRMAN KLEIN: AND, DR. REED, I WILL SECOND
15 THAT, BUT I'D ASK IF WE COULD INCLUDE IN THAT MOTION
16 THAT WE MAKE THE RECOMMENDATION WITH A PROPOSAL THAT IT
17 REQUIRES 70-PERCENT VOTE ONCE ADOPTED BY THE BOARD TO
18 MODIFY; AND THAT IF WE DO MODIFY, WE NOTICE THE
19 LEGISLATURE OF THE REASONS FOR SUCH CHANGE. WOULD THAT
20 BE ACCEPTED, DR. REED?

21 DR. REED: THAT'S ACCEPTABLE EXCEPT YOU WANT
22 TO MAKE IT 70 PERCENT MEMBERS ATTENDING THE MEETING,
23 ASSUMING WE HAVE A QUORUM?

24 CHAIRMAN KLEIN: YES. IT WOULD BE 70 PERCENT
25 OF THE QUORUM THAT'S THEN PRESENT.

1 DR. REED: GREAT. YES, I FIND THAT
2 ACCEPTABLE.

3 DR. POMEROY: I'M STRONGLY IN FAVOR OF THAT
4 SUGGESTION, BY THE WAY. CAN I ASK A QUESTION? WOULD
5 YOU BE WILL BEING TO ENTERTAIN AN ADDITIONAL AMENDMENT,
6 THAT THE ISSUE ABOUT THE STATE VERSUS INDEPENDENT
7 AUDITOR WOULD BE CLARIFIED BEFORE THIS WAS ADOPTED BY
8 THE BOARD?

9 CHAIRMAN KLEIN: I THINK THAT'S A QUESTION TO
10 YOU, DR. REED.

11 DR. REED: I VIEW THAT AS A FRIENDLY
12 AMENDMENT, AND I'D BE HAPPY TO ACCEPT THAT.

13 CHAIRMAN KLEIN: AND THE SECOND ACCEPTS THAT.

14 DR. PRIETO: I JUST -- TO MAKE THE POINT, I
15 THINK, I DON'T KNOW IF I OPENED UP A SMALL CAN OF WORMS
16 BRINGING UP THE ISSUE OF INTELLECTUAL PROPERTY, BUT I
17 WOULD REASSURE JOAN. I WILL BE ON THE STANDARDS
18 WORKING GROUP, AND I WILL BRING THAT ISSUE UP. AND I
19 PRESUME THAT THE STANDARDS THAT WE DEVELOP AND PROPOSE
20 WILL THEN BE BROUGHT BACK TO THE ICOC.

21 MS. SAMUELSON: THAT'S GREAT. I HAVE A
22 CLARIFYING QUESTION. I'M LOOKING AT THE PAPERWORK ON
23 AGENDA ITEM 4, THE FIRST CONFLICT OF INTEREST POLICY
24 FOR BOARD MEMBERS AND PRESIDENT. HAVE WE ALREADY ACTED
25 ON THAT?

1 CHAIRMAN KLEIN: NO. THE INTENT WAS TO ACT
2 FIRST ON THE ICOC ITEMS AND THEN ACT ON THE BOARD
3 ITEMS.

4 DR. HALL: FIRST CIRM AND THEN THE BOARD.

5 CHAIRMAN KLEIN: FIRST CIRM AND THEN THE
6 BOARD. THAT'S WHAT I MEANT TO SAY.

7 MS. SAMUELSON: AREN'T WE TALKING ABOUT THE
8 WORKING GROUP POLICY NOW?

9 CHAIRMAN KLEIN: THESE ARE CIRM PROVISIONS
10 THAT THE WORKING GROUPS -- THESE ARE WORKING GROUP
11 PROVISIONS THAT THE CIRM STAFF HAS RESPONSIBILITY TO
12 CARRY OUT.

13 MS. KING: JUST TO CLARIFY FOR EVERYBODY,
14 LOOKING AT THE AGENDA, THIS MOTION IS WITH REGARD TO
15 ITEM NO. 4, LETTER B.

16 MS. SAMUELSON: I GUESS I'M LOOKING AT
17 PROPOSED LEGISLATIVE ENHANCEMENT -- PROPOSED POLICIES
18 FOR CONSIDERATION OF LEGISLATIVE.

19 CHAIRMAN KLEIN: RIGHT. THERE IS A BOARD
20 ENHANCEMENT THAT WE ARE GOING TO ADDRESS AS WELL.

21 MS. SAMUELSON: WE'RE ON THE SECOND ITEM,
22 CONFLICT OF INTEREST POLICIES FOR WORKING GROUP
23 MEMBERS?

24 DR. PENHOET: THAT'S CORRECT, JOAN.

25 DR. PRIETO: JOAN, IN OUR PACKET THERE IS A

1 SEPARATE PIECE CALLED "PROPOSED POLICY ENHANCEMENTS,"
2 WHICH IS FROM ZACH HALL, AND I THINK THAT'S WHAT WE'RE
3 WORKING OFF OF.

4 CHAIRMAN KLEIN: ARE THERE ADDITIONAL BOARD
5 COMMENTS? ARE THERE PUBLIC COMMENTS FROM SAN
6 FRANCISCO? ARE THERE PUBLIC COMMENTS FROM CHICO?

7 DR. WRIGHT: NO.

8 CHAIRMAN KLEIN: ARE THERE PUBLIC COMMENTS
9 FROM -- NO, THERE ARE NOT FROM HEALDSBURG. ARE THERE
10 PUBLIC COMMENTS FROM LA JOLLA?

11 MS. KING: NO.

12 CHAIRMAN KLEIN: ARE THERE PUBLIC COMMENTS
13 FROM IRVINE?

14 DR. BRYANT: YES.

15 MS. FOGEL: HI, THIS IS SUSAN FOGEL FROM THE
16 PRO CHOICE ALLIANCE FOR RESPONSIBLE RESEARCH. FIRST OF
17 ALL, I JUST WANT TO SAY HOW PLEASED WE ARE TO SEE THE
18 PROGRESS THAT YOU ARE MAKING IN MOVING THESE
19 ENHANCEMENTS FORWARD, BUT I DID HAVE A COUPLE OF
20 COMMENTS AND QUESTIONS.

21 SO FIRST OF ALL, IN TERMS OF THE GRANTS
22 WORKING GROUP, DUE TO THE FACT THAT THOSE ARE THE
23 PEOPLE WHO ARE ACTUALLY MAKING THE FUNDING
24 RECOMMENDATIONS, I AM UNCLEAR AND I GUESS WOULD WANT TO
25 RECOMMEND THAT THE LANGUAGE IN THE OTHER TWO WORKING

1 GROUPS WHERE IT'S NOT ONLY REVIEWERS AND SPOUSES, BUT
2 IT'S REVIEWERS, CLOSE FAMILY MEMBERS, SPOUSES, AND
3 OTHERS WITH WHOM THE REVIEWERS HAVE A SUBSTANTIAL
4 COMMON FINANCIAL INTEREST SHOULD BE APPLYING TO THE
5 GRANTS WORKING GROUP.

6 ALTHOUGH THE ACTUALLY FINANCIAL NUMBER MAY BE
7 SMALLER, THE SCOPE OF THE CONFLICT IS MUCH MORE NARROW
8 AND DOES NOT SEEM APPROPRIATE FOR PEOPLE WHO ARE MAKING
9 GRANTS RECOMMENDATIONS. I MEAN, THE IDEA THAT YOUR
10 SPOUSE COULD HAVE A SIGNIFICANT INVESTMENT IN A
11 BIOTECHNOLOGY OR PHARMACEUTICAL COMPANY OUGHT TO BE
12 DISCLOSED. SO THAT'S MY FIRST COMMENT.

13 CHAIRMAN KLEIN: OKAY. COULD WE HAVE DR.
14 HALL'S RESPONSE TO THAT?

15 DR. HALL: WE CAN ADD THAT TO THE POLICY.

16 CHAIRMAN KLEIN: NEXT POINT.

17 MS. FOGEL: THANK YOU. THE NEXT ISSUE HAS TO
18 DO WITH THE FACILITIES WORKING GROUP. IF YOU GO TO THE
19 OPEN MEETINGS RECOMMENDATIONS, IT SAYS THAT YOU ARE
20 SUGGESTING THAT SOME OF THE FACILITIES WORKING GROUPS
21 BE CLOSED BECAUSE THEY WILL BE DISCUSSING SCIENTIFIC
22 EVALUATION OF PROPOSALS. AND IF SO, THEY OUGHT TO ALSO
23 BE HELD TO THE SAME BIOTECHNOLOGY AND PHARMACEUTICAL
24 COMPANY DISCLOSURES. THEY ARE NOT ONLY TALKING ABOUT
25 REAL PROPERTY.

1 DR. HALL: LET ME EXPLAIN THAT, AND THAT IS
2 THAT WE FORESEE AND HAVE NOT WORKED OUT IN DETAIL, BUT
3 OUR PLAN IS THAT THE FACILITIES APPLICATIONS WILL COME
4 IN WITH A SCIENTIFIC COMPONENT, WHICH SAYS THIS IS THE
5 SCIENCE WE PLAN TO DO IN THE FACILITY. THE SCIENCE
6 WILL BE EVALUATED BY THE GRANTS REVIEW WORKING GROUP,
7 AND THAT EVALUATION, THEN, WILL BE PART OF THE MATERIAL
8 THAT THE FACILITIES WORKING GROUP SEES. SO THEY DON'T
9 THEMSELVES MAKE THE EVALUATION; HOWEVER, THEY DO SEE
10 IT. THAT'S ALL. AND FOR THAT REASON, IT'S IN CLOSED
11 SESSION. IF IT'S IN OPEN SESSION, IT BECOMES A PUBLIC
12 DOCUMENT AND CONFIDENTIALITY IS LOST.

13 MS. FOGEL: AND I APPRECIATE WHAT YOU'RE
14 SAYING. MY QUESTION IS BECAUSE -- AND I THINK YOU, DR.
15 HALL, ACTUALLY MADE THIS POINT AT ONE OF THE SENATE
16 HEARINGS, THAT FACILITIES DO HAVE AN IMPACT ON SCIENCE,
17 THE TYPES OF FACILITIES. AND TO THE EXTENT THAT ANYONE
18 MIGHT BE VOTING ON A FACILITY THAT IS GOING TO DO THE
19 KIND OF SCIENCE THAT -- IN WHICH THEY HAVE A FINANCIAL
20 INTEREST OUGHT TO BE DISCLOSED TO THE PUBLIC.

21 DR. HALL: WELL, IF THEY RECEIVE CURRENT
22 INCOME OR OTHER BENEFIT FROM INSTITUTIONS THAT WOULD
23 APPLY, THEN I THINK THEY HAVE A CONFLICT OF INTEREST.
24 THAT'S CLEAR. I DON'T QUITE SEE WHAT THE --

25 MS. FOGEL: IT'S NOT IN THE POLICY. YOUR

1 POLICY SAYS THAT THEY ONLY HAVE TO DECLARE
2 CONSTRUCTION, REAL ESTATE, OR DEVELOPMENT FIRM BENEFITS
3 AND INCOME.

4 DR. HALL: FACILITIES WORKING GROUP, PAGE --
5 WHERE ARE WE? YOU'RE WORKING FROM AN OLDER DOCUMENT, I
6 THINK.

7 CHAIRMAN KLEIN: IT SAYS ALL CALIFORNIA-BASED
8 ACADEMIC OR NONPROFIT RESEARCH INSTITUTIONS FROM WHICH
9 THEY RECEIVE CURRENT INCOME OR OTHER BENEFIT OF 5,000
10 OR MORE.

11 MS. FOGEL: I SEE THAT. BUT I'M TALKING
12 ABOUT --

13 DR. HALL: THIS IS A COMPARISON DOCUMENT.
14 WHO IS THE STAFF PERSON? YOU'RE IN IRVINE. WHO'S THE
15 STAFF PERSON THERE?

16 MS. ENGELS: JEANNIE ENGELS.

17 DR. HALL: CAN YOU PROVIDE MS. FOGEL WITH A
18 COPY OF THE --

19 DR. BRYANT: SHE HAS THE CORRECT ONE.

20 DR. HALL: -- PROPOSED POLICY ENHANCEMENTS?

21 DR. BRYANT: YEAH.

22 DR. HALL: WORKING GROUPS IN A.

23 MS. FOGEL: NO. I'M LOOKING AT B.

24 DR. HALL: BUT YOU SAID THAT A IS THE ONE --

25 MS. FOGEL: NO. I'M SORRY. I'M LOOKING AT

1 B. IN OTHER WORDS, THE GRANTS WORKING GROUP AND THE
2 STANDARDS WORKING GROUPS ALSO HAVE TO DISCLOSE
3 BIOTECHNOLOGY AND PHARMACEUTICAL COMPANIES IN WHICH
4 THEY RECEIVE SOME BENEFITS. THAT IS NOT PART OF B
5 UNDER FACILITIES.

6 DR. HALL: I DON'T UNDERSTAND. WE'RE NOT
7 GOING TO BUILD BUILDINGS FOR BIOTECH OR --

8 CHAIRMAN KLEIN: DR. HALL IS FOCUSING ON THE
9 FACT THAT THE BUILDINGS CAN ONLY BE FOR NONPROFIT
10 INSTITUTIONS. THEY CANNOT BE FOR PRIVATE COMPANIES.

11 DR. PRIETO: POINT OF CLARIFICATION. THAT'S
12 IN THE INITIATIVE, IS IT NOT?

13 CHAIRMAN KLEIN: EXACTLY.

14 MS. FOGEL: OKAY.

15 DR. HALL: THANK YOU FOR YOUR COMMENT.

16 MS. FOGEL: BUT I GUESS MY POINT STILL HOLDS.
17 TO THE EXTENT THAT I SIT ON FACILITIES WORKING GROUP
18 AND I OWN STOCK IN A PHARMACEUTICAL OR BIOTECHNOLOGY
19 COMPANY THAT IS GOING TO BENEFIT FROM THE TYPE OF
20 SCIENCE THIS NONPROFIT ORGANIZATION IS DOING, I OUGHT
21 TO BE DISCLOSING THAT.

22 DR. HALL: I'M SORRY. THE INTENT FOR THE
23 GRANTS WORKING GROUP IS, B, IN THE GRANTS WORKING GROUP
24 IS NOT BECAUSE THAT A GRANT THAT WE GIVE TO SAN DIEGO
25 MIGHT EVENTUALLY BE LICENSED TO A COMPANY THAT WE DON'T

1 KNOW. THAT'S NOT THE POINT. THE POINT IS THAT THERE
2 MAY BE A CALIFORNIA-BASED COMPANY THAT APPLIES FOR A
3 GRANT TO THE GRANTS WORKING GROUP AND SAYS WE PROPOSE
4 TO DO THIS RESEARCH. PLEASE GIVE US THE MONEY TO DO
5 THIS RESEARCH DIRECTLY. AND THERE WILL NOT BE THAT
6 KIND OF APPLICATION FROM A PRIVATE GROUP OR THE
7 FACILITIES WORKING GROUP. DOES THAT MAKE SENSE?

8 MS. FOGEL: I ACTUALLY THINK THAT THERE IS
9 MORE OF A LINK, BUT I'LL MOVE ON.

10 SO I'M ALSO SUGGESTING THAT THIS HERE ALSO BE
11 BROADER, THAT NOT JUST THEY OR THEIR CLOSE FAMILY
12 MEMBERS, BUT, AGAIN, OTHERS WITH WHOM THEY HAVE A
13 SUBSTANTIAL COMMON FINANCIAL INTEREST. THAT ALL OF
14 THESE, THAT EACH OF THESE WORKING GROUPS, THE SCOPE OF
15 WHO THE CONNECTIONS ARE TO THE REVIEWER BE STANDARDIZED
16 SO THAT WE'RE CLEAR THAT NO ONE IS -- NO ONE HAS A
17 CONFLICT THAT'S NOT BEING DISCLOSED.

18 DR. HALL: I TAKE YOUR POINT, AND WE WILL ADD
19 TO, B, OF GRANTS WORKING GROUP, IF THAT'S AGREEABLE,
20 FROM WHICH REVIEWERS AND THEIR SPOUSES RECEIVE CURRENT
21 INCOME OR OTHER BENEFIT OR INVESTMENT OF \$5,000 OR
22 MORE.

23 MS. FOGEL: GREAT. THANK YOU. AND I HAVE
24 ONE MORE QUESTION. WHEN YOU SAID THAT THE MOTION -- I
25 JUST WANT TO MAKE SURE I UNDERSTAND THE MOTION. THAT

1 THE MOTION IS UP OR DOWN. THIS IS JUST ABOUT THE
2 CONFLICT OF INTEREST OR ALL OF THE POLICY ENHANCEMENTS,
3 INCLUDING THE ONES THAT WEREN' T DISCUSSED.

4 DR. HALL: ONLY THE ONE THAT WE' VE DISCUSSED.
5 THE FIRST ONE THAT WE' VE DISCUSSED.

6 MS. FOGEL: THANK YOU VERY MUCH.

7 CHAIRMAN KLEIN: OKAY. I THINK WE HAVE
8 COMPLETED PUBLIC COMMENT.

9 DR. POMEROY: BOB, THIS IS CLAIRE POMEROY. I
10 JUST WANT TO UNDERSTAND HOW WE' VE AGREED TO MODIFY
11 THIS, WHICH I THOUGHT I HEARD ZACH SAY WE WERE AGREEING
12 TO DO. ARE WE SAYING THAT FOR ALL THREE WORKING GROUPS
13 A, B, AND C, THAT WHENEVER IT SAYS THEY, WE' RE SAYING
14 THEY, THEIR SPOUSES, CLOSE FAMILY MEMBERS, AND WHAT
15 DOES THAT MEAN?

16 DR. HALL: NO. NO. NO. WE' RE PUTTING --
17 THE WORDING IS NOT THE SAME IN ALL OF THEM. I' M SORRY.
18 THESE REFLECT THE POLICIES THAT WE CURRENTLY HOLD.
19 THIS IS AN IMPLEMENTATION OF POLICIES THAT WE HAVE, AND
20 THEY WERE DONE AT DIFFERENT TIMES, AND THEY' RE NOT
21 EXACTLY IN SYNC IN THAT WAY.

22 I THINK THE RELEVANT ONE, HOWEVER, IS, AND I
23 APPRECIATE MS. FOGEL FOR POINTING THIS OUT, THE GRANTS
24 WORKING GROUP, NO. B, ALL BIOTECHNOLOGY AND
25 PHARMACEUTICAL COMPANIES FROM WHICH THEY, AND I WOULD

1 PROPOSE REPLACING THAT BY REVIEWERS AND THEIR SPOUSES
2 RECEIVE CURRENT INCOME OR OTHER BENEFIT OR INVESTMENTS
3 OF \$5,000 OR MORE.

4 DR. POMEROY: WHAT ABOUT GRANTS A?

5 DR. HALL: DO YOU WANT TO EXTEND THAT?

6 DR. POMEROY: I'M TRYING TO FIGURE OUT WHAT
7 WE'RE VOTING ON.

8 DR. HALL: I HAD NOT INTENDED TO CHANGE A,
9 NOR HAD I INTENDED TO CHANGE A OF FACILITIES WORKING
10 GROUP. IF YOU WISH TO DO SO, ADD THAT TO THE THING, WE
11 CAN DO THAT.

12 DR. PRIETO: ZACH, FRANCISCO PRIETO HERE.
13 WOULDN'T THERE BE A BENEFIT TO HAVING CONSISTENT
14 LANGUAGE IN EACH PLACE OF THIS?

15 DR. HALL: WE HAVE CONSISTENT LANGUAGE
16 BETWEEN THE TWO A'S. WHAT WE HAVE IS INCONSISTENT
17 LANGUAGE BETWEEN A AND B; THAT IS, WHETHER YOU RECEIVE
18 CURRENT INCOME OR OTHER BENEFIT OF \$5,000 OR MORE.
19 IT'S NOT CLEAR TO ME THAT IF YOU'RE --

20 DR. POMEROY: I GUESS THE QUESTION IS
21 STANDARDS A HAS VERY DIFFERENT LANGUAGE THAN THE GRANTS
22 WORKING GROUP AND FACILITIES WORKING GROUP A.

23 DR. HALL: I APOLOGIZE FOR THAT. IT WAS
24 BECAUSE THEY CARRY OUT A VERY DIFFERENT FUNCTION. AND
25 BECAUSE OF THAT, AS WE DISCUSSED IN THE ICOC MEETING,

1 WE MODELED THIS ON THE NATIONAL ACADEMIES, AND WE USED
2 A DIFFERENT FORM FOR IT. AND WE STATED IN A DIFFERENT
3 WAY, THINKING THAT THEY HAD HAD THE MOST EXPERIENCE
4 WITH THE GROUP THAT DEALS WITH POLICY ISSUES AND THAT
5 WE COULD BENEFIT THE MOST FROM JUST FOLLOWING THAT
6 FAIRLY CLOSELY.

7 CHAIRMAN KLEIN: DR. HALL HAS ALSO PUT IN A
8 HUGE EFFORT TO CALL THE MEMBERS OF THESE WORKING GROUPS
9 TO MAKE SURE THESE WORK. AND HE HAS PROPOSED A
10 MODIFICATION THAT APPEARS TO BE A GOOD MODIFICATION.
11 BUT TO THE -- BETWEEN THE TIME WE MAKE THIS
12 RECOMMENDATION AND THE TIME IT GETS TO THE BOARD, THERE
13 IS TIME TO GO THROUGH AND ANALYZE WHAT ELSE WE CAN DO
14 HERE AND GET THE ATTEMPT -- HAVE THE TIME TO VALIDATE
15 THAT AND THINK THROUGH ADDITIONAL ENHANCEMENTS.

16 THIS IS A TREMENDOUS ENHANCEMENT ABOVE
17 NATIONAL POLICY, ABOVE EVERY MAJOR PATIENT ADVOCACY
18 FUNDING FOUNDATION, AND ABOVE THE UC SYSTEM, ABOVE THE
19 NIH. AND I WOULD SUGGEST THAT WITH THE CARE AND
20 DILIGENCE THAT'S GONE INTO THIS, IT WOULD BE VERY
21 HELPFUL IF WE COULD POTENTIALLY ADOPT THIS AND GIVE HIM
22 THE TIME TO USE THE SAME DILIGENCE FOR ADDITIONAL
23 SUGGESTIONS BEYOND THE ONE HE'S MADE.

24 DR. POMEROY: I'M JUST TRYING TO CLARIFY WHAT
25 CHANGES WE'VE MADE.

1 CHAIRMAN KLEIN: I THINK DR. HALL
2 SPECIFICALLY SUGGESTED THAT HE FELT HE COULD MAKE A
3 SPECIFIC CHANGE AT THIS TIME. DR. HALL, COULD YOU
4 REPEAT THAT?

5 DR. HALL: JUST TO ADD TO GRANTS WORKING
6 GROUP B, ALL BIOTECHNOLOGY AND PHARMACEUTICAL COMPANIES
7 FROM WHICH REVIEWERS AND THEIR SPOUSES RECEIVE CURRENT
8 INCOME OR OTHER BENEFIT OR INVESTMENTS OF \$5,000 OR
9 MORE. IT SEEMS TO ME THAT'S AN IMPORTANT AND USEFUL
10 ADDITION.

11 CHAIRMAN KLEIN: AND WE CAN RESEARCH THE
12 ADDITIONAL SUGGESTIONS BETWEEN NOW AND THE BOARD
13 MEETING.

14 DR. BRYANT: COULD I SUGGEST THAT YOU USE
15 CLOSE FAMILY RELATIVES INSTEAD OF SPOUSES AS IN THE
16 FACILITIES ONE?

17 DR. HALL: WELL, THE DIFFERENCE THERE IS YOU
18 INCLUDE CHILDREN? I DON'T THINK WE CAN ASK OUR GRANTS
19 WORKING GROUP PEOPLE TO LIFT THEIR CHILDREN'S
20 STOCKHOLDINGS.

21 CHAIRMAN KLEIN: THE QUESTION IS IF YOU HAVE
22 ADULT CHILDREN OR OTHERS, BROTHERS, SISTERS, WHO YOU
23 MAY NOT HAVE CONTROL OVER.

24 DR. POMEROY: WHY IS IT OKAY IN FACILITIES?

25 DR. PENHOET: CRITICAL ISSUE, MAYBE WE CAN

1 PASS THIS WITH A PROVISION THAT WE WILL REVISIT THE
2 ISSUE AND TRY TO DEFINE COMMON ECONOMIC INTERESTS FOR
3 EACH OF THESE GROUPS, WHETHER THAT BE THE PERSON AND
4 THEIR SPOUSE, THE PERSON, THEIR SOUSE, AND OTHERS WITH
5 WHOM THEY HAVE A COMMON ECONOMIC INTEREST.

6 DR. POMEROY: I GUESS MY PROBLEM -- THIS IS
7 CLAIRE POMEROY. I GUESS THE PROBLEM IS HERE THAT THIS
8 IS A FUNDAMENTAL PHILOSOPHIC DECISION OF HOW FAR THE
9 CONFLICT OF INTEREST MIGHT EXTEND. AND IT DOESN'T SEEM
10 TO BE INTERNALLY CONSISTENT, AND I'M NOT SURE WHAT
11 WE'RE VOTING ON.

12 DR. PRIETO: I GUESS I'M LOOKING BACK AT THE
13 STANDARDS WORKING GROUP, AND THE THING I LIKE ABOUT
14 THIS IS THAT THE WORDING UNDER STANDARDS A IS THAT IT
15 DOES SPECIFY CLOSE FAMILY MEMBERS OR OTHERS WITH WHOM
16 REVIEWERS HAVE A SUBSTANTIAL COMMON FINANCIAL INTEREST.
17 TO BRING UP ED'S CONCERN, THAT WOULD EXCLUDE THE
18 BROTHER YOU'RE AT ODDS WITH WHO DOES EVERYTHING
19 POSSIBLE TO TORPEDO YOUR EFFORTS AND ANYONE ELSE WHO
20 DOES NOT SHARE A POCKETBOOK WITH YOU, BUT IT WOULD
21 INCLUDE A SPOUSE OR A DOMESTIC PARTNER OR A DEPENDENT
22 CHILD WITH WHOM YOU DO SHARE STRONG COMMON FINANCIAL
23 INTEREST.

24 CHAIRMAN KLEIN: DEPENDENT CHILD IS YOUR
25 DEFINITION, NOT ANY CHILD?

1 DR. PRIETO: WELL, CLOSE FAMILY MEMBER WITH
2 WHOM YOU HAVE A SUBSTANTIAL COMMON FINANCIAL INTEREST.
3 I LIKE THAT WORDING IF THAT COMES FROM THE NATIONAL
4 ACADEMIES OR WHEREVER. I THINK IT'S GOOD WORDING
5 BECAUSE THE KEY POINT IS STRONG COMMON OR SUBSTANTIAL
6 COMMON FINANCIAL INTEREST.

7 DR. HALL: THERE'S A SUBTLE DIFFERENCE HERE
8 WHICH I THINK MAKES SENSE, BUT IS A -- I THINK IT IS
9 THE DIFFERENCE IN WHAT THE GROUPS DO. AND THAT IS, I
10 THINK WHAT WE WANT TO AVOID, IN THE CASE OF THE GRANTS
11 WORKING GROUP, IS IF AN APPLICATION COMES IN FROM A
12 COMPANY IN WHICH A REVIEWER OR THEIR SPOUSE HAS STOCK,
13 AND THAT THEY THEN VOTE ON OR THEY HAVE SOME FINANCIAL
14 BENEFIT, THEY'RE PAID IN SOME WAY AS CONSULTANTS OR
15 WHATEVER, AND THIS REPRESENTS, IT APPEARS TO ME, A VERY
16 CLEAR CONFLICT OF INTEREST.

17 WHAT THE STANDARDS WORKING GROUP DOES IS TO
18 REALLY DEAL WITH VERY BROAD POLICY ISSUES. AND I THINK
19 THERE, IT SEEMS TO ME, THE TIE IS NOT SO DIRECT, AND
20 YET SOMETIMES THE KIND OF INFLUENCE THAT MAY COME IN IS
21 A LITTLE MAYBE DIFFERENTLY DEFINED. I DON'T MIND THIS.
22 IT SEEMS TO ME EACH OF THEM IS APPROPRIATE TO WHAT
23 THEY'RE DOING. IF YOU WANT TO US REVISIT IT, PLEASE
24 LET'S DO SO LATER. I MAKE THE PERSONAL PLEA. WE NEED
25 TO MOVE ON WITH THIS. IF WE WANT TO REVISIT AND MAKE

1 THESE MORE CONSISTENT TO TRY TO DEFINE JUST HOW FAR IT
2 GOES, CLAIRE, INTO HOW FAR IN THE FAMILY IT GOES, THEN
3 I THINK WE CAN DO THAT AT A LATER TIME. I THINK THESE
4 ARE STRONG STANDARDS. THEY WILL SERVE US IN THE
5 IMMEDIATE FUTURE; AND IF WE'RE TO GET ABOUT OUR
6 BUSINESS, WE NEED TO MOVE AHEAD.

7 DR. REED: MR. CHAIRMAN, MAY I CALL FOR THE
8 QUESTION, PLEASE?

9 CHAIRMAN KLEIN: OKAY. WE'VE HAD, I BELIEVE,
10 BOARD COMMENT, PUBLIC COMMENT, MORE BOARD COMMENT.
11 CALL FOR THE QUESTION IS -- I'D LIKE TO CALL FOR THE
12 QUESTION THAT'S BEFORE US. IF WE COULD -- IS THERE
13 OBJECTION BY THE BOARD? ROLL CALL VOTE.

14 MR. KLEINSCHMIDT: SUSAN BRYANT.

15 DR. BRYANT: YES.

16 MR. KLEINSCHMIDT: BOB KLEIN.

17 CHAIRMAN KLEIN: YES.

18 MR. KLEINSCHMIDT: RICHARD MURPHY.

19 DR. MURPHY: YES.

20 MR. KLEINSCHMIDT: TINA NOVA.

21 DR. NOVA: YES.

22 MR. KLEINSCHMIDT: ED PENHOET.

23 DR. PENHOET: YES.

24 MR. KLEINSCHMIDT: CLAIRE POMEROY.

25 DR. POMEROY: NO.

1 MR. KLEINSCHMIDT: FRANCISCO PRIETO.
2 DR. PRIETO: YES.
3 MR. KLEINSCHMIDT: JOHN REED.
4 DR. REED: YES.
5 MR. KLEINSCHMIDT: JOAN SAMUELSON. JEFF
6 SHEEHY.
7 MR. SHEEHY: YES.
8 MR. KLEINSCHMIDT: JANET WRIGHT.
9 DR. WRIGHT: YES.
10 MR. KLEINSCHMIDT: BACK TO JOAN SAMUELSON.
11 CHAIRMAN KLEIN: JOAN, DID WE LOSE YOU?
12 OKAY. THE MOTION PASSES.
13 DR. HALL, COULD YOU GO THROUGH THE FUNDING
14 RECOMMENDATIONS TO THE ICOC?
15 DR. HALL: YES. MAYBE WE SHOULD CONSIDER THE
16 NEXT TWO TOGETHER. WE MAY BECAUSE THEY INVOLVE A
17 COMMON QUESTION, AND THAT IS THE INFORMATION WE PROVIDE
18 TO THE LEGISLATURE AND TO THE PUBLIC ABOUT THE GRANTS
19 AND THE APPLICATIONS THAT WE GET. AND REMEMBER WE TRY
20 TO PRESERVE THE CONFIDENTIALITY OF APPLICATIONS. AND
21 IN PARTICULAR, WE DON'T IDENTIFY PEOPLE OR INSTITUTIONS
22 EXCEPT AFTER THE AWARD HAS BEEN MADE. AND SO WE TRY TO
23 PROTECT THOSE GRANTS THAT HAVE BEEN JUDGED HARSHLY FROM
24 PUBLIC IDENTIFICATION, IF POSSIBLE.
25 SO WHAT THE GRANTS AND FACILITIES WORKING

1 GROUPS WILL DO WILL BE TO RECOMMEND GRANTS TO THE ICOC,
2 AND WE WILL PROVIDE, THEN, THE FOLLOWING INFORMATION:
3 THE TITLE OF THE GRANT, A SUMMARY OF THE PROPOSAL,
4 WHICH WE IMAGINE WILL BE WRITTEN BY THE APPLICANT MUCH
5 LIKE IN AN NIH GRANT, THE INITIAL SUMMARY THAT'S
6 WRITTEN; WE WILL ASK THE APPLICANT TO DESCRIBE HOW THE
7 PROPOSAL WILL BENEFIT THE STATE OF CALIFORNIA, WHICH IS
8 ONE OF THE ISSUES THAT HAS ARISEN; AND IT WILL BE A
9 SIMPLE DESCRIPTION OF WHAT THE GRANT COVERS.
10 PRESUMABLY THERE'S NO CONFIDENTIAL INFORMATION IN THAT,
11 AND WE WILL MAKE CLEAR THAT THIS WILL BE MADE PUBLIC,
12 SO THE APPLICANT WILL KNOW NOT TO PUT ANYTHING
13 CONFIDENTIAL IN THERE.

14 WE WILL THEN HAVE A BRIEF SUMMARY OF THE
15 SCIENTIFIC EVALUATION AND THE REASONS FOR
16 RECOMMENDATION THAT HAVE BEEN -- THIS IS A SUMMARY OF
17 THE DISCUSSION IN THE GRANTS WORKING GROUP. AND I
18 THINK WE ALL UNDERSTAND, IF YOU REMEMBER, PAUL BERG'S
19 CHARACTERIZATION OF THE DISCUSSION IN THE GRANTS
20 WORKING GROUP IS OFTEN BRUTAL. OUR INTENT IS NOT TO
21 EXPOSE ANYBODY TO PUBLIC CRITICISM, AND SO THIS WILL BE
22 TO SOME EXTENT A SANITIZED VERSION, THAT WE HOPE WILL
23 CAPTURE THE ESSENCE OF WHAT THE GRANTS WORKING GROUP IS
24 RECOMMENDING IN TERMS OF THE STRENGTHS OF THE GRANT
25 APPLI CATIONS.

1 AND THE SCIENTIFIC SCORE OF THE APPLICATION
2 BASED ON CRITERIA DECIDED BY THE ICOC, AND LET ME JUST
3 SAY UNDER NO. 3 HERE, CHAIRMAN KLEIN REMINDED ME THAT A
4 BRIEF SUMMARY OF THE SCIENTIFIC EVALUATION AND THE
5 REASONS FOR RECOMMENDATION ALONG WITH ANY MINORITY
6 REPORT AS APPLICABLE. AND THEN FINALLY, THE
7 RECOMMENDATION OF THE WORKING GROUP. AND TAKE OUT THE
8 WORD "FULL" SO THE MINORITY REPORT CAN BE APPLICABLE
9 HERE.

10 NOW, WE IMAGINE THAT WE WILL HAVE IN THE
11 GRANTS WORKING GROUP A TWO-STAGE PROCESS. THE FIRST,
12 AS MANDATED BY PROPOSITION 71, WILL BE SCIENTIFIC
13 EVALUATION OF THE GRANTS AND ALONG WITH THE SCORE THAT
14 WILL BE GIVEN. AND THEN SECONDLY, THE ENTIRE WORKING
15 GROUP -- AND THAT WILL BE VOTED ON BY THE 15 SCIENTIFIC
16 MEMBERS. THE ENTIRE WORKING GROUP IS PRESENT DURING
17 THIS DISCUSSION, AND WE WILL ENCOURAGE PEOPLE TO ASK
18 QUESTIONS THAT WORK WITH THE PATIENT ADVOCATES WHO ARE
19 NOT PART OF THE -- WILL NOT BE VOTING ON THE FIRST PART
20 STILL WILL HEAR THE DISCUSSION, WILL HAVE AN
21 OPPORTUNITY TO ASK QUESTIONS, TO MAKE COMMENTS, AND
22 PARTICIPATE. BUT THEN ONCE THAT'S DONE, THEN THERE
23 WILL BE A DISCUSSION OF WHICH GRANTS THEN TO RECOMMEND
24 TO THE ICOC.

25 AND WE FORESEE A PROCESS IN WHICH THERE WILL

1 BE A GROUP THAT WILL BE RECOMMENDED FOR FUNDING AND
2 THAT WILL GO UP TO THE BUDGET LIMIT THAT'S BEEN GIVEN
3 FOR THAT PARTICULAR TIME. THERE WILL BE ANOTHER GROUP
4 THAT WILL BE RECOMMENDED, BUT NOT FUNDED. AND THERE
5 WILL BE A THIRD GROUP THAT AREN'T RECOMMENDED. AND
6 THEN THE ICOC WILL THEN CHOOSE WHICH ONES IT WANTS TO
7 FUND BETWEEN -- OF THE FIRST TWO GROUPS. THAT IS, THEY
8 MAY CHOOSE TO TAKE SOME OF THOSE THAT HAVE BEEN
9 RECOMMENDED, BUT NOT FUNDED, AND SAY WE WOULD RATHER
10 SEE THIS GRANT FUNDED THAN ONE THAT THE WORKING GROUP
11 HAS RECOMMENDED. SO THE ICOC, THE FULL ICOC, WILL HAVE
12 AN OPPORTUNITY TO REVISIT, THEN, AND MAKE THE FINAL
13 DECISION ABOUT WHICH GRANTS ARE FUNDED.

14 NOW, WE PROPOSE, THEN, PUTTING ALL THE GRANTS
15 THAT ARE RECOMMENDED TO THE ICOC, ALL THAT INFORMATION
16 WILL BE MADE AVAILABLE ON THE CIRM WEBSITE TEN DAYS
17 BEFORE THE ICOC MEETING IN WHICH THE GRANTS WILL BE
18 CONSIDERED.

19 NOW, IN OUR DISCUSSIONS ON JUNE 4TH, AND I
20 FINALLY HAVE THE DATE RIGHT, I APOLOGIZE, WITH THE
21 REPRESENTATIVES FROM SENATOR ORTIZ, SENATOR PERATA,
22 EVERYBODY SITTING AROUND THE TABLE, ONE OF THE ISSUES
23 THAT WAS OF CONCERN WAS THAT THEY WISHED TO KNOW
24 WHETHER THERE HAD BEEN ANY DISEASE BIAS, FOR EXAMPLE,
25 OR TO AT LEAST HAVE SOME ANALYSIS OF WHETHER GRANTS

1 RELEVANT TO DIFFERENT DISEASES WERE BEING FUNDED AT
2 APPROXIMATELY THE SAME RATE.

3 AND SO WHAT WE PROPOSE, THEN, IN ORDER TO
4 ENABLE THEM TO DO THAT IS TO SUBMIT AN ANNUAL REPORT TO
5 THE LEGISLATURE THAT WOULD INCLUDE THE FOLLOWING
6 INFORMATION: THE IDENTITY OF ALL RECIPIENTS OF
7 RESEARCH TRAINING AND FACILITIES GRANTS, LOANS, AND
8 CONTRACTS AWARDED THAT YEAR, AND THE AMOUNT AWARDED IN
9 EACH CASE. SECONDLY, DISEASE AND/OR SCIENCE TO WHICH
10 THE GRANT, LOAN, OR CONTRACT RELATES. THOSE ARE FOR
11 THE AWARDED GRANTS. AND THEN SO THAT THERE'S SOME
12 ESTIMATE COULD BE MADE OF HOW THE GRANTS AWARDED
13 COMPARED WITH THE TOTAL APPLICATIONS RECEIVED, WE WOULD
14 THEN GIVE THE TOTAL NUMBER AND TOTAL AMOUNT OF GRANT
15 APPLICATIONS AWARDED WITH BREAKDOWN BY DISEASE AND/OR
16 SCIENCE CATEGORY, AND WE WOULD GIVE THE SAME FIGURES
17 FOR ALL APPLICATIONS SO THAT ONE COULD LOOK AND SAY,
18 AHA, WE SEE THAT DURING THE LAST YEAR, 45 APPLICATIONS
19 WERE RECEIVED FOR SPINAL CORD INJURY, OF WHICH 15 WERE
20 FUNDED, AND WE COULD SEE THAT 60 APPLICATIONS WERE
21 RECEIVED FOR CANCER, OF WHICH X NUMBER WERE FUNDED, AND
22 HERE ARE THE RELATIVE DOLLARS IN EACH CASE.

23 SO THIS SEEMS TO US TO BE THE CORRECT WAY TO
24 GIVE THE LEGISLATURE THE INFORMATION IT WANTS TO SEE IF
25 THERE'S ANY SORT OF -- IF SOMEBODY WANTS TO PICK OVER

1 THIS AND LOOK AT IT, AND IT'S USEFUL FOR OUR OWN
2 PURPOSES. WE WOULD BE DOING IT IN ANY CASE OURSELVES,
3 AND WE'RE HAPPY TO SHARE THIS INFORMATION WITH THE
4 LEGISLATURE.

5 SO THOSE ARE -- IN TERMS OF OUR
6 RECOMMENDATIONS AND OUR ANNUAL REPORT, WE THINK THOSE
7 WILL BOTH PROTECT THE CONFIDENTIALITY OF OUR
8 APPLICANTS, PARTICULARLY THOSE WHO ARE NOT SUCCESSFUL,
9 AND YET GIVE THE INFORMATION TO THE LEGISLATURE THAT IT
10 WISHES AND ALSO ALLOW US TO MAKE THE KIND OF SUMMING UP
11 THAT I THINK IS APPROPRIATE IN EVALUATING THE SUCCESS
12 OF OUR PROGRAM EACH YEAR.

13 DR. POMEROY: BOB, THIS IS CLAIRE POMEROY.
14 I'D LIKE TO MOVE APPROVAL OF THESE TWO ENHANCEMENTS.

15 CHAIRMAN KLEIN: OKAY. IS THERE A SECOND?

16 DR. WRIGHT: I'LL SECOND.

17 MR. SHEEHY: COULD I JUST MAKE A COMMENT?

18 CHAIRMAN KLEIN: IS THERE A SECOND?

19 DR. WRIGHT: I SECOND. JANET.

20 CHAIRMAN KLEIN: I THINK JEFF SHEEHY HAS A
21 COMMENT.

22 MR. SHEEHY: THERE'S ONE THING THAT SENATOR
23 ORTIZ SAID THAT WAS GOOD, AND I DON'T THINK THIS NEEDS
24 TO BE PART OF THIS POLICY, BUT I HOPE WE WOULD CONSIDER
25 IT, WHICH IS BE A PUBLIC MEETING TO DISCUSS WHY WE'VE

1 RECOMMENDED CERTAIN GRANTS. AND THIS REALLY CAN
2 FULFILL MORE OF A PUBLIC INFORMATION, PUBLIC EDUCATION
3 FUNCTION. I THOUGHT IT WAS INTERESTING THAT PEOPLE
4 COULD ACTUALLY GET A SENSE OF CONTEXT. WHY WE WERE
5 TRYING TO FUND CERTAIN SCIENCE, HOW THIS FITS INTO THE
6 OVERALL GOALS THAT WE'RE TRYING TO ACHIEVE.

7 DR. HALL: I THINK THAT'S GREAT. THE
8 DISCUSSION I WANT TO AVOID IS WHY WE DIDN'T FUND.

9 MR. SHEEHY: I AGREE. I FELT THAT THAT WAS
10 GOING TOO FAR, BUT I THINK SEPARATE FROM THE ICOC
11 MEETING, A PUBLIC MEETING WHERE WE CAN ACTUALLY LAY OUT
12 WHAT WE'RE TRYING TO DO, TAKE SOME PUBLIC INPUT TO
13 REALLY DO A VALUABLE SERVICE IN BRINGING THE PUBLIC
14 ALONG WITH US.

15 DR. HALL: I THINK THAT'S A GREAT IDEA,
16 PARTICULARLY IF IT'S NOT FOCUSED ON GRANT BY GRANT, BUT
17 SAYING WE FUNDED THREE GRANTS OR EIGHT GRANTS OR
18 WHATEVER IN THIS AREA. WHY IS IT IMPORTANT?

19 MR. SHEEHY: EXACTLY.

20 DR. HALL: I THINK THAT'S FINE. HAPPY TO DO
21 THAT.

22 CHAIRMAN KLEIN: AND THE BOARD ITSELF NEEDS
23 TO HOLD THESE PUBLIC MEETINGS, IN FACT, ON CRITERIA AND
24 STANDARDS WITH THE STAFF'S RECOMMENDATIONS SO THAT THE
25 PUBLIC SEES HOW THESE ARE COMING TOGETHER UP FRONT.

1 MR. SHEEHY: I THINK SEPARATE FROM THE ICOC,
2 WHICH HAS KIND OF A CROWDED AGENDA, WHERE WE MIGHT
3 ACTUALLY HAVE SOME REALLY SCIENCE FOCUSED MEETING WHERE
4 WE COULD REALLY HAVE A DISCUSSION, I THINK, WOULD BE
5 VERY HELPFUL.

6 DR. PRIETO: JEFF, FRANCISCO PRIETO HERE.
7 I'D LIKE TO REALLY STRONGLY ENDORSE THAT. AND SPEAKING
8 AS ANOTHER PATIENT ADVOCATE, I THINK THAT THAT'S
9 SOMETHING THAT WE COULD AND SHOULD DO AS WE GO FORWARD.
10 WE WOULD NEED THE SUPPORT OF THE SCIENTIFIC STAFF TO
11 PRESENT THAT WELL, BUT I THINK THAT IN TERMS OF
12 BUILDING SUPPORT FOR THE RESEARCH AS WE GO FORWARD, I
13 THINK THAT'S REALLY CRITICAL.

14 CHAIRMAN KLEIN: GREAT. OKAY.

15 DR. REED: JOHN REED HERE. I HAVE A QUESTION
16 FOR ZACH. WITH RESPECT TO THE CRITIQUES, THE WRITTEN
17 CRITIQUES, ARE THOSE GOING TO BE POSTED FOR THE PUBLIC
18 TO VIEW? IS THAT WHAT YOU ARE SUGGESTING?

19 DR. HALL: NO. NO. THE INDIVIDUAL CRITIQUES
20 THAT ARE DONE BY THE WORKING GROUP ARE ACTUALLY -- I
21 THINK THE NIH POLICY IS CORRECT. WE TRANSMIT THOSE TO
22 THE APPLICANT, AND THEY BELONG TO THE APPLICANT.

23 DR. REED: OKAY. GREAT. THAT CREATES A
24 WHOLE HOST OF PROBLEMS IF YOU POST THIS AS A PUBLIC
25 DOCUMENT.

1 DR. HALL: THE ONLY THING THAT'S POSTED WILL
2 BE OUR SANITIZED SUMMARY OF THAT THAT SAYS HERE ARE A
3 SHORT SUMMARY, A SHORT PARAGRAPH, THAT LISTS THE
4 STRENGTHS OF THE GRANT, PROTECTS THE INTELLECTUAL
5 PROPERTY.

6 DR. REED: GOOD. THAT WAS ONE OF MY CONCERNS
7 WAS INTELLECTUAL PROPERTY. AND ALSO, JUST OUT OF
8 FAIRNESS TO THE INVESTIGATORS WHO ARE TRYING TO BRING
9 FORTH NOVEL IDEAS, THEY WANT THOSE IDEAS REASONABLY
10 WELL PROTECTED UNTIL SUCH TIME AS THEY CAN OBTAIN
11 FUNDING FOR THEM AND BEGIN WORK ON THEM. SO I THINK
12 THOSE TWO HAVE TO BE QUITE SANITIZED, THOSE VERSIONS,
13 AND I WOULD CERTAINLY WANT ASSURANCES FROM CIRM STAFF
14 THAT THEY WILL BE SUFFICIENTLY SANITIZED SO THEY DON'T
15 CREATE A COMPETITIVE DISADVANTAGE FOR SCIENTISTS WHO
16 WANT TO BRING FORTH BOLD NEW IDEAS.

17 DR. HALL: WE'RE GOING TO SPEND A LOT OF TIME
18 ON THOSE PARAGRAPHS. I THINK THAT'S GOING TO BE ONE OF
19 THE MAJOR WORK ITEMS THAT WE HAVE AT CIRM. WE WILL
20 PRESERVE THAT. LET ME JUST SAY THAT I VIEW THOSE
21 CRITIQUES AS OFTEN HELPFUL TO CANDIDATES, TO
22 APPLICANTS, IN THE BEST SENSE; THAT IS, THEY'RE ABLE TO
23 SEE WHAT THE CRITICISMS ARE AND TO MAKE ADJUSTMENTS AND
24 TO DO NEW EXPERIMENTS OR DO WHATEVER IS REQUIRED TO
25 STRENGTHEN AND IMPROVE THEIR GRANTS, BUT THEY DON'T

1 BELONG TO ANYBODY ELSE.

2 AT LEAST MY VIEW IS IF A CHAIRMAN CALLS UP
3 AND SAYS CAN I SEE THE CRITIQUE OF AN ASSISTANT
4 PROFESSOR IN MY DEPARTMENT, WE WOULD SAY GO ASK THE
5 ASSISTANT PROFESSOR. IT'S NOT OUR JOB TO GIVE IT TO
6 YOU. WE BELIEVE THOSE ARE VERY MUCH FOR THE USE OF THE
7 APPLICANT AND NOT FOR ANY OTHER PURPOSE.

8 DR. MURPHY: I SUPPORT THIS, BUT I THINK WE
9 ALL SEE THE DOWNSIDE OF THIS, ONE OF WHICH IS THAT WE
10 WOULD BEGIN REALLY POLITICIZING WHAT WE'RE FUNDING. IF
11 WE HAVE A TWO-YEAR SPAN AND WE DON'T FUND ANY RESEARCH
12 IN ALS, LET'S SAY, BECAUSE THE SCIENCE WASN'T THERE,
13 THERE'S GOING TO BE TREMENDOUS PRESSURE TO FUND ALS,
14 WHETHER OR NOT THE SCIENCE IS THERE. AND I THINK THAT
15 WE HAVE GOT TO HAVE THE COURAGE TO SAY THAT WE WANT TO
16 FUND ONLY GOOD SCIENCE, ALTHOUGH WE, OF COURSE, ARE
17 INTERESTED IN THE DISEASE.

18 I THINK THE OTHER REALITY OF THIS IS THAT
19 THERE'S GOING TO BE SOME FOLKS WHO COULDN'T GET FUNDED
20 IN ONE CATEGORY, WHO ARE GOING TO TARGET THEIR RESEARCH
21 TO ANOTHER CATEGORY WHETHER IT'S RELEVANT OR NOT. SO I
22 JUST FEAR THAT WE MAY BE WATERING DOWN WHAT WE ALL HOPE
23 IS THE EXPECTATION OF ABSOLUTELY FIRST-RATE SCIENCE.

24 CHAIRMAN KLEIN: I THINK THE STAFF IS
25 ABSOLUTELY COMMITTED TO THAT FIRST-RATE SCIENCE AND

1 MAKING SURE WE PROTECT THAT GOAL.

2 ARE THERE ADDITIONAL -- ARE THERE PUBLIC
3 COMMENTS ON THIS ITEM?

4 MR. REED: THIS IS DON REED. I'M JUST A
5 HUNDRED PERCENT IN FAVOR OF JEFF SHEEHY'S PROPOSAL. WE
6 DO IN THIS IN THE ROMAN REED RESEARCH GRANTS. IT'S
7 CALLED MEET THE SCIENTIST DAY. IT'S USUALLY POPULAR,
8 GETS US FRIENDS AND COULD BE EXTREMELY VALUABLE.

9 ALSO, I'D LIKE TO SUGGEST DOWN THE ROAD THAT
10 WE HAVE SOME KIND OF VISUAL SYMBOL OF THE CIRM. I'D
11 LOVE TO SEE LIKE A STATUE OF CHRISTOPHER REEVE HELPING
12 A CHILD OUT OF A WHEELCHAIR IN FRONT OF THE
13 HEADQUARTERS, SOMETHING THAT PEOPLE CAN COME AND SEE
14 AND BE PART OF AND GET PHOTOGRAPHED WITH AND CARRY AWAY
15 AS A MEMORY OF THIS. SOMETHING BEAUTIFUL SO THAT WE
16 ARE NOT EVER A FACELESS BUREAUCRACY, BUT RATHER WHAT WE
17 REALLY ARE, WHICH IS THE FUTURE OF HOPE. THANK YOU.

18 CHAIRMAN KLEIN: ADDITIONAL PUBLIC COMMENT
19 FROM ANY SITE?

20 DR. BRYANT: IRVINE HAS ONE.

21 MS. FOGEL: HI. IT'S SUSAN FOGEL AGAIN. WE
22 ARE DEFINITELY PLEASED TO SEE HOW THIS HAS OPENED UP
23 AND THINK THAT JEFF SHEEHY'S SUGGESTION ABOUT PUBLIC
24 EDUCATION ABOUT WHAT YOU'RE FUNDING AND WHAT YOU'RE NOT
25 IS REALLY OUTSTANDING.

1 I JUST WANT TO MAKE SURE I UNDERSTAND
2 SOMETHING. THE ICOC IS GOING TO KNOW -- IS GOING TO BE
3 GIVEN INFORMATION ABOUT WHAT GRANTS ARE BEING
4 RECOMMENDED FOR FUNDING, WHAT GRANTS ARE BEING
5 RECOMMENDED WITHOUT FUNDING, AND ALSO WHAT GRANTS ARE
6 NOT BEING RECOMMENDED?

7 DR. HALL: NO. THE LAST IS NOT THE CASE.

8 MS. FOGEL: OKAY. WELL, ONE OF THE ISSUES
9 THAT CAME UP EARLY IN YOUR MEETINGS WAS THE FACT THAT
10 THE WORKING GROUP IS NOT A DECISION MAKER. AND THE
11 PUBLIC AND THE LEGISLATURE AND EVERYBODY ELSE WAS
12 ASSURED THAT THE ICOC WOULD KNOW BOTH WHAT WAS BEING
13 RECOMMENDED AND WHAT WAS NOT TO MAKE SURE THAT THE
14 WORKING GROUP WAS NOT MAKING DECISIONS. AND IT SEEMS
15 TO ME IF THE ICOC CANNOT SEE WHAT IS NOT BEING
16 RECOMMENDED FOR FUNDING IN SOME FORM, THEN THE WORKING
17 GROUP IS MAKING DECISIONS. AND THAT WAS CERTAINLY THE
18 JUSTIFICATION FOR THEM BEING EXEMPT FROM SOME OF THE
19 RULES. AND CERTAINLY THE INTENT OF THE INITIATIVE WAS
20 THEY WERE NOT DECISION MAKERS. THEY WERE RECOMMENDERS.
21 SO HOW ARE YOU GOING -- HOW DO YOU RECONCILE
22 THAT?

23 DR. HALL: WELL, THEY WILL CHOOSE BETWEEN THE
24 GROUPS THAT -- THE TWO GROUPS THAT ARE RECOMMENDED FOR
25 FUNDING AND THE GROUPS THAT ARE RECOMMENDED WITHOUT

1 FUNDING. AND IF THEY WISH TO REARRANGE THAT, THAT'S
2 FINE. I THINK THE FEELING ALL ALONG HAS BEEN THAT
3 BELOW A CERTAIN STANDARD, THAT APPLICATIONS WOULD NOT
4 BE RECOMMENDED, AND THAT IT WAS NOT USEFUL FOR THOSE TO
5 GO FORWARD BECAUSE THE NUMBER OF THOSE WOULD -- I THINK
6 IF THE COMMITTEE, THE SCIENTIFIC COMMITTEE, AND THE
7 PATIENT ADVOCATES COMPRISING THE ENTIRE WORKING GROUP
8 DIDN'T FEEL IT WAS WORTH RECOMMENDING, THEN I THINK WE
9 SHOULD NOT BRING IT FORWARD TO THE ICOC.

10 CHAIRMAN KLEIN: MAYBE I CAN HELP CLARIFY
11 THIS, DR. HALL. IF THERE'S \$40 MILLION OF FUNDING
12 AVAILABLE, BUT THE RECOMMENDATIONS COULD BE 60 OR \$70
13 MILLION, SUBSTANTIALLY MORE FOR THE ICOC TO JUDGE WHICH
14 ONES IT WANTED TO SELECT; IS THAT A CORRECT STATEMENT?

15 DR. HALL: OR EVEN MORE. IT DEPENDS. WE
16 DON'T YET KNOW WHAT OUR FUNDING RATE WILL BE; THAT IS,
17 THE NUMBER OF APPLICATIONS RELATIVE TO THE NUMBER OF
18 GRANTS THAT WE'RE ACTUALLY ABLE TO AWARD. AND I THINK
19 WE JUST HAVE TO DETERMINE THAT.

20 CHAIRMAN KLEIN: AND IF THERE IS -- JUST TO
21 COMPLETE THIS. IF THERE'S A MINORITY REPORT OF 35
22 PERCENT OF THIS ADVISORY GROUP, IT WOULD ALSO COME
23 BEFORE THE BOARD. SO THE ADVISORY GROUP, INCLUDING THE
24 PATIENT ADVOCATES, HAVE THE ABILITY TO PUT FORWARD A
25 MINORITY REPORT TO DRAW THEIR ATTENTION TO SOMETHING

1 THAT MIGHT NOT BE RECOMMENDED, BUT MIGHT HAVE A STRONG
2 MINORITY POSITION SO THAT INNOVATIVE, NEW IDEAS DON'T
3 HAVE THE RISK OF BEING BURIED BY THE DOMINANT VIEW OF
4 SCIENCE AT THE TIME. IS THAT A CORRECT STATEMENT?

5 DR. PENHOET: I'D MAKE THE POINT THAT IT'S A
6 RARE CIRCUMSTANCE WHEN A REVIEW GROUP RECOMMENDS THAT A
7 GRANT NOT BE FUNDED. I DON'T KNOW WHAT THE PERCENTAGE
8 IS. IT'S ALMOST ALWAYS A VERY SMALL NUMBER, AND THEY
9 STAND OUT AS BEING TRULY UNWORTHY GRANTS.

10 CHAIRMAN KLEIN: IN A NEW AREA I THINK, DR.
11 HALL, YOU'VE THOUGHT THERE'S POTENTIALLY, AS THIS GETS
12 SORTED OUT, MAYBE A SIGNIFICANT NUMBER THAT MIGHT NOT
13 MEET KIND OF A MINIMUM QUALITY THRESHOLD COMING FORWARD
14 INITIALLY, BUT THEY WILL HAVE A CHANCE TO COME BACK.

15 MS. KING: DR. HALL, I JUST WANTED TO GIVE
16 YOU A FIVE-MINUTE TIME CHECK. IN ABOUT FIVE MINUTES,
17 YOU'RE ABOUT TO LOSE YOUR QUORUM, AS ALL THREE MEMBERS
18 IN SAN DIEGO NEED TO LEAVE.

19 DR. HALL: THANK YOU VERY MUCH, MS. FOGEL,
20 FOR YOUR COMMENTS.

21 CHAIRMAN KLEIN: OKAY. I'D LIKE TO CALL THE
22 QUESTION IF I CAN BECAUSE WE HAVE TO GET THROUGH
23 WORKING GROUP ISSUES AND RECORDS HOPEFULLY, AT LEAST
24 OPTIMISTICALLY. KIRK KLEINSCHMIDT, COULD YOU CALL THE
25 ROLL, PLEASE.

1 MR. KLEI NSCHMI DT: SUSAN BRYANT.
2 DR. BRYANT: YES.
3 MR. KLEI NSCHMI DT: BOB KLEI N.
4 CHAI RMAN KLEI N: YES.
5 MR. KLEI NSCHMI DT: RI CHARD MURPHY.
6 DR. MURPHY: YES.
7 MR. KLEI NSCHMI DT: TI NA NOVA.
8 DR. NOVA: YES.
9 MR. KLEI NSCHMI DT: ED PENHOET.
10 DR. PENHOET: YES.
11 MR. KLEI NSCHMI DT: CLAI RE POMEROY.
12 DR. POMEROY: YES.
13 MR. KLEI NSCHMI DT: FRANCI SCO PRI ETO.
14 DR. PRI ETO: YES.
15 MR. KLEI NSCHMI DT: JOHN REED.
16 DR. REED: YES.
17 MR. KLEI NSCHMI DT: JOAN SAMUELSON. JEFF
18 SHEEHY.
19 MR. SHEEHY: YES.
20 MR. KLEI NSCHMI DT: JANET WRI GHT.
21 DR. WRI GHT: YES.
22 CHAI RMAN KLEI N: MOTI ON PASSES. DR. HALL,
23 COULD YOU EXPLAI N THE MEETING PROCEDURES FOR WORKI NG
24 GROUPS?
25 DR. HALL: I 'M GOI NG TO TAKE EACH OF THE NEXT

1 TWO, IF I MAY, MR. CHAIRMAN, TOGETHER JUST IN THE
2 INTEREST OF TIME.

3 CHAIRMAN KLEIN: AND WE HAVE ONE ITEM AT THE
4 BOARD CONFLICT LEVEL TO COVER TOO. GO AHEAD.

5 DR. HALL: I WON'T GO THROUGH -- LET ME
6 BRIEFLY SAY THAT WHAT WE'VE DONE ALREADY IS TO DECIDE
7 THAT CONSIDERATION OF GRANT APPLICATIONS FOR THE GRANTS
8 WORKING GROUP WOULD OCCUR IN CONFIDENTIAL MEETINGS. AT
9 THE MAY MEETING, THE ICOC APPROVED OPEN MEETING
10 PROCEDURES FOR THE STANDARDS WORKING GROUP, AND WE ALSO
11 DISCUSSED HAVING THE GRANTS WORKING GROUP HAVE PUBLIC
12 MEETINGS TO DISCUSS AND CONSIDER CRITERIA AND
13 STANDARDS.

14 WE WOULD LIKE TO NOW RECOMMEND THAT THAT BE
15 THE CASE, THAT THE GRANTS WORKING GROUP CAN DISCUSS AND
16 CONSIDER CRITERIA AND STANDARDS IN PUBLIC MEETINGS.
17 AND IN ADDITION, WE HAVE NOT MADE A DECISION ABOUT THE
18 FACILITIES WORKING GROUP. WE WOULD LIKE TO HAVE THAT
19 GROUP MEET IN PUBLIC AS APPROVED BY THE ICOC IN MAY
20 EXCEPT WHERE NECESSARY TO DISCUSS SCIENTIFIC
21 EVALUATIONS OF PROPOSALS, CONSIDER REAL ESTATE
22 NEGOTIATIONS, OR TO CONSIDER OTHER MATTERS THAT MAY BE
23 DISCUSSED IN CLOSED SESSION UNDER BAGLEY-KEENE ACT.

24 AND FINALLY, THE FACILITIES WORKING GROUP
25 SEARCH SUBCOMMITTEE MAY REQUEST OTHER MISSION CRITICAL

1 EXCEPTIONS.

2 AND THEN JUST UNDER CURRENT POLICIES AND
3 PROCEDURES, THE RECORDS OF THE WORKING GROUPS ARE
4 EXEMPT FROM THE PUBLIC RECORDS ACT WITH THE EXCEPTION
5 OF THOSE RECORDS THAT ARE PROVIDED TO THE ICOC AS PART
6 OF THE WORKING GROUPS' RECOMMENDATION TO THE ICOC. AND
7 WE WOULD LIKE TO PROVIDE PUBLIC ACCESS TO WORKING GROUP
8 RECORDS EXCEPT FOR WHERE RECORDS THAT MAY BE WITHHELD
9 UNDER THE PUBLIC RECORDS ACT AND HEALTH AND SAFETY CODE
10 SECTION 125290.30.

11 TWO, APPLICATIONS FOR RESEARCH TRAINING
12 FACILITIES GRANTS, LOANS, AND CONTRACTS, AND
13 EVALUATIONS OF SUCH APPLICATIONS.

14 THREE, ECONOMIC DISCLOSURE FORM FILED BY
15 MEMBERS OF THE GRANTS, LET ME ADD STANDARDS, WHICH IS
16 INADVERTENTLY OMITTED, AND FACILITIES WORKING GROUPS.

17 CHAIRMAN KLEIN: OKAY. BOARD DISCUSSION.

18 DR. REED: DO WE NEED A MOTION FOR THAT
19 FIRST?

20 CHAIRMAN KLEIN: WE DO.

21 DR. REED: SO MOVED.

22 DR. WRIGHT: SECOND.

23 CHAIRMAN KLEIN: FIRST AND SECOND. BOARD
24 DISCUSSION.

25 MR. SHEEHY: WHY IS THE FACILITIES WORKING

1 GROUP SEARCH SUBCOMMITTEE EVEN IN HERE? THAT'S A
2 SUBCOMMITTEE OF WHOM?

3 DR. HALL: WHERE IS THIS?

4 CHAIRMAN KLEIN: THAT IS A TYPO. IT IS THE
5 FACILITIES WORKING GROUP, NOT SEARCH SUBCOMMITTEE. I
6 THINK, DR. HALL, YOU HAVE A TYPO BECAUSE RIGHT ABOVE
7 RECORDS OF THE WORKING GROUP, IT SAYS THE FACILITIES
8 WORKING GROUP.

9 DR. HALL: SEARCH SUBCOMMITTEE SHOULD BE OUT
10 OF THERE.

11 CHAIRMAN KLEIN: THANK YOU FOR THAT
12 CORRECTION.

13 CHAIRMAN KLEIN: ADDITIONAL BOARD COMMENTS?
14 PUBLIC COMMENTS?

15 MR. FRANK: MY NAME IS TERRY FRANK. I'M WITH
16 CALIFORNIANS AWARE. THANK YOU FOR THIS OPPORTUNITY.
17 IT'S NOT CLEAR TO ME THAT THE LANGUAGE HERE IN WHAT
18 WE'RE READING IS THE EXACT LANGUAGE OF THE POLICY OR
19 WHETHER IT IS A PARAPHRASE.

20 DR. HALL: CAN YOU TELL ME WHERE -- WHAT
21 PARTICULAR --

22 CHAIRMAN KLEIN: IT IS INTENDED TO BE THE
23 LANGUAGE.

24 MR. FRANK: IS THE EXACT LANGUAGE. I'M
25 ASKING THIS BECAUSE THERE'S SOME TERMS THAT I THINK

1 WERE A LITTLE VAGUE OR AT LEAST NOT CLEAR TO ME. FIRST
2 OF ALL, WITH THE GRANTS WORKING GROUP, THE IDEA IS THAT
3 THE DEFAULT MEETING OF THE GROUP WILL BE CLOSED BECAUSE
4 THAT'S THE ONLY THING THEY'LL BE DOING IN THE STANDARD
5 OR DEFAULT MEETING IS CONDUCTING SCIENTIFIC EVALUATION,
6 RANKING APPLICATIONS, AND CONDUCTING PEER REVIEW. IS
7 THAT WHAT I UNDERSTAND?

8 DR. HALL: WE'RE ADDING TO THAT AS PART OF
9 THE ENHANCEMENT.

10 CHAIRMAN KLEIN: THAT IS CORRECT. WHAT
11 THEY'RE DOING IS -- GO AHEAD, DR. HALL.

12 DR. HALL: WE'RE ADDING TO THAT BECAUSE
13 PROPOSITION 71 SAYS THAT THEY SHOULD ALSO DISCUSS AND
14 CONSIDER CRITERIA AND STANDARDS, AND WE'RE NOW
15 RECOMMENDING THAT THAT PART OF THE MEETING BE PUBLIC.

16 MR. FRANK: WELL, WHAT I'M GETTING AT IS
17 WHICH WAY THIS RULE IS LEANING. WHY NOT HAVE IT SAY
18 THE GRANTS WORKING GROUP, HOWEVER, WILL MEET IN CLOSED
19 SESSION ONLY TO CONDUCT SCIENTIFIC EVALUATION OF
20 APPLICATIONS, TO RANK APPLICATIONS, AND TO CONDUCT PEER
21 REVIEW OF GRANTEEES. IN OTHER WORDS, IF THEY DO
22 ANYTHING ELSE BEYOND THESE CONFIDENTIAL JUDGMENT CALLS,
23 THAT MIGHT INCLUDE YOUR DISCUSSION OF CRITERIA AND SO
24 FORTH, WHY WOULD IT NOT INCLUDE ANYTHING BEYOND THESE
25 SENSITIVE ACTIVITIES?

1 DR. HALL: THAT IS A MOTION AND A POLICY THAT
2 WAS PASSED AT THE APRIL ICOC MEETING. I'M PERFECTLY
3 HAPPY. WE CAN REWORD THAT AS PART OF THE ENHANCEMENT
4 IF PEOPLE WISH TO DO THAT. I DON'T SEE ANYTHING WRONG
5 WITH THAT.

6 CHAIRMAN KLEIN: THE SPECIFIC
7 CONFIDENTIALITY, I THINK, INCLUDES, AND I DON'T KNOW IF
8 YOU REPEATED IT, MR. FRANK, THAT PEER REVIEW OR
9 SCIENTIFIC REVIEW THAT IS GOING TO BE INPUT TO THE
10 FACILITIES COMMITTEE WOULD REMAIN AS PART OF THE
11 CONFIDENTIAL INFORMATION AS WELL. I DON'T KNOW IF YOU
12 REPEATED THAT IN YOUR LANGUAGE.

13 MR. FRANK: YES, I DID. I SAID THAT THE RULE
14 WOULD BE THAT THIS GROUP WOULD MEET IN CLOSED SESSION
15 ONLY TO CONDUCT SCIENTIFIC EVALUATION OF APPLICATIONS,
16 TO RANK APPLICATIONS, AND TO CONDUCT PEER REVIEW OF
17 GRANTEES.

18 DR. HALL: TO RECOMMEND. AND ALSO TO
19 RECOMMEND --

20 CHAIRMAN KLEIN: MAKE RECOMMENDATIONS TO THE
21 FACILITIES GROUP BEFORE EVALUATION OF THE SCIENTIFIC
22 RESEARCH THAT IS PROPOSED TO TAKE PLACE IN THAT
23 FACILITY.

24 MR. FRANK: OKAY. THAT WAS ANOTHER THING
25 THAT I WASN'T CLEAR ON. WHAT DOES THIS MEAN,

1 SCIENTIFIC EVALUATION OF PROPOSALS FOR A FACILITIES
2 WORKING GROUP?

3 CHAIRMAN KLEIN: THE FACILITIES WORKING GROUP
4 WILL GET A PROPOSAL, NOT JUST FOR A FACILITY, BUT IT
5 WILL DESCRIBE THE RESEARCH CAPACITY OF THE PEOPLE THAT
6 WILL BE IN THAT FACILITY AND THEIR RESEARCH COURSE THAT
7 THEY INTEND TO FULFILL. AND THERE'S AN EVALUATION OF
8 THAT ABILITY TO CARRY OUT THAT PROPOSED RESEARCH COURSE
9 THAT DR. HALL IS CONCERNED WITH.

10 MR. FRANK: ARE YOU TALKING ABOUT PEER REVIEW
11 OF THE INDIVIDUALS ASSOCIATED WITH THAT FACILITY?

12 DR. HALL: YES. IT'S NOT QUITE THAT.
13 INSTITUTION X WILL SAY WE WOULD LIKE MONEY FOR A
14 BUILDING OR RENOVATION OF THREE FLOORS. THE PROGRAMS
15 WE INTEND TO -- SCIENTIFIC ACTIVITIES WE INTEND TO
16 CARRY OUT ON THOSE FLOORS ARE A, B, C, AND D, IT WILL
17 INVOLVE THE FOLLOWING INDIVIDUALS WHO WILL INTERACT IN
18 THE FOLLOWING WAY. WE WISH TO COORDINATE A PROJECT IN
19 WHATEVER IT IS. THERE WILL BE A SCIENTIFIC COMPONENT
20 TO IT, AND WE DON'T WANT TO GIVE BUILDINGS JUST TO GIVE
21 BUILDINGS AND HAVE THEM -- PEOPLE PUT ANYTHING IN THEM.

22 SO OUR SENSE WILL BE TO SAY IS THE RESEARCH
23 THAT'S GOING TO GO ON IN THIS PROPOSED SPACE
24 WORTHWHILE, IMPORTANT, ITS STRENGTHS, ITS WEAKNESSES,
25 IS THE SPACE APPROPRIATE THAT IS REQUESTED FOR

1 RENOVATION, APPROPRIATE TO THE SCIENTIFIC ACTIVITY
2 THAT'S GOING TO GO ON.

3 IN GENERAL, THE SCIENTIFIC GROUP WILL SAY
4 THIS IS A TERRIFIC GROUP. THIS SPACE IS NEEDED. THIS
5 COULD ENHANCE THEIR WORK. THIS IS A GREAT PROJECT FROM
6 THE SCIENTIFIC POINT OF VIEW. OR THEY COULD SAY THIS
7 SPACE IS REALLY NOT NEEDED. THE SCIENCE IS
8 SECOND-RATE. THESE PEOPLE DON'T INTERACT ANYHOW. YOU
9 HAVE A NUMBER OF -- I'M MAKING THIS UP -- BUT JUDGMENTS
10 LIKE THAT. AND WE DON'T WANT THOSE TO TAKE PLACE IN
11 PUBLIC.

12 MR. FRANK: WHAT YOU ARE TALKING ABOUT IS A
13 GRANT APPLICATION ESSENTIALLY THAT HAS A REAL ESTATE
14 COMPONENT TO IT.

15 DR. HALL: OTHER WAY AROUND. IT'S A REAL
16 ESTATE APPLICATION THAT IS JUSTIFIED, FIRST OF ALL, IN
17 TERMS OF ITS SCIENCE. AND IF THAT SCIENCE DOES NOT
18 RECEIVE STRONG JUSTIFICATION OR IF IT'S VIEWED THAT
19 IT'S NOT APPROPRIATE FOR THE SPACE REQUEST, THEN THE
20 FACILITIES COMMITTEE NEEDS TO KNOW THAT. NO MATTER HOW
21 PRETTY THE BUILDING OR HOW GOOD THE CONSTRUCTION PLAN
22 IS, IF THE SCIENCE THAT'S GOING IN IT IS SECOND-RATE,
23 WE DON'T WANT TO DO IT.

24 MS. KING: MAYBE IT WOULD BE APPROPRIATE TO
25 TELL THAT THE ICOC WILL ACTUALLY BE DISCUSSING, AS YOU

1 DECIDED TO DO AT A PREVIOUS MEETING, WILL BE DISCUSSING
2 A MEETING PROCEDURE FOR THE FACILITIES WORKING GROUP,
3 MUCH LIKE YOU DID FOR THE STANDARDS WORKING GROUP.

4 CHAIRMAN KLEIN: THAT'S TRUE, MELISSA. WE'RE
5 ABOUT TO LOSE OUR QUORUM. I WOULD ASK. WE HAVE AN
6 ABILITY BETWEEN NOW AND OUR BOARD MEETING TO TRY AND
7 ENHANCE. APPRECIATE, MR. FRANK, YOU BROUGHT UP SOME
8 THOUGHTFUL IDEAS HERE THAT WE CAN LOOK AT.

9 WHAT IS THE PLEASURE OF THE COMMITTEE BECAUSE
10 WE HAVE THIS ITEM TO ACT ON AS WELL AS JUST, QUICKLY,
11 THE ENHANCEMENT TO THE POLICY RELATED TO THE BOARD TO
12 PROHIBIT THE BOARD MEMBERS, FOR EXAMPLE, AND THE
13 PRESIDENT OWNING STOCK IN A COMPANY THAT HAS ITS BUDGET
14 COMMITTED -- A PORTION OF ITS BUDGET COMMITTED TO STEM
15 CELL THERAPIES.

16 DR. BRYANT: BOB, THERE'S STILL SOME PUBLIC
17 COMMENT FROM IRVINE HERE.

18 CHAIRMAN KLEIN: OKAY. COULD WE HEAR THOSE,
19 PLEASE.

20 MR. FOGEL: SUSAN FOGEL.

21 DR. POMEROY: BOB, BEFORE WE GO ON, I'M NOT
22 SURE THE DAVIS PERSON GOT THEIR THREE MINUTES BECAUSE
23 WE SPENT A LOT OF TIME RESPONDING RATHER THAN HIM
24 TALKING. COULD WE GIVE HIM ANOTHER 30 SECONDS TO MAKE
25 HIS FINAL POINT?

1 MR. FRANK: I'M WONDERING WHAT IS THE URGENCY
2 OF ZIPPING UP THESE MEETING ENHANCEMENTS TONIGHT. I'VE
3 HEARD PREVIOUS PUBLIC SPEAKERS WHO GOT UPWARDS OF TEN
4 OR TWELVE MINUTES TO HAVE THEIR STATEMENTS MADE AND
5 THEIR OBJECTIONS CHEWED OVER. AND I FEEL THAT -- I
6 KNOW IT'S NOT YOUR FAULT, BUT I FEEL THAT THIS IS BEING
7 FORECLOSED VERY UNFAIRLY AND, FRANKLY, UNWISELY IF YOU
8 WISH TO HAVE ALL SECTORS OF SUPPORT FOR YOUR ENHANCED
9 PROPOSAL.

10 CHAIRMAN KLEIN: WELL, I WOULD LIKE TO SAY
11 THAT WE'D BE HAPPY TO MEET WITH YOU IN THE INTERIM
12 BEFORE THE BOARD MEETING. WE'D BE HAPPY TO FURTHER
13 CONSIDER IT. I THINK THERE ARE SOME VERY THOUGHTFUL
14 IDEAS HERE, MR. FRANK. I'M JUST TRYING TO AT LEAST GET
15 SOME PROGRESS ON THE BOOKS HERE SO THAT THERE'S A CLEAR
16 DIRECTION HERE ESTABLISHED AND GOOD FAITH THAT'S BEING
17 EXERCISED. THANK YOU VERY MUCH.

18 ADDITIONAL COMMENT?

19 MS. FOGEL: THIS IS SUSAN FOGEL. I GUESS I
20 HAVE TO SUPPORT MR. FRANK'S BOTH SUBSTANTIVE AND
21 PROCESS QUESTIONS. FOR THIS COMMITTEE TO QUICKLY,
22 QUICKLY VOTE ON THINGS WITHOUT DISCUSSION BECAUSE OF
23 THE TIME DOES NOT SEEM TO SERVE YOUR PROCESS AND
24 CONFIDENCE VERY WELL.

25 I ALSO WANT TO RAISE THE QUESTION, BECAUSE OF

1 THE STRONG INTEREST IN PREVENTING CONFLICTS OF INTEREST
2 AND IN ASSURING THE PUBLIC AND THE LEGISLATURE THERE
3 ARE NO CONFLICTS OF INTEREST, I DON'T UNDERSTAND WHY
4 THE DISCLOSURE FORMS FROM THE WORKING GROUPS ARE NOT
5 AVAILABLE TO THE PUBLIC. THE PUBLIC NEEDS TO KNOW WHAT
6 KINDS OF CONFLICTS OR POTENTIAL CONFLICTS EXIST BY THE
7 PEOPLE MAKING DECISIONS.

8 DR. HALL: I'M SORRY. THE FORMS, WHAT
9 THEY'RE ASKED ARE HERE. WE CAN EASILY MAKE --

10 CHAIRMAN KLEIN: -- WORKING GROUPS DISCLOSE
11 THEIR INCOME AND INVESTMENTS TO THE PUBLIC.

12 MS. FOGEL: YEAH.

13 DR. PENHOET: THE PURPOSE OF THIS COMMITTEE
14 MEETING TODAY WAS TO EXAMINE AND HOPEFULLY PASS THE
15 ENHANCEMENTS, NOT TO REVISIT --

16 MS. FOGEL: I'M NOT. THIS IS THE
17 ENHANCEMENT. IT SAYS UNDER ENHANCEMENT, PROVIDE PUBLIC
18 ACCESS TO WORKING GROUP RECORDS EXCEPT, ONE, THINGS
19 THAT MAY BE WITHHELD UNDER THE PUBLIC RECORDS ACT,
20 BLAH, BLAH, BLAH. TWO, APPLICATIONS FOR RESEARCH
21 TRAINING AND GRANTS, ETC. AND, THREE, ECONOMIC
22 DISCLOSURE FORMS FILED BY MEMBERS OF THE VARIOUS
23 WORKING GROUPS.

24 DR. HALL: MS. FOGEL, LET ME ANSWER THAT. WE
25 HAVE WONDERFUL PEOPLE COMING TO HELP US JUDGE THESE

1 GRANTS. THIS IS A BETTER, I WOULD SAY, A BETTER
2 WORKING GROUP THAN ANY NIH STUDY SECTION I KNOW AT THIS
3 POINT. NONE OF THEM -- IN CONTRAST TO NIH, NONE OF
4 THEM CAN GET MONEY FROM CIRM. THEY HAVE NO INVESTMENT
5 IN THE SYSTEM HERE. THEY'RE COMING SIMPLY TO HELP US
6 OUT, TO CONTRIBUTE THEIR TIME AND THEIR ENERGY TO
7 PUTTING THIS THROUGH. AND I THINK TO ASK SOMEBODY IN
8 BOSTON TO DISCLOSE ALL THEIR HOLDINGS AND TO MAKE THEM
9 PUBLIC IN ORDER TO COME OUT HERE AND HELP US OUT IS, WE
10 BELIEVE --

11 DR. PENHOET: ED PENHOET SPEAKING. IN THE
12 CONVERSATIONS WE'VE HAD WITH SENATOR ORTIZ, PERATA,
13 ETC., THIS IS LANGUAGE WHICH THEY HAVE AGREED IS
14 ACCEPTABLE TO THEM, SO THAT'S A KEY REASON WHY IT'S
15 ARTICULATED IN JUST THIS WAY.

16 CHAIRMAN KLEIN: PUBLIC COMMENT. IS THERE
17 ADDITIONAL -- WOULD THE BOARD MEMBERS LIKE TO CALL THE
18 QUESTION? WHAT'S THE PLEASURE OF THE BOARD?

19 DR. REED: I GUESS I'D LIKE TO CALL THE
20 QUESTION. JOHN REED.

21 MR. KLEINSCHMIDT: SUSAN BRYANT.

22 DR. BRYANT: YES.

23 MR. KLEINSCHMIDT: BOB KLEIN.

24 CHAIRMAN KLEIN: YES.

25 MR. KLEINSCHMIDT: RICHARD MURPHY.

1 DR. MURPHY: YES.

2 MR. KLEI NSCHMI DT: TI NA NOVA.

3 DR. NOVA: YES.

4 MR. KLEI NSCHMI DT: ED PENHOET.

5 DR. PENHOET: YES.

6 MR. KLEI NSCHMI DT: CLAI RE POMEROY.

7 DR. POMEROY: YES.

8 MR. KLEI NSCHMI DT: FRANCI SCO PRI ETO.

9 DR. PRI ETO: YES.

10 MR. KLEI NSCHMI DT: JOHN REED.

11 DR. REED: YES.

12 MR. KLEI NSCHMI DT: JOAN SAMUELSON.

13 MS. SAMUELSON: YES.

14 MR. KLEI NSCHMI DT: JEFF SHEEHY.

15 MR. SHEEHY: YES.

16 MR. KLEI NSCHMI DT: JANET WRIGHT.

17 DR. WRIGHT: YES.

18 CHAIRMAN KLEIN: OKAY. THANK YOU VERY MUCH.

19 WE HAVE ONE OTHER ITEM. WE' LL TRY AND DO IT VERY

20 QUICKLY WITH RESPECT THE BOARD CONSTRAINTS. JIM

21 HARRI SON, COULD YOU COMMENT ON THE ENHANCEMENT TO THE

22 BOARD MEMBERS' DIVESTMENT AND BLIND TRUST POLI CY?

23 MR. HARRI SON: LET ME JUST VERY BRIEFLY TELL

24 YOU WHAT PRESENT LAW PROVIDES. UNDER EXISTI NG LAW,

25 MEMBERS OF THE ICOC, AS WELL AS THE PRESIDENT OF THE

1 INSTITUTE ARE GOVERNED BY THE POLITICAL REFORM ACT AND
2 GOVERNMENT CODE SECTION 1090.

3 WHAT THIS MEANS IS THAT MEMBERS OF THE ICOC
4 AND THE PRESIDENT MAY NOT MAKE, PARTICIPATE IN MAKING,
5 OR USE THEIR OFFICIAL POSITION IN AN EFFORT TO
6 INFLUENCE A DECISION THAT DIRECTLY INVOLVES ONE OF THE
7 MEMBERS' ECONOMIC INTERESTS OR A DECISION THAT WOULD
8 HAVE A MATERIAL FINANCIAL EFFECT ON ONE OF THE MEMBERS'
9 ECONOMIC INTEREST. SO, FOR EXAMPLE, IF A MEMBER'S
10 EMPLOYER APPLIED FOR A GRANT FROM THE ICOC, THE MEMBER
11 WOULD BE REQUIRED TO RECUSE HIMSELF OR HERSELF FROM
12 PARTICIPATING IN THE ICOC'S CONSIDERATION OF THAT
13 APPLICATION.

14 IN ADDITION, AS YOU MAY RECALL, THE ICOC
15 ADOPTED AS A MATTER OF POLICY A PROVISION THAT
16 PRECLUDES MEMBERS OF THE ICOC FROM APPLYING FOR OR
17 RECEIVING SALARY SUPPORT THROUGH ANY ICOC GRANTS,
18 LOANS, OR CONTRACTS. AS YOU MAY ALSO RECALL, SCA 13 AT
19 ONE POINT IN TIME REQUIRED MEMBERS TO DIVEST THEMSELVES
20 OR TO PLACE IN A BLIND TRUST ANY FINANCIAL INTERESTS IN
21 AN ENTITY THAT SEEKS FUNDING FROM THE ICOC, AS WELL AS
22 IN ANY ORGANIZATION IN WHICH 5 PERCENT OF THE ANNUAL
23 RESEARCH BUDGET IS DEVOTED TO STEM CELL THERAPY.

24 AS SENATOR ORTIZ POINTED OUT AT THE MEETING
25 ON JUNE 6TH, AND HAS BEEN SUBSEQUENTLY AMENDED BY SCA

1 13, THAT PROVISION HAS NOW BEEN DROPPED. AND SCA AS
2 CURRENTLY DRAFTED WOULD ONLY REQUIRE MEMBERS OF THE
3 ICOC TO DISCLOSE THEIR ECONOMIC INTERESTS PURSUANT TO
4 THE POLITICAL REFORM ACT, WHICH YOU ALREADY HAVE DONE.

5 THE PROPOSAL THAT WE DISCUSSED AT THE MEETING
6 ON JUNE 6TH WOULD PROVIDE FOR THE FOLLOWING: BOARD
7 MEMBERS AND THE CIRM PRESIDENT WOULD BE REQUIRED TO
8 DIVEST THEMSELVES OR PLACE IN A BLIND TRUST ANY
9 INVESTMENT OR REAL PROPERTY INTEREST OF \$2,000 OR MORE
10 IN ANY BUSINESS ORGANIZATION THAT APPLIES FOR FUNDING
11 FROM OR RESEARCH CONTRACTS WITH THE CIRM AND IN ANY
12 BUSINESS ORGANIZATION THAT ALLOCATES 5 PERCENT OR MORE
13 OF ITS ANNUAL BUDGET TO STEM CELL THERAPY.

14 CHAIRMAN KLEIN: THAT IS THE PROPOSAL. BOARD
15 COMMENT, PLEASE.

16 DR. POMEROY: CAN YOU CLARIFY FOR US WHY THE
17 WORDS "BUSINESS ORGANIZATION" ARE SUBSTITUTED FOR
18 ORGANIZATION?

19 CHAIRMAN KLEIN: WELL, THE CONCERN WAS THAT
20 IF YOU HAVE A -- IN A NONPROFIT INSTITUTION, IF THERE
21 ARE PENSION FUNDS OR OTHER INVESTMENT INTERESTS THAT
22 ARE HELD THROUGH SOMEONE'S EMPLOYMENT WITH A NONPROFIT
23 INSTITUTION, IT WAS NOT INTENDED THAT THAT AFFECT ON
24 NONPROFIT INSTITUTION. IT'S AN INVESTMENT INTEREST
25 FROM WHICH SOMEONE CAN HAVE ECONOMIC GAIN. IS THAT

1 CORRECT, JAMES?

2 MR. HARRISON: YES. TYPICALLY WHEN WE THINK
3 OF INVESTMENTS, AT LEAST UNDER THE POLITICAL REFORM
4 ACT, WE ONLY INCLUDE INVESTMENTS IN BUSINESS ENTITIES,
5 NOT IN NONPROFITS.

6 DR. POMEROY: JAMES, WHY DID YOU PUT IN
7 WORDING ABOUT APPLYING FOR FUNDING RATHER THAN
8 RECEIVING FUNDING?

9 MR. HARRISON: THAT WAS THE ORIGINAL
10 LANGUAGE. AND THE IDEA WAS TO TRY TO BE AS BROAD AND
11 AS RESPONSIVE AS POSSIBLE.

12 CHAIRMAN KLEIN: IS YOUR QUESTION, CLAIRE --

13 DR. POMEROY: IT SEEMS SORT OF UNFAIR TO MAKE
14 PEOPLE SELL THEIR STOCK IF THE APPLICATION IS GOING TO
15 BOMB.

16 MR. HARRISON: ONE OF THE PROBLEMS, OF
17 COURSE, IS THAT YOU DON'T KNOW WHETHER IT'S GOING TO
18 BOMB UNTIL AFTER THE ICOC HAS HAD AN OPPORTUNITY TO
19 CONSIDER IT.

20 DR. PENHOET: THEY'VE ACTUALLY GOTTEN THE
21 MONEY.

22 CHAIRMAN KLEIN: THERE IS A RECUSAL POLICY
23 THAT ALREADY ADDRESSES THE ISSUE OF NOT ALLOWING
24 SOMEONE TO VOTE WHO HAVE ANY ECONOMIC --

25 DR. PRIETO: TO CLARIFY THIS -- A CLARIFYING

1 QUESTION FOR ME. WHAT WOULD THE TIME LINE BE HERE?
2 WOULD A PERSON HAVE TO DIVEST OR PLACE IN A BLIND TRUST
3 AT THE TIME THAT THE GRANT -- THE REQUEST FOR FUNDING
4 WAS MADE?

5 CHAIRMAN KLEIN: AT THE TIME THAT A REQUEST
6 FOR FUNDING IS -- WELL, JAMES, WHY DON'T YOU ADDRESS
7 THAT.

8 MR. HARRISON: DR. HALL AND I ADDRESSED THIS
9 ISSUE SHORTLY BEFORE THE MEETING. WE ANTICIPATE THAT
10 AS THE CIRM STAFF REVIEWS APPLICATIONS FOR FUNDING AS
11 THEY COME IN, THAT THEY WILL BE ABLE TO HOPEFULLY
12 WITHIN FIVE TO SIX WEEKS IN ADVANCE OF THE ICOC'S
13 CONSIDERATION ADVISE A MEMBER THAT HE OR SHE HAS AN
14 INTEREST IN AN ENTITY THAT HAS APPLIED FOR FUNDING.
15 THAT WOULD GIVE THE MEMBER AN OPPORTUNITY TO, OBVIOUSLY
16 IT'S NOT A LOT OF TIME, AND THAT'S ONE OF THE PITFALLS
17 OF THIS PARTICULAR PROCEDURE, TO EITHER PUT THAT
18 INVESTMENT INTO A BLIND TRUST, OR IF THE MEMBER HAS NOT
19 ALREADY ESTABLISHED A BLIND TRUST, TO ESTABLISH ONE.

20 BUT IT IS ONE OF THE THINGS THAT I THINK YOU
21 NEED TO BE AWARE OF, WHICH IS THAT UNTIL THE ASSET --
22 UNTIL A TRUSTEE OF THE BLIND TRUST DISPOSES OF THE
23 ASSET, YOU HAVE A CONTINUING OBLIGATION TO RECUSE
24 YOURSELF UNTIL THE TRUSTEE HAS NOTIFIED YOU THAT THE
25 TRUST NO LONGER HOLDS THE ASSET. IN MANY CASES, EVEN

1 THOUGH THE ASSET IS IN A BLIND TRUST, YOU'D STILL HAVE
2 TO RECUSE YOURSELF.

3 CHAIRMAN KLEIN: BUT TO MAKE IT VERY CLEAR,
4 IF SOMEONE APPLIES, YOU'RE NOT GOING TO BE ABLE TO DO
5 THIS ON DAY ONE, SO YOU'RE RECUSING YOURSELF FROM DAY
6 ONE. YOU'RE NOT PARTICIPATING IN THE DISCUSSION AND
7 YOU'RE NOT VOTING. IS THAT A CORRECT STATEMENT?

8 MR. HARRISON: CORRECT.

9 CHAIRMAN KLEIN: SO, CLAIRE, WAS YOUR
10 CONCEPT -- YOU VOICED A CONCEPT THAT YOU THINK IS MORE
11 APPROPRIATE, THAT PEOPLE HAVE TO GO THROUGH DIVESTING
12 THEMSELVES IF FUNDING IS RECEIVED, NOT JUST IF SOMEONE
13 APPLIES?

14 DR. HALL: ACTUALLY I THINK IT'S A USEFUL
15 SUGGESTION, AS YOU POINT OUT, ABOUT THE RECUSAL. THAT
16 IS, THE PERSON WILL NOT PARTICIPATE AT ALL. AND THEN
17 IF THE GRANT IS FUNDED, THEN IT'S PROPER THAT THEY
18 DIVEST OR PUT IN A --

19 CHAIRMAN KLEIN: DR. HALL, YOU'RE SUPPORTING
20 DR. POMEROY'S SUGGESTION?

21 DR. HALL: YES. I THINK THAT WOULD WORK. I
22 HADN'T APPRECIATED THIS WRINKLE. IT WILL BE, I THINK,
23 ACTUALLY ABOUT TWO MONTHS BETWEEN THE INITIAL
24 APPLICATION AND THE ICOC MEETING.

25 CHAIRMAN KLEIN: SO THE QUESTION IS IS THERE

1 A MOTION?

2 DR. REED: SO MOVED.

3 CHAIRMAN KLEIN: WITH THE CLARIFICATION FROM
4 DR. POMEROY. IS THAT CORRECT? DR. PENHOET SAYS THAT
5 THAT IS CORRECT. SO IT'S THAT RECEIVES. AND WITH A
6 CLEAR UNDERSTANDING THAT THERE'S A RECUSAL FROM
7 PARTICIPATION IN DISCUSSION OR VOTING FROM THE TIME OF
8 APPLICATION. THAT'S ALREADY ON THE BOOKS AND WILL
9 CONTROL. OKAY. BOARD DISCUSSION.

10 MS. SAMUELSON: A QUESTION. IS IT CLEAR THAT
11 THE LEGISLATURE UNDERSTANDS THE NONPROFITS WOULD NOT BE
12 SUBJECT TO THIS?

13 CHAIRMAN KLEIN: THIS IS SPECIFIC LANGUAGE
14 THAT CAME OUT OF THE MEETING WITH THE STAFF OF THE
15 COMMITTEES CHAIRED BY DAVID PANUSH; IS THAT CORRECT,
16 JAMES?

17 MS. SAMUELSON: INCLUDING REWORDING BECAUSE
18 IT JUST SAYS ANY ORGANIZATION AS IT IS.

19 CHAIRMAN KLEIN: JAMES, THE QUESTION IS WAS
20 IT DISCUSSED IN THE CONTEXT OF AN ECONOMIC INTEREST IN
21 THAT MEETING AS WITH A FINANCIAL INTEREST THAT ONE
22 WOULD PROFIT BY?

23 MR. HARRISON: IT WAS. OF COURSE, JOAN, SCA
24 13 HAS NOW COMPLETELY ELIMINATED THIS REQUIREMENT IN
25 ITS ENTIRETY.

1 MS. SAMUELSON: WHEN I FIRST READ THIS, MY
2 CONCERN WAS THAT IT MIGHT BE INTERPRETED AS INCLUDING
3 NONPROFITS, WHICH MIGHT BE SOURCES OF SUPPORT FOR ICOC
4 MEMBERS.

5 CHAIRMAN KLEIN: IT'S BEEN CLARIFIED. I WAS
6 IN THE MEETING AS WELL AS JAMES. IT WAS CLEAR THAT IT
7 WAS DEALING WITH ECONOMIC INTEREST FROM WHICH SOMEONE
8 COULD PROFIT.

9 MS. SAMUELSON: WELL, YOU COULD PROVIDE A
10 SALARY OR A STIPEND OR SOMETHING.

11 MR. HARRISON: IT'S SPECIFICALLY LIMITED TO
12 INVESTMENTS, REAL PROPERTY OR OTHER INVESTMENTS, SUCH
13 AS STOCK OR BONDS.

14 CHAIRMAN KLEIN: THAT'S RIGHT. AND THAT WAS
15 DISCUSSED IN THE MEETING. IS THAT CORRECT, DR. HALL?
16 DR. HALL AGREES THAT WAS THE CORRECT.

17 MS. SAMUELSON: OKAY.

18 MR. HARRISON: COULD I JUST MAKE ONE QUICK
19 CLARIFICATION. THE POLITICAL REFORM ACT TREATS
20 INVESTMENTS OWNED BY DEPENDENT CHILDREN, AS WELL AS
21 INVESTMENTS OWNED BY AN OFFICIAL SPOUSE AS THAT
22 OFFICIAL'S INVESTMENT'S.

23 CHAIRMAN KLEIN: RIGHT. SO IT DOES ALREADY
24 REACH SPOUSES AND DEPENDENT CHILDREN. IS THERE -- ARE
25 THERE ADDITIONAL COMMENTS FROM THE BOARD? ARE THERE

1 ADDITIONAL COMMENTS FROM THE PUBLIC?
2 HEARING NONE, IS THERE A -- IS IT THE
3 PLEASURE OF THE BOARD TO CALL FOR THE QUESTION?
4 DR. REED: PLEASE.
5 CHAIRMAN KLEIN: ROLL CALL.
6 MR. KLEINSCHMIDT: SUSAN BRYANT.
7 DR. BRYANT: YES.
8 MR. KLEINSCHMIDT: BOB KLEIN.
9 CHAIRMAN KLEIN: YES.
10 MR. KLEINSCHMIDT: RICHARD MURPHY.
11 DR. MURPHY: YES.
12 MR. KLEINSCHMIDT: TINA NOVA.
13 DR. NOVA: YES.
14 MR. KLEINSCHMIDT: ED PENHOET.
15 DR. PENHOET: YES.
16 MR. KLEINSCHMIDT: CLAIRE POMEROY.
17 DR. POMEROY: YES.
18 MR. KLEINSCHMIDT: FRANCISCO PRIETO.
19 DR. PRIETO: YES.
20 MR. KLEINSCHMIDT: JOHN REED.
21 DR. REED: YES.
22 MR. KLEINSCHMIDT: JOAN SAMUELSON.
23 MS. SAMUELSON: YES.
24 MR. KLEINSCHMIDT: JEFF SHEEHY.
25 MR. SHEEHY: YES.

1 MR. KLEINSCHMIDT: JANET WRIGHT.

2 DR. WRIGHT: YES.

3 THE REPORTER: COULD YOU CLARIFY DR. MURPHY'S
4 VOTE, PLEASE?

5 DR. MURPHY: YES.

6 CHAIRMAN KLEIN: I'D LIKE TO POINT OUT THAT
7 EVEN THOUGH SENATOR ORTIZ FELT -- INDICATED TO THE
8 BOARD ON THE 6TH THAT THIS WOULD NOT BE SOMETHING SHE
9 WOULD BE ASKING FOR, THAT IN THE FULL GOOD FAITH EFFORT
10 OF OUR FULL PARTNERSHIP WITH ALL OF THE MEMBERS OF THE
11 LEGISLATURE, THIS IS SOMETHING THAT I RECOMMENDED, THE
12 PRESIDENT RECOMMENDED, AND THE GENERAL COUNSEL
13 RECOMMENDED TO FULFILL THE LARGEST SCOPE OF WHAT WE
14 MIGHT UNDERTAKE HERE TONIGHT.

15 WE HAVE COMPLETED THE CRITICAL ISSUES HERE
16 FOR TONIGHT. AND GIVEN THE HOUR, I THINK WE SHOULD
17 ADJOURN, ALTHOUGH WE HAVE ITEMS TO DISCUSS IN THE
18 PUBLIC MEETINGS IN THE FUTURE ON OTHER STATE AND
19 FEDERAL LEGISLATION. MOTION TO ADJOURN.

20 DR. REED: SO MOVED.

21 DR. POMEROY: BEFORE WE DO THAT, CAN I MAKE
22 TWO REQUESTS? ONE, WOULD IT BE POSSIBLE, WE'VE
23 DRAMATICALLY CHANGED A LOT OF THESE ENHANCEMENTS AND A
24 LOT OF THE LANGUAGE. WOULD IT BE POSSIBLE TO POST THE
25 REVISED VERSIONS ON THE WEB SO PEOPLE COULD REVIEW THEM

1 IN ANTICIPATION OF THE DISCUSSION AT THE ICOC MEETING?

2 CHAIRMAN KLEIN: ABSOLUTELY. AND I WANT TO
3 RESTATE SOMETHING TO MAKE SURE THAT IT'S UNDERSTOOD BY
4 THE MEMBERS OF THIS BOARD. IT WAS MY INTENT THAT THE
5 PRIOR MOTION HAVE THE 70-PERCENT PROVISION, AND THE
6 NOTICE TO THE LEGISLATURE APPLIES TO ALL OF THESE ITEMS
7 AS WE WENT THROUGH. THAT WASN'T INCORPORATED IN THE
8 MOTIONS. AND JUST OUT OF AN ABUNDANCE OF CAUTION, CAN
9 I ASK IF SOMEONE WOULD MAKE A MOTION IF THAT WAS, IN
10 FACT, OUR UNDERSTANDING.

11 MS. SAMUELSON: SO MOVED.

12 CHAIRMAN KLEIN: IS THERE A SECOND?

13 DR. POMEROY: SECOND.

14 CHAIRMAN KLEIN: OKAY. IS THERE BOARD
15 DISCUSSION? IS THERE PUBLIC DISCUSSION? CALL THE ROLL
16 ON THAT.

17 MR. KLEINSCHMIDT: SUSAN BRYANT.

18 DR. BRYANT: YES.

19 MR. KLEINSCHMIDT: BOB KLEIN.

20 CHAIRMAN KLEIN: YES.

21 MR. KLEINSCHMIDT: RICHARD MURPHY.

22 DR. MURPHY: YES.

23 MR. KLEINSCHMIDT: TINA NOVA.

24 DR. NOVA: YES.

25 MR. KLEINSCHMIDT: ED PENHOET.

1 DR. PENHOET: YES.
2 MR. KLEI NSCHMI DT: CLAI RE POMEROY.
3 DR. POMEROY: YES.
4 MR. KLEI NSCHMI DT: FRANCI SCO PRI ETO.
5 DR. PRI ETO: YES.
6 MR. KLEI NSCHMI DT: JOHN REED.
7 DR. REED: YES.
8 MR. KLEI NSCHMI DT: JOAN SAMUELSON.
9 MS. SAMUELSON: YES.
10 MR. KLEI NSCHMI DT: JEFF SHEEHY.
11 MR. SHEEHY: YES.
12 MR. KLEI NSCHMI DT: JANET WRIGHT.
13 DR. WRI GHT: YES.
14 CHAIRMAN KLEI N: OKAY. THANK YOU. THE
15 MEETING STANDS ADJOURNED.
16 (THE MEETING WAS THEN ADJOURNED AT 08:23
17 P. M.)
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