

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
REGULAR MEETING

LOCATION: AS INDICATED ON THE AGENDA

DATE: THURSDAY, JULY 24, 2008
5 P.M.

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

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BARRISTERS' REPORTING SERVICE

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BARRISTERS' REPORTING SERVICE

1 THURSDAY, JULY 24, 2008

2 5 P. M.

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CHAIRMAN KLEIN: JAMES, YOU WANT TO JUST
REMINDE US OF WHAT THE MULLIN BILL'S OBJECTIVE IS,
AND IT'S AB 2381.

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MR. HARRISON: SURE. THE OBJECTIVE OF
AB 2381 IS TO DEFINE THE TERM "CALIFORNIA SUPPLIER,"
WHICH IS ONE OF THE TERMS IN PROP 71. AND AS YOU
ALL KNOW FROM OUR PAST DISCUSSIONS OF THIS, PROP 71
REQUIRES THAT GRANTEE S ATTEMPT TO OBTAIN AT LEAST 50
PERCENT OF THE GOODS THAT THEY PURCHASE WITH CIRM
FUNDS THROUGH A CALIFORNIA SUPPLIER, BUT THE TERM IS
NOT DEFINED IN THE ACT ITSELF. THE ACT JUST SETS
FORTH THIS GOAL.

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AND WHAT ASSEMBLY MEMBER MULLIN HAS BEEN
TRYING TO DO IS SIMILAR TO WHAT WE'VE BEEN TRYING TO
DO, WHICH IS TO WORK WITH THE STAKEHOLDERS TO
DEVELOP A WORKABLE DEFINITION THAT DOESN'T IMPOSE
UNNECESSARY OR UNWORKABLE BURDENS ON THE GRANTEE S,
BUT ATTEMPTS TO SATISFY THE GOAL OF THE MEASURE.

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CHAIRMAN KLEIN: SO AS AN UPDATE, THE
SUPPLIER S AT THE LAST BOARD MEETING, SOME OF THEM
TESTIFIED, THEY ESSENTIALLY TESTIFIED AT THE LAST
BOARD MEETING THAT THEY WERE INTENDING TO WORK

BARRISTERS' REPORTING SERVICE

1 TOGETHER WITH THE INSTITUTIONS TO GET A DEFINITION
2 THAT WOULD BE INCLUSIVE AND WORK.

3 MS. NORTH: HELLO. THIS IS SUE.

4 CHAIRMAN KLEIN: HI, SUE.

5 MS. NORTH: YES.

6 CHAIRMAN KLEIN: AND WHO ELSE JUST JOINED?

7 DR. POMEROY: CLAIRE POMEROY.

8 CHAIRMAN KLEIN: DR. POMEROY. SO WHILE
9 WE'RE WAITING FOR EVERYONE ELSE TO JOIN, DR.
10 POMEROY, WE'RE JUST GOING OVER THE MULLIN BILL
11 STATUS.

12 DR. POMEROY: OH, OKAY.

13 CHAIRMAN KLEIN: AND ON THE MULLIN BILL,
14 THE CURRENT SITUATION IS THAT IT APPEARS OR IT IS
15 REPORTED TO US THAT THERE'S A CONSENSUS DEVELOPING
16 ON THE DEFINITION. ONE POINT THAT WE HAVE TAKEN
17 PUBLICLY, AND I BELIEVE WE TOOK PUBLICLY IN THE
18 BOARD MEETING, BUT I'M NOT ACUTELY AWARE OF WHETHER
19 THIS WAS MENTIONED AT THE BOARD MEETING OR NOT, IS
20 THAT IT SEEMED INAPPROPRIATE TO HAVE A DEFINITION
21 THAT REQUIRES SOMEONE TO HAVE BEEN A CALIFORNIA
22 COMPANY FOR FIVE YEARS. WE'RE TRYING TO CREATE NEW
23 JOB OPPORTUNITIES IN CALIFORNIA WHILE WE'RE FOCUSING
24 ON OUR PRIMARY OBLIGATION TO MOVE NEW THERAPIES
25 FORWARD FOR THE BENEFIT OF PATIENTS. AND SO A

BARRISTERS' REPORTING SERVICE

1 FIVE-YEAR REQUIREMENT WOULD EXCLUDE LOTS OF
2 COMPANIES FROM COMING TO CALIFORNIA BECAUSE THEY'D
3 HAVE TO WAIT FOR FIVE YEARS TO BE A PREFERRED
4 SUPPLIER.

5 DR. POMEROY: IT'S A GOOD POINT.

6 CHAIRMAN KLEIN: SO IT'S OUR UNDERSTANDING
7 THAT THAT PROVISION IS BEING DROPPED BY ASSEMBLYMAN
8 MULLIN AND BY THE INDUSTRY.

9 DR. POMEROY: OKAY.

10 CHAIRMAN KLEIN: SO WE ARE WAITING FOR A
11 REPORT BACK FROM THE INDUSTRY GROUP ON -- WE WANT TO
12 SEE IT IN PRINT, NOT JUST ORALLY, ON EXACTLY WHAT
13 THE CONSENSUS IS ON THIS DEFINITION. AND WE DON'T
14 HAVE ANY ACTION TO TAKE TODAY ON THE MULLIN BILL.

15 WHO ELSE JUST JOINED?

16 MS. NORTH: I'M HERE. I'M IN ROOM 3103.

17 CHAIRMAN KLEIN: DR. POMEROY, UC DAVIS IS
18 WELL REPRESENTED.

19 DR. POMEROY: EXACTLY.

20 CHAIRMAN KLEIN: OKAY. SO AT THIS POINT
21 LET'S START THE DISCUSSION ON SENATE BILL 1565, AND
22 I'D LIKE TO EMPHASIZE, AS I DID IN THE REPORT TO THE
23 CONTROLLER'S OVERSIGHT COMMITTEE SOME TWO WEEKS AGO,
24 THAT WHAT WE HAVE HERE IS AN AGREEMENT ON INTENT;
25 THAT IS, WE WANT TO MAKE SURE THAT STATE AND LOCAL

BARRISTERS' REPORTING SERVICE

1 GOVERNMENT-FUNDED PROGRAMS GET THE BENEFIT OF THE
2 LOWEST PRICE, BUT WE DO NOT WANT OR HAVE TAKEN A
3 POSITION WE DO NOT WANT TO HAVE A CODIFICATION THAT
4 WILL NOT ALLOW US THROUGH REGULATION TO RESPOND TO
5 OPPORTUNITIES AND WHICH PRESUPPOSES THAT WE KNOW
6 EVERYTHING OR ENOUGH INFORMATION THAT WE CAN PUT
7 SOMETHING IN CODES TODAY WITHOUT UNDERSTANDING THE
8 THERAPIES AND WITHOUT UNDERSTANDING THE DISEASES AND
9 WITHOUT UNDERSTANDING THE COST WITHOUT CAUSING
10 OURSELVES OR CREATING OBSTACLES TO MOVING THERAPIES
11 FORWARD AND ATTRACTING THE PRIVATE MONEY TO MAKE
12 THOSE A REALITY.

13 NOW, SUBSEQUENT TO THE BOARD MEETING AND
14 BASED UPON A LETTER AND SOME DISCUSSIONS THAT I HAD
15 WITH SENATOR KUEHL, SHE DID MAKE AN AMENDMENT THAT
16 EXCLUDED ORPHAN DRUGS. BECAUSE OF THE UNIQUE NATURE
17 AND SMALL POPULATIONS THAT MUST BE SERVED HERE, WE
18 MAY HAVE TO BE VERY UNFAMILIAL IN HOW WE ADDRESS
19 ORPHAN DRUGS AND JUST MAKING IT INFEASIBLE IN THE
20 FIRST PLACE TO PRODUCE THAT MARKET.

21 SUBSEQUENT TO THE BOARD MEETING AS WELL,
22 I'D LIKE TO REPORT THAT SUE NORTH AND I HAD A SHORT
23 DISCUSSION WITH SENATOR KUEHL ON SOME OF THE
24 ADDITIONAL OBSTACLES IN THE BILL. AGAIN EMPHASIZING
25 THAT THE BILL WAS PREMATURE BECAUSE ONE OF THE KEY

BARRISTERS' REPORTING SERVICE

1 ISSUES HERE WAS NOT KNOWING ENOUGH OF THE FACTS, WE
2 NEED TO HAVE FLEXIBILITY, BUT WE POINTED OUT TO HER
3 THAT, FOR EXAMPLE, IF YOU WERE TO LOOK AT THE BILL
4 ITSELF ON PAGE 5 OF THE BILL, THE OPERATIVE LANGUAGE
5 AS SECTION 125293(C)(1) PICKS UP A PROVISION FROM
6 OUR OWN REGULATIONS THAT HAS NOT BEEN FULLY REFINED.
7 AND THAT PROVISION REFERENCES THAT OUR REGULATIONS
8 APPLY CURRENTLY IF THE RESEARCH WAS FUNDED IN WHOLE
9 OR IN PART.

10 WELL, OUR REGULATIONS HAVE NOT BEEN
11 REFINED ON WHAT IN PART MEANS. AND THE COMPANIES
12 AND THE RESEARCH INSTITUTIONS HAVE INDICATED TO US
13 THE LACK OF A DEFINITION OF IN PART CAN BE A HUGE
14 HINDRANCE BECAUSE IT INFERS THAT IF A DOLLAR OF
15 DIRECT RESEARCH OR INDIRECT EXPENDITURES IN PART,
16 FUNDED AT ALL, THAT THESE REGULATIONS WOULD ALL
17 APPLY.

18 AND IN DISCUSSION WITH SENATOR KUEHL,
19 AFTER POINTING THIS OUT, THE DISCUSSION FOCUSED
20 AROUND THAT THERE NEEDED TO BE SOME TEST OF
21 SUBSTANTIALITY. AND SHE APPEARED TO BE RECEPTIVE TO
22 PUTTING THE WORDS "IN SUBSTANTIAL PART." OUR
23 DISCUSSIONS SUBSEQUENTLY WITH THE RESEARCHERS AND
24 INDUSTRY INDIVIDUALS AND INDIVIDUALS FROM OFFICES OF
25 TECH TRANSFER WOULD BE THAT ADDING THE WORD

BARRISTERS' REPORTING SERVICE

1 "SUBSTANTIAL," MAKING IT IN SUBSTANTIAL PART WOULD
2 BE A SIGNIFICANT IMPROVEMENT ON THAT POINT.

3 THERE ARE OTHER SIGNIFICANT POINTS THAT
4 WE'D LIKE TO GO THROUGH HERE, BUT POSSIBLY IT WOULD
5 BE MOST INSTRUCTIVE SO THAT WE CAN KEEP THE COMMENTS
6 FOCUSED COHESIVELY AROUND EACH OF THE SIGNIFICANT
7 ITEMS WE RAISE, IF WE WENT THROUGH AND ASKED FOR THE
8 BOARD MEMBERS' COMMENTS ON THIS SPECIFIC ITEM AND
9 THEN ASK FOR PUBLIC COMMENT ON THIS ITEM BEFORE
10 GOING TO OTHER ITEMS IN THE DISCUSSION.

11 SO ARE THERE ANY BOARD MEMBERS WHO WOULD
12 LIKE TO COMMENT ON THE CHANGE IN LANGUAGE TO SAY IN
13 SUBSTANTIAL PART FOR THE WORDS IN PART? AND I
14 WILL --

15 WHO JUST JOINED?

16 DR. PRIETO: THIS IS FRANCISCO PRIETO.

17 CHAIRMAN KLEIN: OKAY. FRANCISCO. THANK
18 YOU.

19 LET'S DO THIS BEFORE WE GO ON WITH
20 DISCUSSION. NOW THAT WE HAVE ENOUGH BOARD MEMBERS
21 ON, WOULD YOU DO THE ROLL CALL, MELISSA, PLEASE.

22 MS. KING: ABSOLUTELY.

23 SUSAN BRYANT.

24 DR. BRYANT: HERE.

25 MS. KING: MICHAEL GOLDBERG. BOB KLEIN.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN KLEIN: HERE.

2 MS. KING: SHERRY LANSING. TINA NOVA.

3 CLAIRE POMEROY.

4 DR. POMEROY: HERE.

5 MS. KING: FRANCISCO PRIETO.

6 DR. PRIETO: HERE.

7 MS. KING: JOHN REED. JOAN SAMUELSON.

8 JEFF SHEEHY.

9 MR. SHEEHY: HERE.

10 CHAIRMAN KLEIN: ALL RIGHT. SO AT THIS
11 POINT, I'D ALSO INDICATE THAT WE DON'T HAVE A
12 QUORUM, BUT THE OBJECTIVE OF THIS PARTICULAR MEETING
13 IS TO GET BACK TO SENATOR KUEHL AND AT LEAST TRY AND
14 COMMUNICATE, DESPITE BELIEVING THIS IS STILL A
15 PREMATURE BILL, ON AREAS WHERE THERE IS SIGNIFICANT
16 DIFFERENCES WHERE THERE MIGHT BE AGREEMENT THAT
17 MIGHT BRING THE PARTIES CLOSER TOGETHER.

18 SO, DR. PRIETO, OUR DISCUSSION IS FOCUSED
19 IN THE COMMENCEMENT OF THIS DISCUSSION ON THE FACT
20 THAT SENATOR KUEHL MAY BE RECEPTIVE TO MODIFYING THE
21 QUALIFIER OF WHEN THE SUPPLIES TO SAY IN WHOLE OR IN
22 SUBSTANTIAL PART, NOT TO SAY IN WHOLE OR IN PART
23 WHERE IN PART HAS NO DEFINITION WHATSOEVER. SO IT
24 WOULD THEORETICALLY APPLY IF ONE DOLLAR WAS
25 EXPENDED.

BARRISTERS' REPORTING SERVICE

1 DR. PRIETO: SO DOES SUBSTANTIAL HAVE A
2 LEGAL DEFINITION WHERE IT WOULD MEAN, YOU KNOW, MORE
3 THAN A CERTAIN PERCENTAGE OR MORE THAN A CERTAIN --

4 CHAIRMAN KLEIN: BY PUTTING IN THE
5 WORDS -- IN FACT, THAT CHILD IS REPRESENTATIVE OF
6 WHY WE'RE ALL COMMITTED.

7 DR. PRIETO: THAT'S RIGHT.

8 MS. KING: THAT IS MICHELLE SHEEHY.

9 CHAIRMAN KLEIN: A VERY VIBRANT MEMBER OF
10 THE PUBLIC.

11 DR. PRIETO: SO IS THERE A LEGAL
12 DEFINITION OF THAT WORD?

13 CHAIRMAN KLEIN: BY INCLUDING THE WORD
14 "SUBSTANTIAL," WE COULD THEN ADMINISTRATIVELY
15 THROUGH OUR REGS BE ABLE TO BE CONSISTENT WITH
16 LEGISLATIVE INTENT AND FURTHER DEFINE IT AS IT
17 RELATED TO EACH DISEASE. AND IT MAY CHANGE
18 SIGNIFICANTLY BASED UPON THE TOTAL DOLLAR AMOUNT
19 THAT'S EXPENDED AND THE TOTAL COST OF DEVELOPING THE
20 THERAPY.

21 DR. PRIETO: OKAY. BECAUSE ONE OF THE
22 THINGS I'VE BEEN THINKING ABOUT A LOT IS, YOU KNOW,
23 IT'S OCCURRED TO ME THAT THERE ARE GOING TO BE
24 APPLICATIONS COMING OUT OF THE RESEARCH THAT OR I
25 SHOULD SAY, YOU KNOW, DISCOVERIES OR TECHNIQUES

BARRISTERS' REPORTING SERVICE

1 COMING OUT OF THE RESEARCH THAT ARE GOING TO HAVE
2 MULTIPLE APPLICATIONS, AND SOME OF THEM ARE GOING TO
3 BE VERY BROAD, FOR EXAMPLE, OR, YOU KNOW, HAVE HUGE
4 IMPACT LIKE SOMETHING LIKE DIABETES, AND THEN SOME
5 OF THEM ARE GOING TO HAVE THE SAME TECHNOLOGY
6 APPLICABLE TO A DIFFERENT DISEASE THAT WE CONSIDER
7 AN ORPHAN DISEASE. AND I THINK THAT'S WHY WE WANT
8 THE FLEXIBILITY. IF I'M CORRECT --

9 CHAIRMAN KLEIN: YEAH.

10 DR. PRIETO: -- THIS WILL GIVE US SOME
11 ROOM TO MANEUVER WITHIN OUR REGULATIONS.

12 CHAIRMAN KLEIN: THIS GIVES US A
13 LEGISLATIVE BASIS TO JUSTIFY OUR DISCRIMINATION IN
14 OUR REGULATORY PROCESS.

15 DR. PRIETO: OKAY.

16 DR. BRYANT: SO COULD YOU TELL ME
17 WHEREABOUTS IN THIS DOCUMENT THAT WOULD BE MODIFIED?

18 CHAIRMAN KLEIN: IT WOULD BE PAGE 5 OF THE
19 BILL, AND IT WOULD BE AT LINE 24. YOU CAN SEE THE
20 WORDS "IN WHOLE OR IN PART." THAT PHRASE ALSO
21 EXISTS AT LINE 16, WHICH WOULD CONSISTENTLY BE
22 MODIFIED AS WELL, AS WELL AS ANY OTHER LOCATION IN
23 THE BILL THAT THE LANGUAGE IS REPEATED.

24 DR. PRIETO: IS IT YOUR IMPRESSION OR
25 SUE'S IMPRESSION THAT SHE'D BE AMENABLE TO THIS KIND

BARRISTERS' REPORTING SERVICE

1 OF A CHANGE?

2 CHAIRMAN KLEIN: WELL, WE HAD A SHORT
3 DISCUSSION WITH HER WHERE SHE SUGGESTED THAT THAT
4 WAS A MODIFICATION THAT SHE MIGHT BE PREPARED TO
5 LIVE WITH. UNTIL IT'S ACTUALLY SIGNED OFF ON, I
6 DON'T WANT TO SAY THAT SHE'S FULLY COMMITTED TO IT.

7 DR. PRIETO: RIGHT.

8 CHAIRMAN KLEIN: BUT IT'S A SITUATION
9 WHERE SHE DID SEE THAT THERE MIGHT BE A SIGNIFICANT
10 PROBLEM IN APPLYING THIS. THERE ARE OTHER EXAMPLES
11 WE'VE GIVEN HER WHERE SHE DID NOT RECOGNIZE THE
12 PROBLEM. SHE HAS A DIFFERENT PERSPECTIVE, VERY
13 LEGITIMATE. IN THIS PARTICULAR CASE IT APPEARED
14 THAT SHE DID RECOGNIZE THERE WAS A PROBLEM AND
15 APPEARED TO BE RECEPTIVE TO THIS MODIFICATION.

16 MS. NORTH: AND I WOULD ALSO ADD ONLY THAT
17 SHE WAS THE ONE WHO CHOSE THE SUBSTANTIAL AS A
18 COMPROMISE.

19 CHAIRMAN KLEIN: SUE, IF YOU CAN MOVE
20 CLOSER TO THE MIC, PLEASE.

21 MS. NORTH: OKAY. IS THIS BETTER, BOB?

22 CHAIRMAN KLEIN: YES.

23 DR. PRIETO: THAT'S BETTER.

24 MS. NORTH: OKAY. I WAS SIMPLY GOING TO
25 SAY THAT THE CHOICE OF WORDS, MEANING THE ADDITION

BARRISTERS' REPORTING SERVICE

1 OF SUBSTANTIAL, WAS HER IDEA.

2 CHAIRMAN KLEIN: THAT'S RIGHT.

3 DR. PRIETO: OKAY.

4 CHAIRMAN KLEIN: I EXPLAINED THE PROBLEM
5 TO HER AND INDICATED IT HAD TO BE A STATEMENT OF
6 DEGREE OF MATERIALITY OF SIGNIFICANCE, AND SO THE
7 WORD "SUBSTANTIAL" IS HER WORD.

8 DR. PRIETO: OKAY. DOES IT GIVE US
9 SUFFICIENT FLEXIBILITY, DO YOU THINK?

10 CHAIRMAN KLEIN: I CAN TELL YOU -- IS DR.
11 TROUNSON ON?

12 MS. KING: NO, HE'S NOT.

13 CHAIRMAN KLEIN: SO DR. TROUNSON AND ED
14 PENHOET AND I WERE ON A CALL IN THE LAST 48 HOURS
15 WHERE THEY BELIEVE THIS WOULD BE A SUBSTANTIAL
16 IMPROVEMENT.

17 DR. PRIETO: OKAY.

18 CHAIRMAN KLEIN: ANY OTHER BOARD MEMBER
19 COMMENTS?

20 DR. POMEROY: BOB, THIS IS CLAIRE. I
21 WOULD JUST SAY IT SEEMS LIKE AN IMPROVEMENT ALTHOUGH
22 IT DOES CONTINUE TO BEG THE QUESTION OF DEFINITION,
23 BUT I'M SUPPORTIVE OF MODIFYING IT IN THE WAY THAT
24 SHE SUGGESTS.

25 CHAIRMAN KLEIN: OKAY. AND ARE THERE

BARRISTERS' REPORTING SERVICE

1 MEMBERS OF THE PUBLIC FROM ANY OF THE LOCATIONS WHO
2 WOULD LIKE TO COMMENT?

3 MS. KING: NONE IN SAN FRANCISCO AT THIS
4 TIME.

5 MR. EARP: THIS IS DAVID EARP IN PALO ALTO
6 SITTING WITH BOB. I'M WITH GERON CORPORATION. I
7 THINK THE ADDITION OF SUBSTANTIAL WOULD BE VERY
8 HELPFUL. IT WOULD THEN BE IMPERATIVE THAT CIRM
9 RELATIVELY QUICKLY PROVIDE DEFINITION FOR THAT
10 BECAUSE IF YOU'RE LOOKING FOR COMPANIES TO APPLY FOR
11 GRANTS OR LOANS, IT'S GOING TO BE IMPORTANT THAT WE
12 HAVE CERTAINTY.

13 I DON'T THINK IT WILL BE AN IMMEDIATELY
14 SIMPLE EXERCISE TO DEFINE WHAT SUBSTANTIAL MEANS FOR
15 PARTICULAR DISEASE CONDITIONS. THAT WON'T BE VERY
16 STRAIGHTFORWARD.

17 MY OTHER QUESTION OR COMMENT IS THAT I
18 NOTICE 125293 REFERS TO GRANTEEES. I UNDERSTAND THIS
19 WOULD APPLY ALSO TO RECIPIENTS OF THE LOAN PROGRAM.

20 CHAIRMAN KLEIN: YEAH. THERE'S BEEN SOME
21 DISCUSSION THAT IT WOULDN'T APPLY TO THE LOAN
22 PROGRAM, BUT I ALWAYS GO BACK AND READ THE
23 INITIATIVE BECAUSE SINCE I DID SO MANY DRAFTS, I
24 ALWAYS WANT TO MAKE SURE EXACTLY WHAT GOT IN THE
25 FINAL COPY.

BARRISTERS' REPORTING SERVICE

1 AND THE -- IN THE DEFINITION SECTION
2 125292.10 (I), GRANT MEANS A GRANT, LOAN, OR
3 GRANTEE. SO CURRENTLY ON A STATUTORY BASIS IT WOULD
4 APPEAR THAT EVEN THOUGH SHE'S REFERRING TO GRANTEES
5 AND INTENDED TO REACH GRANTS, SHE MAY INADVERTENTLY
6 BE REACHING LOANS AS WELL, WHICH IS A DIFFICULT
7 ISSUE, BUT I'D LIKE TO BRING THAT UP AS A SEPARATE
8 POINT IF WE COULD.

9 DR. PRIETO: WELL, I THINK THE QUESTION,
10 THOUGH, IS WILL THIS BE -- WILL THIS PULL IN LOANS
11 UNDER STATUTE?

12 CHAIRMAN KLEIN: MY UNDERSTANDING AND
13 BELIEF IS THAT IT IS. AND, JAMES, SUBSEQUENT TO MY
14 DISCUSSION WITH YOU, COULD YOU COMMENT ON YOUR
15 UNDERSTANDING?

16 MR. HARRISON: YES. I WOULD AGREE THAT AS
17 CURRENTLY DRAFTED, THOUGH IT MAY NOT HAVE BEEN THE
18 AUTHOR'S INTENT, IT WOULD ENCOMPASS LOANS BECAUSE OF
19 THE DEFINITION -- THE PREEXISTING DEFINITION OF
20 GRANT IN PROP 71 WHICH DOES INCORPORATE LOANS.

21 CHAIRMAN KLEIN: SO, IN FACT, WE CAN PICK
22 THIS UP AT THIS POINT. ARE THERE BOARD MEMBERS THAT
23 WANT TO HAVE A FURTHER COMMENT ON THIS POINT? THE
24 INTENT WOULD BE TO GO BACK TO HER, SINCE SHE DIDN'T
25 INTEND TO PICK UP LOANS, AND CERTAINLY IF IT'S

BARRISTERS' REPORTING SERVICE

1 PREMATURE FOR GRANTS, IT'S CLEARLY PREMATURE FOR
2 LOANS AS WE TRY AND PASS THE POLICIES. BUT ARE
3 THERE -- IS THERE ANY BOARD MEMBER WHO WOULD
4 DISAGREE WITH ASKING HER TO MAKE IT CLEAR THAT SHE
5 ONLY INTENDED TO ADDRESS GRANTS PER SE AND NOT
6 LOANS?

7 IS THERE ANY INDUSTRY OR PUBLIC COMMENT ON
8 EXCLUDING LOANS FROM THE DEFINITION?

9 OKAY. SO I THINK THAT, UNLESS THERE'S
10 ADDITIONAL COMMENT, I THINK THERE APPEARS TO BE A
11 GENERAL BELIEF FROM THE PEOPLE WE'VE HEARD FROM FROM
12 INSTITUTIONS, INDUSTRY THAT HAVING THIS APPLY TO
13 LOANS WHERE YOU ACTUALLY PAY THE MONEY BACK AND,
14 AGAIN, WHERE WE HAVEN'T ACTUALLY ADOPTED THE
15 POLICIES YET IS DEFINITELY PREMATURE. AND WE'D ASK
16 HER TO PLEASE EXCLUDE LOANS FROM THESE POLICIES.

17 DR. PRIETO: ARE WE -- I GUESS IT PROBABLY
18 GOES WITHOUT SAYING THAT WE'RE GOING TO HAVE TO HAVE
19 A NEW IP POLICY TO APPLY TO THE LOANS.

20 CHAIRMAN KLEIN: EXACTLY. THERE WILL BE A
21 FULL IP POLICY THAT APPLIES TO LOANS, AND WE'LL NEED
22 ACCESS AND WE'LL NEED TO ADDRESS ALL THESE ISSUES.
23 JUST HAVEN'T HAD A CHANCE TO DO IT.

24 IT'S ALSO VERY IMPORTANT TO REALIZE THAT
25 UNDER A LOAN PROGRAM WHAT THE LOAN TASK FORCE HAS

BARRISTERS' REPORTING SERVICE

1 DISCUSSED IS HAVING MATCHING FUNDS WHENEVER
2 POSSIBLE. AND MAJOR HEALTHCARE PROVIDERS MOST
3 RECENTLY HAVE BEEN APPROACHED BY BIOTECH COMPANIES
4 ASKING THEM TO PARTICIPATE IN THE COST OF CLINICAL
5 TRIALS. THAT COULD BE IN A LOAN ITSELF OR IN A
6 CONTRIBUTION OF FUNDS. AND WHERE WE'RE ASKING FOR
7 MATCHING FUNDS, A VERY SPECIFIC INCENTIVE TO GET
8 ADDITIONAL RESOURCES IN SO WE CAN LIMIT OUR RESOURCE
9 CONTRIBUTION.

10 AND IF SOMEONE LIKE KAISER PAYS PART OF
11 THE COST OF A CLINICAL TRIAL, THEORETICALLY THEY
12 SHOULD GET A LOWER PRICE ON THEIR PRODUCT, AND THAT
13 WOULD CREATE A PROBLEM IN APPLYING THE STANDARDS
14 THAT ARE IN 1565 BECAUSE IT DOESN'T ACCOUNT FOR THE
15 FACT THAT SOMEONE'S PRICE MAY REFLECT THE FACT THAT
16 THEY CONTRIBUTED TO REDUCE THE COST OF CLINICAL
17 TRIALS OR DRUG DEVELOPMENT.

18 DR. PRIETO: IS THAT STANDARD IN -- I MEAN
19 I DON'T KNOW -- IS THERE PRECEDENT THAT APPLIES TO
20 THAT?

21 CHAIRMAN KLEIN: ARE THERE MAJOR
22 HEALTHCARE PROVIDERS WHO HAVE CONTRIBUTED MONEY TO
23 CLINICAL TRIALS?

24 DR. PRIETO: OH, THAT I KNOW OCCURS, BUT
25 CONTRIBUTED TO CLINICAL TRIALS AND AS PART OF THEIR

BARRISTERS' REPORTING SERVICE

1 COMPENSATION FOR THAT OR IN COMPENSATION FOR THAT
2 HAVE RECEIVED SOME SORT OF FAVORABLE PRICING FOR THE
3 SUBSEQUENT PRODUCT.

4 CHAIRMAN KLEIN: DO ANY OF THE PUBLIC
5 MEMBERS WANT TO COMMENT ON THAT? OKAY. IT'S BEEN
6 REPRESENTED TO ME AS RECENTLY AS TWO DAYS AGO THAT,
7 IN FACT, IN THE NEGOTIATION FOR CONTRIBUTING MONEY
8 TO CLINICAL TRIALS, THAT PROVIDERS CAN ASK FOR
9 PARTICIPATION IN THE PROCESS OR A LOWER PRICE FOR
10 THEMSELVES OR ANY OF THE ABOVE.

11 DR. PRIETO: OKAY.

12 CHAIRMAN KLEIN: SO HERE'S THE SITUATION
13 WHERE WE'RE GOING TO TRY AND LEARN AND HAVE A REAL
14 WELL-DOCUMENTED BASE BEFORE WE ADOPT REGULATIONS.
15 AND WE DON'T HAVE ADEQUATE INFORMATION, BUT WE HAVE
16 REPRESENTATIONS THAT LEAD US TO BELIEVE THAT THERE
17 WOULD BE A PROBLEM HERE OF SIGNIFICANCE.

18 DR. PRIETO: IT SEEMS TO ME PARTICIPATION
19 IN PRODUCT WOULD BE IN PROFIT WOULD BE CLEANER.

20 CHAIRMAN KLEIN: I CAN'T COMMENT FURTHER
21 THAN WHAT'S BEEN REPORTED.

22 DR. PRIETO: SURE.

23 CHAIRMAN KLEIN: ANOTHER ISSUE THAT HAS
24 BEEN RAISED IS THAT ON PAGE 5, WHILE WE'RE THERE, IS
25 AT LINE 19, YOU WILL NOTICE THAT IT SAYS THE ICOC

BARRISTERS' REPORTING SERVICE

1 SHALL REQUIRE SUBMISSION OF A PLAN REQUIRED BY
2 SUBDIVISION A BEFORE A DRUG IS PLACED INTO COMMERCE.
3 NOW, THE WORDS "IN THE UNITED STATES" ARE MISSING.
4 AND THE REASON THAT'S RELEVANT IS IT MIGHT BE VERY
5 DIFFICULT TO SUBMIT AN ACCESS PLAN IF IT'S FIRST
6 BEEN COMMERCIALIZED IN EUROPE BECAUSE THE FDA HASN'T
7 APPROVED IT YET.

8 DR. PRIETO: COULD YOU REPEAT THAT?

9 CHAIRMAN KLEIN: YEAH. SO THIS REQUIRES
10 THE SUBMISSION OF A PLAN, AN ACCESS PLAN, BEFORE A
11 DRUG IS PLACED INTO COMMERCE. IT DOESN'T SAY IN THE
12 UNITED STATES.

13 DR. PRIETO: OH.

14 CHAIRMAN KLEIN: SO THE PROBLEM HERE IS IT
15 MIGHT BE VERY DIFFICULT TO ASK SOMEONE TO SUBMIT AN
16 ACCESS PLAN BEFORE THE DRUG HAS BEEN APPROVED BY THE
17 FDA.

18 DR. PRIETO: OH, RIGHT. RIGHT. THAT'S
19 GOT TO SPECIFY THE UNITED STATES.

20 CHAIRMAN KLEIN: WELL, THAT'S THE FEELING
21 OF THE EXECUTIVE COMMITTEE, BUT I SPECIFICALLY
22 WANTED TO MAKE SURE THAT THERE WASN'T SOMETHING
23 OUTSIDE OF OUR KNOWLEDGE THAT THE OTHER BOARD
24 MEMBERS MAY KNOW OF. IS THERE ANY OTHER COMMENT
25 FROM THE BOARD?

BARRISTERS' REPORTING SERVICE

1 DR. POMEROY: THIS SEEMS LIKE A REASONABLE
2 CLARIFICATION.

3 DR. BRYANT: I AGREE.

4 CHAIRMAN KLEIN: YEAH. OKAY. ANY OTHER
5 MEMBERS -- ANY PUBLIC MEMBERS COMMENTS? IT SEEMS ON
6 ITS FACE TO BE A BASIC REQUIREMENT. UNTIL THE FDA
7 HAS APPROVED IT FOR COMMERCIALIZATION IN THE UNITED
8 STATES, IT'S VERY DIFFICULT TO HAVE AN ACCESS PLAN.

9 DR. PRIETO: SURE. IF YOU DON'T HAVE FDA
10 APPROVAL AND YOU DON'T KNOW WHAT CONDITIONS THE FDA
11 MIGHT PUT ON APPROVAL, NO, IT'S JUST IMPOSSIBLE.

12 CHAIRMAN KLEIN: OKAY. ANOTHER AREA WHERE
13 WE THINK THAT THE SENATOR MAY BE WILLING TO RESPOND
14 IS ON PAGE 5 AND LINE 28, THAT SAYS THE CIRM SHALL
15 PROVIDE THOSE DRUGS TO PUBLICLY FUNDED PROGRAMS IN
16 CALIFORNIA. NOW, IN OUR PRESENTATION, IN OUR
17 STAFF'S PRESENTATION, THE SENATOR AND THE STAFF TALK
18 ABOUT STATE AND LOCAL GOVERNMENT-FUNDED PROGRAMS.
19 THE WORD "PUBLICLY FUNDED" COULD THEORETICALLY
20 INCLUDE MEDICARE-FUNDED PROGRAMS.

21 DR. PRIETO: OR THE VA.

22 CHAIRMAN KLEIN: OR VA-FUNDED PROGRAMS.
23 AND THE ISSUE HERE IS IF WE'RE TRYING TO GIVE THE
24 MAXIMUM BENEFIT TO CALIFORNIA, WHICH MAY NOT HAVE
25 THE RESOURCES OF MEDICARE OR THE VA, IT WAS THOUGHT

BARRISTERS' REPORTING SERVICE

1 IT WOULD BE IMPORTANT TO ASK HER TO REFLECT IN THE
2 LANGUAGE SHE HAS PRESENTED PUBLICLY IN HER
3 PRESENTATION.

4 NOW, CLAIRE, YOU RUN A MAJOR HOSPITAL UP
5 THERE, AND, SUE, YOU HAVE ONE -- YOU HAVE MAJOR
6 HOSPITALS COORDINATING IN IRVINE. WOULD EITHER OF
7 YOU LIKE TO COMMENT ON THIS?

8 DR. BRYANT: I DON'T HAVE KNOWLEDGE IN
9 THIS AREA, SORRY, CLINICALLY.

10 CHAIRMAN KLEIN: AND DR. POMEROY.

11 DR. POMEROY: WELL, I THINK IT WOULD BE
12 IMPORTANT FOR -- WELL, I'M NOT SURE EXACTLY WHAT
13 PUBLICLY FUNDED PROGRAMS, EVERYTHING THAT THAT WOULD
14 ENCOMPASS I HAVE TO SAY. BUT FROM MY PERSPECTIVE,
15 IT WOULD BE IMPORTANT FOR THOSE OF US WHO NORMALLY
16 PARTICIPATE IN THE PRICING PROGRAMS, LIKE THE 340 B
17 PROGRAMS, FOR EXAMPLE, TO BE ABLE TO GET IT AT THE
18 LOWEST POSSIBLE PRICE.

19 CHAIRMAN KLEIN: AND THE 340 B IS A
20 REFERENCE TO HEALTH AND SAFETY CODE.

21 DR. POMEROY: I'M NOT SURE.

22 DR. PRIETO: IS IT A STATE OF CALIFORNIA?

23 DR. POMEROY: NO. IT WOULD BE -- IT WOULD
24 BE -- I MEAN THAT'S A PROGRAM THAT EXTENDS BEYOND
25 THAT.

BARRISTERS' REPORTING SERVICE

1 DR. PRIETO: IS IT MEDI-CAL, WHICH IS A
2 STATE AND FEDERALLY -- YOU KNOW, STATE-FEDERAL
3 PARTNERSHIP?

4 DR. POMEROY: WELL, IT'S SEPARATE AND
5 DISTINCT FROM THAT.

6 CHAIRMAN KLEIN: AND, CLAIRE, YOU'RE
7 RUNNING A HOSPITAL OPERATION THAT IS ITSELF FUNDED
8 BY THE STATE OF CALIFORNIA.

9 DR. POMEROY: YEAH, IN PART.

10 CHAIRMAN KLEIN: AND SO TO THE EXTENT YOUR
11 FUNDS WOULD BE UTILIZED, YOU WOULD THEORETICALLY BE
12 COVERED. AND WE WANT TO MAKE IT CLEAR THAT YOU WERE
13 COVERED BECAUSE IT WOULD BE STATE AND LOCAL
14 GOVERNMENT FUNDED.

15 DR. POMEROY: RIGHT. THAT'S WHAT I'M
16 TRYING TO SAY.

17 CHAIRMAN KLEIN: RIGHT. SO WHAT WE NEED
18 TO DO IS MAKE SURE THAT STATE AND LOCAL GOVERNMENT
19 COVERS STATE-FUNDED INSTITUTIONS THAT ARE PROVIDING
20 THESE MEDICAL SERVICES.

21 MS. NORTH: BOB, I HAVE ONE TECHNICAL
22 THING TO ADD TO THIS, AND THAT IS I THINK ANOTHER
23 ELEMENT TO OUR ARGUMENT IS THE FEDERAL GOVERNMENT
24 HAS ITS OWN PRICING POLICIES AND ITS OWN METHODOLOGY
25 FOR NEGOTIATING PRICES. AND I DON'T THINK WE WANT

BARRISTERS' REPORTING SERVICE

1 TO CONFUSE THIS WITH FEDERAL PRICING ACTIONS AT ALL.

2 DR. PRIETO: YEAH. I THINK WE'D WANT
3 LANGUAGE THAT COVERED, YOU KNOW, STATE AND LOCALLY
4 FUNDED PROGRAMS AND CALIFORNIA STATE INSTITUTIONS,
5 FOR EXAMPLE, UNIVERSITY OF CALIFORNIA AFFILIATED
6 INSTITUTIONS, BUT WE DON'T NECESSARILY WANT OR NEED
7 TO EXTEND THAT PRICING BREAK. IN FACT, I WOULD
8 ARGUE WE PROBABLY DON'T WANT AT ALL PUBLICLY FUNDED
9 BECAUSE THEN YOU PULL IN EVERYTHING FEDERAL AND, YOU
10 KNOW, THE WHOLE COUNTRY.

11 CHAIRMAN KLEIN: EXACTLY. AND TO THE
12 EXTENT THERE'S A STATE INSTITUTION WHERE THE PROGRAM
13 IS FUNDED BY MEDICARE, YOU'RE TRYING TO GET TO THOSE
14 PROGRAMS FUNDED BY STATE OR LOCAL FUNDS.

15 MS. NORTH: BUT ALSO YOU HAVE JUST THE
16 SHARED CONFUSION. THE FEDERAL GOVERNMENT DOES ITS
17 OWN PROCUREMENT. IT DOES ITS OWN NEGOTIATING. IT
18 DOES ITS OWN RULES. AND IF WE WERE TO INADVERTENTLY
19 MIX UP THIS PRICING POLICY, IT COULD HAVE A WHOLE
20 LOT OF UNINTENDED CONSEQUENCES WITHIN THE U.S.
21 MILITARY, WITHIN, YOU KNOW, A HOST OF DIFFERENT LIKE
22 THE VA, A HOST OF DIFFERENT FEDERAL PROGRAMS. AND I
23 JUST DON'T THINK WE WANT TO DO THAT. THERE'S NO
24 NEED TO DO IT.

25 CHAIRMAN KLEIN: WELL, FURTHERMORE, IT

BARRISTERS' REPORTING SERVICE

1 PUTS MORE -- YOU KNOW, THE VA HAS THE CAPACITY TO
2 FUND ITS OWN PROGRAMS.

3 MS. NORTH: EXACTLY.

4 CHAIRMAN KLEIN: AND WE NEED TO FOCUS THE
5 BEST PRICING TO REDUCE THE COST TO CALIFORNIA AND
6 CALIFORNIA INSTITUTIONS.

7 DR. PRIETO: WELL, AND THAT'S OUR
8 OBLIGATION AS A CALIFORNIA --

9 CHAIRMAN KLEIN: THAT'S OUR SPECIAL
10 OBLIGATION.

11 DR. PRIETO: -- PROGRAM. RIGHT. OUR
12 SPECIAL OBLIGATION. SO, YEAH, I THINK WE JUST --
13 THAT WOULD NEED TO BE WORDED VERY CAREFULLY TO MAKE
14 SURE THAT WE'RE, YOU KNOW, SPECIFYING CALIFORNIA AND
15 NOT INCLUDING THESE FEDERAL OR OTHER ENTITIES.

16 CHAIRMAN KLEIN: OKAY. NOW, IT IS
17 IMPORTANT TO NOTE THAT THE SENATOR'S POSITION SEEMS
18 TO BE TO TAKE -- TO THE EXTENT THAT SHE'S WILLING TO
19 TAKE ANY AMENDMENT, TO TAKE MINIMUM AMENDMENTS IN
20 THIS SHAPE. IT STILL LEAVES US WITH SOME MAJOR
21 PROBLEMS SUCH AS THE NATIONAL MESSAGE AND THE STATE
22 MESSAGE THAT'S SENT OUT BY REMOVING THE PRIORITY FOR
23 EMBRYONIC STEM CELL RESEARCH AND ALLOWING OTHER
24 VITAL RESEARCH OPPORTUNITIES TO BE FUNDED ON THE
25 SAME BASIS FROM THE PEER REVIEW GROUP, PARTICULARLY

BARRISTERS' REPORTING SERVICE

1 IN A YEAR WHERE IT'S A FEDERAL CAMPAIGN ISSUE. AND
2 WE CAN UNDERSTAND WHY THERE'S CERTAIN PEOPLE IN THE
3 LEGISLATURE WHO WANT TO SAY THAT CALIFORNIA'S BACKED
4 AWAY FROM ANY PREFERENCE FOR EMBRYONIC STEM CELL
5 RESEARCH, BUT IT CERTAINLY IS NOT WHAT THE VOTERS
6 VOTED FOR, AS POINTED OUT BY MR. HARRISON IN THE
7 LETTER THAT WAS SENT TO SENATOR KUEHL.

8 THE OTHER ISSUE IS THAT THERE COULD BE
9 SOME SIGNIFICANT PROBLEMS IN ADMINISTERING THIS
10 PRICING REGIME WITHOUT THE ABILITY TO HAVE
11 REGULATORY REFINEMENT THAT COULD REALLY REDUCE THE
12 NUMBER OF TOOLS WE HAVE IN REACHING PATIENTS. AND
13 AN EXAMPLE THAT THE BOARD WILL NOTE WE PUT INTO THE
14 LETTER JUST AS AN EXAMPLE IS THAT IN THE ALZHEIMER'S
15 AREA AND DEMENTIA AREA, FOR EXAMPLE, THAT WHILE MOST
16 OF THE CASES ARE LATE ONSET IN THEIR 60S OR 70S
17 WHERE YOU WOULD HAVE SOME TYPE OF MEDICARE COVERAGE,
18 YOU HAVE A SUBGROUP THAT HAS EARLY ONSET.

19 AND ON A REGULATORY BASIS, AFTER REVIEWING
20 PUBLIC POLICY IMPLICATIONS, THE BOARD MIGHT WANT TO
21 SET A SLIGHTLY HIGHER PRICE FOR THAT MAIN GROUP THAT
22 BENEFITS FROM MEDICARE WITH AN AGREEMENT TO THE
23 COMPANY THAT THEY TAKE THAT ADDED INCOME AND USE IT
24 AS A SPECIFIC SUBSIDY FOR STATE AND LOCAL-FUNDED
25 PROGRAMS FOR EARLY ONSET PATIENTS WHO ARE NOT

BARRISTERS' REPORTING SERVICE

1 COVERED BY MEDICARE WHO ARE GOING, IF THEY'RE HIT IN
2 THEIR 40S AND 50S, MAY BE IN DANGER OF LOSING THEIR
3 JOBS UNLESS THEY CAN GET IMMEDIATE THERAPIES THAT
4 MAY DELAY THE ONSET OF THE DISEASE OR MITIGATE THE
5 DISEASE.

6 AND SO THIS CODIFYING THIS WOULD TAKE AWAY
7 OUR ABILITY TO HAVE SPLIT PRICING FOR PUBLIC
8 ENTITIES. PARTICULARLY IT WOULD ALSO TAKE AWAY OUR
9 ABILITY TO HAVE THE BENEFIT OF MEDICARE SUBSIDIES
10 THAT ARE AVAILABLE TO EVERYONE IN THE COUNTRY
11 HELPING US TO PROVIDE FOR SUBGROUPS THAT HAVE HIGH
12 NEED AND HAVE EARLY ONSET AND ARE NOT COVERED BY
13 MEDICARE.

14 SO THIS LANGUAGE THAT SHE HAS IN THE BILL
15 DOES NOT ADDRESS THOSE KINDS OF OPTIONS WHICH ARE
16 CREATIVE, BUT COULD PROVIDE IMPORTANT REGULATORY
17 TOOLS FOR US IN CREATING MECHANISMS TO REACH SPECIAL
18 GROUPS OF PEOPLE.

19 WOULD ANY MEMBER OF THE BOARD LIKE TO
20 COMMENT ON ANY OTHER PROVISION THAT MEET SENATOR
21 KUEHL'S RESTRICTIVE VIEW THAT SHE ONLY WILL ACCEPT,
22 IF ANYTHING, VERY NARROW AMENDMENTS? IS THERE ANY
23 BOARD MEMBER THAT WOULD LIKE TO DISCUSS A NARROW
24 AMENDMENT OTHER THAN THE ONES WE HAVE ALREADY
25 ADDRESSED WHERE WE THINK THERE'S SOME POTENTIAL THAT

BARRISTERS' REPORTING SERVICE

1 SHE MIGHT ACCEPT THE AMENDMENT?

2 MR. SHEEHY: I JUST WONDER BECAUSE I'VE
3 BEEN THINKING ABOUT THIS CHANGE IN THE VOTING
4 MAJORITY OF THE WORKING GROUP, AND WONDER IF ANYBODY
5 HAS MADE THE ANALOGY TO THE SENATOR TO, YOU
6 KNOW -- BECAUSE I GET THE SENSE THAT THIS IS KIND OF
7 PERCEIVED AS A SYMBOLIC THING THAT DOESN'T REALLY
8 MATTER THAT MUCH.

9 DR. PRIETO: ON WHOSE PART?

10 MR. SHEEHY: ON THE PART -- WELL, I THINK,
11 YOU KNOW, I THINK IT MATTERS A LOT TO INDIVIDUALS
12 WHO DON'T WANT STEM CELL RESEARCH, BUT I THINK THAT
13 FOR LEGISLATURE, I'M NOT SURE THAT SOME OF THE FOLKS
14 WHO SUPPORT STEM CELL RESEARCH REALLY UNDERSTAND,
15 YOU KNOW, WHERE THE SCIENCE IS AND THE POWER OF
16 SYMBOLS. AND I JUST THINK IT'S KIND OF IRONIC THAT,
17 HAVING BEEN THROUGH THE SAME SEX MARRIAGE BATTLE,
18 I'M SURE SHEILA KUEHL VOTED FOR THAT BILL TWICE, WE
19 ALL KNEW THAT THE GOVERNOR WAS GOING TO VETO IT, BUT
20 SYMBOLIC POWER OF THOSE VOTES IN THE LEGISLATURE IN
21 MOLDING PUBLIC OPINION AND SENDING A SIGNAL TO THE
22 REST OF THE WORLD, POTENTIALLY THE SIGNAL THAT IS
23 SENT TO THE SUPREME COURT WHEN THEY WERE CONSIDERING
24 THIS ISSUE.

25 YOU KNOW, THIS IS NOT A MEANINGLESS, YOU

BARRISTERS' REPORTING SERVICE

1 KNOW, ALL THINGS BEING EQUAL KIND OF VOTE, THAT THIS
2 VOTE, ESPECIALLY ON THESE CULTURAL ISSUES, THESE
3 VOTES CAN HAVE INCREDIBLE POWER AND CAN REALLY MOVE
4 THINGS. I THINK ONE OF THE REASONS THE GOVERNOR IS
5 WILLING TO OPPOSE PROPOSITION 8 IS THAT THE
6 LEGISLATURE AND THE COURTS HAVE ALL SAID THAT,
7 NOTWITHSTANDING HIS OWN PERSONAL FEELINGS, BUT THE
8 LEGISLATURE AND THE COURTS HAVE COME OUT IN FAVOR OF
9 SAME SEX MARRIAGE.

10 AND SO I JUST WONDER IF THERE'S THAT
11 CONSCIOUSNESS. AND MAYBE SUE MIGHT BE ABLE TO SPEAK
12 TO THIS, THAT THESE -- THAT THEIR ACT IS VERY
13 SIMILAR. AND IT'S IRONIC THAT WE HAVE THE SAME
14 PEOPLE ON THE OPPOSITE SIDE OF US IN THESE TWO
15 ISSUES, BUT, YOU KNOW, I DON'T KNOW WHETHER THE
16 SENATOR REALLY UNDERSTANDS THE POWER OF THE
17 SYMBOLIC.

18 DR. PRIETO: WELL, JEFF, I GUESS I'D HAVE
19 TO QUESTION CAN YOU GO TALK TO HER?

20 MR. SHEEHY: THE POWER OF THE SYMBOLIC
21 ACTION THAT THE LEGISLATURE WILL BE TAKING BY SAYING
22 THAT IPF IS AS READY TO GO INTO THE CLINIC AS LINES
23 THAT ARE DERIVED FROM HUMAN EMBRYONIC STEM CELLS,
24 WHICH IS SIMPLY NOT TRUE.

25 CHAIRMAN KLEIN: SO, JEFF, I THINK YOU

BARRISTERS' REPORTING SERVICE

1 MAKE AN ELEGANT ARGUMENT WITH A LOT OF FORCE TO IT.
2 AND, IF POSSIBLE, I'D LIKE TO FOLLOW DR. PRIETO'S
3 SUGGESTION AND SET UP A PHONE CALL FOR YOU WITH
4 SHEILA KUEHL BECAUSE SHE'S A VERY SERIOUS
5 LEGISLATOR, VERY BRIGHT. ONE OF THE PROBLEMS I
6 THINK WE'RE FACING IS THAT SHE'S GOT SUCH A BROAD
7 SCOPE OF RESPONSIBILITY, IT'S VERY DIFFICULT FOR HER
8 TO HAVE THE TIME TO FOCUS, BUT A POIGNANT ARGUMENT
9 OF THIS TYPE MAY ALLOW HER TO SEE THE SIGNIFICANCE
10 OF THIS PROVISION ADDED BY SENATOR RUNNER IN A
11 DIFFERENT LIGHT.

12 DR. PRIETO: AND I THINK TO UNDERSTAND
13 WHAT THIS MEANS SYMBOLICALLY TO US, YOU KNOW, TO
14 THOSE OF US WHO ARE INVOLVED WITH THE WHOLE FIGHT
15 FOR THIS.

16 DR. POMEROY: I THINK THE POINT IS ALSO
17 VERY IMPORTANT THAT THE LANGUAGE THAT WAS IN THE
18 ORIGINAL PROPOSITION 71 WAS WHAT THE VOTERS WANTED.
19 AND TO CHANGE THAT IS REALLY GOING AGAINST, AS YOU
20 SAID, THE WILL OF THE VOTERS. AND I'M NOT SURE THAT
21 THAT'S WHAT SHE WANTS TO DO ON THIS ISSUE.

22 CHAIRMAN KLEIN: EXACTLY, DR. POMEROY.
23 AND JAMES, COULD YOU COMMENT ON THE LEGALITY OF THIS
24 PROPOSED CHANGE?

25 MR. HARRISON: YES. AND WE HAVE MADE THE

BARRISTERS' REPORTING SERVICE

1 CLEAR ARGUMENT TO SENATOR KUEHL, AND THAT IS --

2 CHAIRMAN KLEIN: WE HAVEN'T MADE -- WE
3 MADE THE LEGAL ARGUMENT, BUT NOT JEFF'S ARGUMENT.

4 MR. HARRISON: THAT'S RIGHT. I'M SORRY.
5 I MEANT WE HAVE MADE THE LEGAL ARGUMENT BEFORE, AND
6 THAT IS AS FOLLOWS. UNDER THE CALIFORNIA
7 CONSTITUTION, ORDINARILY AN INITIATIVE CAN ONLY BE
8 AMENDED BY ANOTHER VOTE OF THE PEOPLE. SO IN OTHER
9 WORDS, THE LEGISLATURE IS PROHIBITED FROM AMENDING
10 INITIATIVES BY STATUTE. PROPOSITION 71, UNLIKE A
11 LOT OF INITIATIVES, PERMITS LEGISLATIVE AMENDMENT,
12 BUT ONLY TO FURTHER THE PURPOSE OF THE ACT; THAT IS,
13 TO ENHANCE THE ABILITY OF CIRM TO CARRY OUT ITS
14 MISSION.

15 OBVIOUSLY ONE OF THE PRIMARY PURPOSES OF
16 PROP 71 WAS TO FILL THE GAP LEFT BY FEDERAL
17 RESTRICTIONS ON FUNDING FOR HUMAN EMBRYONIC STEM
18 CELL RESEARCH. THAT EXPLAINS WHY PROP 71 PLACES A
19 PRIORITY ON FUNDING FOR HUMAN EMBRYONIC STEM CELL
20 RESEARCH AND PERMITS THE FUNDING OF OTHER TYPES OF
21 STEM CELL RESEARCH ONLY IF TWO-THIRDS OF THE MEMBERS
22 OF THE WORKING GROUP CONSENT. SO THAT IS A
23 FUNDAMENTAL PURPOSE OF THE ACT. BUT I THINK THAT
24 1565 ON ITS FACE WOULD CONTRAVENE THAT INTENT. AND
25 BECAUSE AMENDMENTS FURTHER THE PURPOSE OF THE ACT

BARRISTERS' REPORTING SERVICE

1 ARE PERMISSIBLE, I THINK 1565 WOULD NOT BE
2 PERMISSIBLE.

3 DR. PRIETO: BUT I THINK YOU HAVE TO MAKE
4 THAT ARGUMENT IN AN EFFECTIVE WAY. AND I THINK THE
5 WAY THAT JEFF WORDED IT RIGHT NOW MAKES THAT CLEAR
6 IN A WAY THAT PERHAPS, YOU KNOW, PERHAPS SHE HASN'T
7 THOUGHT ABOUT.

8 CHAIRMAN KLEIN: I THOUGHT IT WAS A
9 BEAUTIFUL EXAMPLE, ELEGANTLY DESCRIBED, AND
10 POIGNANTLY GIVEN. SO I REALLY THINK, JEFF, JUST THE
11 WAY YOU DELIVERED IT MAY BE AN EXTREMELY IMPORTANT
12 PERSPECTIVE SHE'S NOT THINKING OF.

13 MR. SHEEHY: THIS WHOLE EPISODE IS VERY
14 PAINFUL BECAUSE I HAVE -- SENATOR KUEHL IS SUCH A
15 HERO OF MINE. I MEAN SHE WAS THE FIRST PERSON FOR
16 MY COMMUNITY TO GET TO THE LEGISLATURE. AND I CAN
17 REMEMBER WHEN SHE WAS ELECTED AND WHAT A GREAT DAY
18 THAT WAS FOR US. AND, YOU KNOW, IT'S JUST PAINFUL
19 NOT BEING ON THE SAME SIDE, FRANKLY. AND I JUST --
20 I FEEL LIKE IF SHE UNDERSTOOD THINGS THE WAY I
21 UNDERSTOOD THINGS, SHE WOULD SEE HOW TROUBLING THIS
22 ONE PARTICULAR ASPECT OF THIS BILL IS.

23 CHAIRMAN KLEIN: OKAY.

24 DR. PRIETO: DO YOU THINK IT WOULD BE
25 POSSIBLE BEFORE THE BILL COMES UP TO GET A MEETING

BARRISTERS' REPORTING SERVICE

1 LIKE THAT SET UP?

2 CHAIRMAN KLEIN: WELL, I THINK A PHONE
3 CALL SEEMS TO BE MOST EFFECTIVE BECAUSE SHE'S GOT A
4 TERRIBLY DIFFICULT SCHEDULE. AND I DO THINK, YOU
5 KNOW, SHE'S A VERY, VERY BRIGHT PERSON, AND HER
6 SCHEDULE IS SO RESTRICTIVE, IT'S HARD TO GET THE
7 QUALITY TIME JUST TO THINK THROUGH THESE ISSUES
8 BECAUSE THERE ARE NUMEROUS ISSUES BURIED IN THIS.

9 I WILL SAY THE REPRESENTATIVES OF THE
10 GOVERNOR'S OFFICE HAVE INDICATED THAT THEY HAVE A
11 NUMBER OF PROBLEMS HERE, AND THEY DO BELIEVE THAT IT
12 SHOULD BE A REGULATORY ADMINISTRATION TO OPTIMIZE
13 THE ABILITY TO JUST FOR EVERY OPPORTUNITY TO GET
14 THESE THERAPIES TO PATIENTS AND NOT INADVERTENTLY
15 CREATE OBSTACLES THAT PRECLUDE THE ABILITY TO MOVE
16 THERAPIES FORWARD.

17 SO UNLESS THERE'S ADDITIONAL COMMENT, I
18 THINK WE'VE HAD A THOUGHTFUL DISCUSSION OF THE
19 POINTS IN PROCESS AND ARE BACK TO SENATOR KUEHL IN A
20 VERY FOCUSED MANNER WITHIN KIND OF THE
21 GUIDELINES -- THAT WE UNDERSTAND THAT SHE MIGHT BE
22 RECEPTIVE WITHOUT COMMITTING HER TO ANYTHING.

23 MS. KING: CHAIRMAN KLEIN, WE DO HAVE ONE
24 PUBLIC COMMENT HERE IN SAN FRANCISCO.

25 CHAIRMAN KLEIN: OKAY. THANK YOU.

BARRISTERS' REPORTING SERVICE

1 MR. REED: THIS IS DON REED. I JUST WANT
2 TO MAKE THE BULLET POINT THAT THE WORDS "SHALL NOT
3 BE FUNDED" IS VERY DIFFERENT FROM MAY BE FUNDED.

4 CHAIRMAN KLEIN: COULD YOU TELL US THE
5 PAGE AND THE LINE YOU'RE REFERRING TO?

6 MR. REED: YEAH. ON THE PAGE 3, PARAGRAPH
7 C. IN THIS REGARD OTHER RESEARCH CATEGORIES, THE
8 FIRST WORD WAS THAT STEM CELL AND PROGENITOR CELL
9 RESEARCH THAT CAN OR IS UNLIKELY TO RECEIVE
10 SUFFICIENT FEDERAL FUNDING, THAT'S A PRIORITY. IN
11 THIS REGARD OTHER RESEARCH CATEGORIES FUNDED BY
12 NATIONAL INSTITUTE OF HEALTH SHALL NOT BE FUNDED BY
13 THE INSTITUTE. THAT'S CLEAR. THAT'S A MANDATE.
14 THIS WOULD CHANGE TO UNDER SUBPARAGRAPH C --

15 CHAIRMAN KLEIN: I THINK YOU'RE ON PAGE 4,
16 DON.

17 MR. REED: OKAY. IT'S PAGE 3 ON MY COPY.

18 CHAIRMAN KLEIN: IN THE BILL IT'S PAGE 4,
19 I THINK.

20 MR. REED: OKAY. THE LANGUAGE CHANGES
21 FROM SHALL NOT BE FUNDED BY THE INSTITUTE TO MAY BE
22 FUNDED BY THE INSTITUTE. THAT CHANGES -- IN SUNDAY
23 SCHOOL THEY TAUGHT THAT THOU SHALT NOT KILL. IF
24 SOMEONE HAS TO JUDGE A CHANGING SHALL NOT TO MAY,
25 THAT WOULD BE A CHANGE.

BARRISTERS' REPORTING SERVICE

1 MS. KING: JUST TO CLARIFY, CHAIRMAN
2 KLEIN, YOU WERE RIGHT. IT WAS PAGE 4 IN THE
3 DOCUMENT THAT I THINK MOST OF US WERE LOOKING AT. I
4 THINK DON JUST HAS IT MAYBE A LITTLE DIFFERENTLY.
5 SO YOU WERE CORRECT. IT WAS ON PAGE 4 OF THIS
6 SUBPARAGRAPH C STARTING ON LINE 31 FOR THOSE OF US
7 IN THAT DOCUMENT.

8 AND WE DO NOT HAVE ANY FURTHER PUBLIC
9 COMMENT HERE IN SAN FRANCISCO. THANK YOU, MR. REED.

10 CHAIRMAN KLEIN: OKAY.

11 DR. POMEROY: I WOULD JUST ECHO THE POINTS
12 THAT HAVE BEEN MADE BY YOU, BOB, AND BY FRANCISCO,
13 THAT I THINK APPEALING TO THE SENATOR ON THE MESSAGE
14 LEVEL, THE SYMBOLIC LEVEL, ON THE TWO-THIRDS ISSUE
15 MAY BE MUCH MORE EFFECTIVE THAN THE LEGAL ARGUMENT
16 AT THIS POINT.

17 CHAIRMAN KLEIN: I WOULD AGREE. AND I
18 HAVE MADE THAT COMMENT TO HER TOO ABOUT THE NATIONAL
19 MESSAGE AND THE VOLATILITY OF THAT MESSAGE IN A YEAR
20 WHEN THERE ARE MANY STATES THAT ARE TRYING TO
21 CRIMINALIZE THIS RESEARCH. AND SHE TOOK A PAUSE
22 THOUGHTFULLY TO THINK ABOUT IT. I JUST THINK JEFF'S
23 COMMUNICATION STRUCTURE AND HIS EXAMPLE ARE JUST A
24 LOT MORE POWERFUL THAN THE ONE I USED.

25 DR. POMEROY: I LIKED JEFF'S POINT.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN KLEIN: YEAH. OKAY. SO WE DON'T
2 HAVE A QUORUM HERE, BUT I THINK WE HAVE A SENSE OF
3 THE COMMITTEE, AND WE'RE IN A PROCESS WHERE WE'RE
4 MOVING FORWARD SO THAT WE CAN COMMUNICATE SOMETHING
5 IN A TIMELY MANNER TO THE SENATOR, SO WE GREATLY
6 APPRECIATE THIS GROUP COMING TOGETHER.

7 ARE THERE ANY OTHER PUBLIC OR BOARD
8 COMMENTS ON 1565?

9 DR. BRYANT: I JUST HAD A QUESTION. SO
10 MAYBE I MISSED THIS, BUT DO WE KNOW WHAT OUTFITS
11 LIKE THE CALIFORNIA HEALTHCARE INSTITUTE ARE DOING
12 ABOUT THIS BECAUSE THEY SAID THEY WERE GOING TO BE
13 WRITING TO THE GOVERNOR AND SO FORTH ABOUT IT.

14 CHAIRMAN KLEIN: YEAH. THE CALIFORNIA
15 HEALTHCARE INSTITUTE HAS TAKEN A POSITION IN
16 OPPOSITION. DAVE BIO HAS TAKEN A POSITION IN
17 OPPOSITION. THE --

18 DR. PRIETO: THE UNIVERSITY OF CALIFORNIA
19 ALSO, RIGHT?

20 CHAIRMAN KLEIN: THE WHAT?

21 DR. PRIETO: UC.

22 CHAIRMAN KLEIN: I HAVEN'T SEEN UC'S
23 LETTER. MY UNDERSTANDING IS THEY ARE TAKING AN
24 OPPOSITION, BUT, SUE, HAVE YOU SEEN UC'S LETTER?

25 MS. NORTH: THE ONLY LETTER I SAW JUST

BARRISTERS' REPORTING SERVICE

1 RAISED CONCERNS, BUT I'LL DOUBLE-CHECK WITH THEM.

2 DR. BRYANT: STRONGLY OPPOSED IT, JUST
3 LIKE WE WISH YOU WOULDN'T DO THIS.

4 MR. HARRISON: I THINK THEY HAVE TAKEN A
5 POSITION IN OPPOSITION THOUGH.

6 MS. NORTH: OKAY. I'LL MAKE SURE THAT YOU
7 ALL GET COPIES OF THEIR LETTER.

8 CHAIRMAN KLEIN: NOW, THE COALITION FOR
9 THE ADVANCEMENT OF MEDICAL RESEARCH, WHICH INCLUDES
10 ABOUT 80 DIFFERENT ORGANIZATIONS, MOST OF THE
11 PATIENT ORGANIZATIONS, AND A NUMBER OF THE MAJOR
12 UNIVERSITIES IN THE COUNTRY, HAS TAKEN A POSITION IN
13 OPPOSITION. THEY'RE CLEARLY CONCERNED ABOUT THE
14 NATIONAL MESSAGE THIS WOULD SEND.

15 ADDITIONALLY, THE CYSTIC FIBROSIS SOCIETY,
16 THE PARKINSON'S ACTION NETWORK, THE JUVENILE
17 DIABETES RESEARCH FOUNDATION, A NUMBER OF OTHER
18 PATIENT ORGANIZATIONS HAVE TAKEN A POSITION IN
19 OPPOSITION.

20 I WILL TELL YOU AT THE HEARING SENATOR
21 KUEHL'S STAFF AND A NUMBER OF CONSUMER GROUPS LIKE
22 THE GRAY PANTHERS ORGANIZATION AND A SENIOR CITIZEN
23 CONSUMER GROUP --

24 MS. NORTH: IT'S THE CONGRESS OF
25 CALIFORNIA SENIORS.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN KLEIN: OKAY. -- TAKE A POSITION
2 IN SUPPORT OF THE BILL. AND THE PROBLEM HERE IS
3 WE'RE IN HEATED AGREEMENT WITH THEM ON THE
4 OBJECTIVES, AND THE CONSUMER GROUPS DON'T UNDERSTAND
5 THE ISSUE TECHNICALLY WE HAVE WITH THE
6 IMPLEMENTATION OBSTACLES THAT THE BILL REPRESENTS.
7 SO THERE IS THAT CONFUSION FOR THE LEGISLATORS
8 DEALING WITH THIS, BUT THERE IS A CONSISTENT
9 POSITION OF ALL THE PATIENT ADVOCACY ORGANIZATIONS
10 AND THE UNIVERSITIES THAT WE HAVE SEEN THAT
11 TECHNICALLY UNDERSTAND THE PROBLEMS PRESENTED HERE
12 OF BEING IN OPPOSITION.

13 MELISSA, IF WE COULD WORK WITH SUE NORTH
14 TO GET A COPY OF ALL THOSE OPPOSITION LETTERS, SOME
15 OF WHICH, MY UNDERSTANDING IS, HAVE BEEN SENT TO
16 SENATOR KUEHL'S OFFICE, AND WE DON'T YET HAVE
17 COPIES. BUT AS WE GET THEM, NOT WAITING TO
18 AGGREGATE THEM ALL, IF WE COULD GET ALL THE MEMBERS
19 ON THIS COMMITTEE A COPY OF THOSE.

20 MS. KING: ABSOLUTELY.

21 CHAIRMAN KLEIN: OKAY. ANY ADDITIONAL
22 COMMENTS FROM MEMBERS OF THE BOARD OR PUBLIC BEFORE
23 WE CLOSE DISCUSSION ON THIS ITEM?

24 MR. EARP: DAVID EARP FROM GERON IN PALO
25 ALTO. DO WE HAVE THE PERSPECTIVE OF GOVERNOR

BARRISTERS' REPORTING SERVICE

1 SCHWARZENEGGER ON THIS?

2 CHAIRMAN KLEIN: WELL, WE DON'T HAVE THE
3 GOVERNOR'S PERSONAL PERSPECTIVE, BUT HIS STAFF HAS
4 INDICATED THAT THEY HAVE SIGNIFICANT ISSUES WITH
5 DIFFERENT PROVISIONS HERE. THE GOVERNOR HAS NOT YET
6 TAKEN A FORMAL POSITION, BUT THE COMMUNICATIONS FROM
7 HIS STAFF ARE THAT THEY HAVE A NUMBER OF PROBLEMS
8 FIGURING OUT HOW YOU WOULD ACTUALLY IMPLEMENT THIS
9 TECHNICALLY. SO THAT IS THE BEST COMMUNICATION WE
10 HAVE AT THIS POINT, BUT THE STAFF MEMBERS WHO HAVE
11 COMMUNICATED WITH US ARE NOT SUPPORTIVE OF THIS.
12 THEY THINK IT'S PREMATURE, BUT THE GOVERNOR'S OFFICE
13 ITSELF HAS NOT TAKEN A POSITION AT THIS TIME.

14 MR. EARP: IT OCCURS TO ME AS A TACTICAL
15 MATTER YOU'RE IN THE POLITICAL SENSITIVITY OF THE
16 ISSUES HERE. A STATEMENT, A POSITION THAT GOVERNOR
17 SCHWARZENEGGER COULD TAKE THAT WOULD BE NEUTRAL ON
18 ANY OF THE ISSUES WOULD SIMPLY TO BE TAKE THE LEGAL
19 POSITION HERE, THAT THIS IS AN ATTEMPT BY STATUTE
20 IMPROPERLY TO AMEND VERY SUBSTANTIVE TERMS OF THE
21 VOTER-APPROVED PROPOSITION; THEREFORE, THE STATUTE
22 WOULD VIOLATE VOTERS' WISHES AND, YOU KNOW, BE A
23 TECHNICAL VIOLATION OF CALIFORNIA LAW WITH RESPECT
24 TO PROPOSITIONS.

25 IT SEEMS TO ME THAT IF WE -- IF THAT WE

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1 ARE -- IF CIRM IS TO POSITION THIS WITH GOVERNOR
2 SCHWARZENEGGER, THAT WOULD BE AN IMPORTANT POSITION
3 TO EMPHASIZE BECAUSE IT'S A WAY IN WHICH HE COULD
4 DEAL WITH THE ISSUE WITHOUT NECESSARILY BEING SEEN
5 TO TAKE SIDES ON THE MORE SUBSTANTIVE AND
6 POLITICALLY CONTROVERSIAL MATTERS.

7 CHAIRMAN KLEIN: OKAY. VERY INTERESTING
8 SUGGESTION. ANY ADDITIONAL PUBLIC COMMENT? SEEING
9 NONE, I'D LIKE TO THEN ASK IF THERE'S ANY OTHER
10 ISSUES TO BE ADDRESSED TODAY.

11 THERE'S ANOTHER ITEM ON OUR AGENDA, BUT,
12 SUE, WOULD YOU ADDRESS THE STATUS OF THE OTHER
13 ITEMS?

14 MS. NORTH: ON 2296, THAT BILL IS, JUST TO
15 REFRESH EVERYBODY'S MEMORY, HAS TO DO WITH THE CIVIL
16 AND CRIMINAL PENALTIES FOR WHAT ARE ESSENTIALLY
17 TERRORIST ACTS AGAINST RESEARCHERS BY ANTI-ANIMAL
18 RESEARCH ACTIVISTS. AND THE BILL WAS AMENDED TO
19 SIMPLY BE INTENT LANGUAGE IN SENATE JUDICIARY
20 COMMITTEE. AND ACCORDING TO MR. MULLIN'S OFFICE,
21 THEY WILL NOT KNOW UNTIL NEXT WEEK IF THEY'RE GOING
22 TO AMEND IT ANY FURTHER TO TRY TO PUT ANY MATERIAL
23 PROVISIONS BACK IN.

24 CHAIRMAN KLEIN: OKAY.

25 MS. NORTH: SO AT THIS STAGE WE'RE STILL

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1 IN A WATCH POSITION.

2 CHAIRMAN KLEIN: OKAY. SO IN TERMS OF
3 BEING RESPONSIVE, WOULD THE MEMBERS OF THIS
4 COMMITTEE BE PREPARED IN 10, 11, 12 DAYS TO HAVE
5 ANOTHER PHONE MEETING SCHEDULED TO SEE IF WE HAVE
6 MOVEMENT HERE? WHAT IS THE SENSE OF THE COMMITTEE?

7 DR. POMEROY: YEAH. THIS IS IMPORTANT.

8 DR. BRYANT: YES.

9 CHAIRMAN KLEIN: SO WE'LL TRY AND WORK
10 WITH THE COMMITTEE MEMBERS TO 10, 11, 12 DAYS OUT TO
11 HAVE ANOTHER MEETING OF THE COMMITTEE TO DISCUSS
12 THIS. AND WE THANK YOU VERY MUCH. UNLESS THERE'S
13 OTHER PUBLIC COMMENT, WE'LL STAND ADJOURNED. ARE
14 THERE ANY OTHER PUBLIC COMMENTS?

15 MS. KING: NONE IN SAN FRANCISCO.

16 DR. BRYANT: NONE IN IRVINE.

17 DR. PRIETO: NONE HERE.

18 CHAIRMAN KLEIN: NONE HERE IN PALO ALTO.

19 MS. NORTH: NONE IN SACRAMENTO.

20 CHAIRMAN KLEIN: WE THANK YOU ALL, AND I
21 THINK WE'VE EFFECTIVELY KEPT TO OUR SCHEDULE. WE
22 DEEPLY APPRECIATE EVERYONE'S PARTICIPATION.

23 (THE MEETING WAS THEN ADJOURNED.)

24

25

BARRISTERS' REPORTING SERVICE

REPORTER' S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE TELEPHONIC PROCEEDING BEFORE THE LEGISLATIVE SUBCOMMITTEE OF THE INDEPENDENT CITIZEN' S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD AT THE LOCATIONS AS INDICATED ON THE AGENDA ON THURSDAY, JULY 24, 2008, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.



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