

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: TELEPHONIC

DATE: MONDAY, FEBRUARY 12, 2007  
5 P.M.

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

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MONDAY, FEBRUARY 12, 2007

5 P.M.

CHAIRMAN KLEIN: WHY DON'T WE DO THIS. WE'LL  
CALL THIS MEETING TO ORDER. KIRK, COULD YOU TAKE THE  
ROLL.

MR. KLEINSCHMIDT: SUE BRYANT.

DR. BRYANT: HERE.

MR. KLEINSCHMIDT: MICHAEL GOLDBERG. BOB  
KLEIN.

CHAIRMAN KLEIN: HERE.

MR. KLEINSCHMIDT: SHERRY LANSING. RICH  
MURPHY.

DR. MURPHY: HERE.

MR. KLEINSCHMIDT: TINA NOVA. CLAIRE  
POMEROY.

DR. POMEROY: HERE.

MR. KLEINSCHMIDT: FRANCISCO PRIETO. JOHN  
REED. JOAN SAMUELSON.

MS. SAMUELSON: HERE.

MR. KLEINSCHMIDT: DAVID SERRANO-SEWELL.  
JEFF SHEEHY.

MR. SHEEHY: HERE.

MR. KLEINSCHMIDT: AND JANET WRIGHT.

DR. WRIGHT: HERE.

1                   CHAIRMAN KLEIN:  OKAY.  WHAT WE ARE GOING TO  
2  DO IS THE MEMBERS OF THE PUBLIC WILL BE INVITED TO GIVE  
3  PUBLIC TESTIMONY.  WE'LL ASK THEY KEEP THEIR TESTIMONY  
4  TO THREE MINUTES.  WE HAVE ASKED THE SPECIAL OUTSIDE  
5  EXPERT, DR. IRV WEISSMAN, TO SPEAK.  GIVEN THE LIMITED  
6  NUMBER OF PUBLIC MEMBERS HERE, WE WILL CERTAINLY, FOR  
7  THOSE PROVIDING TECHNICAL OR SCIENTIFIC MATERIAL, BE  
8  PREPARED TO LIBERALIZE THAT.  AND IF OTHER MEMBERS OF  
9  THE PUBLIC WOULD LIKE ADDITIONAL TIME, WE CAN CERTAINLY  
10 DO THAT AS WELL.

11                   WE'D LIKE TO START WITH JUST AN UPDATE --

12                   DR. POMEROY:  BOB, BEFORE YOU DO THAT, CAN I  
13 SAY SOMETHING?

14                   CHAIRMAN KLEIN:  YES.

15                   DR. POMEROY:  THIS IS CLAIRE POMEROY.  THIS  
16 IS AT LEAST MY FIRST MEETING SINCE THE DEATH OF  
17 DR. LEON THAL.  AND I JUST WANTED TO ACKNOWLEDGE  
18 PUBLICLY HOW MUCH WE MISS HIM AND HOW TRAGIC A LOSS  
19 THIS WAS, AND TO SAY THAT IT ONLY SPURS US ON MORE TO  
20 DO WHAT HE WOULD HAVE WANTED US TO DO.

21                   MS. SAMUELSON:  THANK YOU, CLAIRE.

22                   CHAIRMAN KLEIN:  THANK YOU, CLAIRE.  I THINK  
23 WE ALL JOIN YOU IN OUR VERY DEEP SYMPATHY.  ON THE  
24 AGENDA FOR THIS BOARD MEETING, AFTER TALKING WITH  
25 SEVERAL BOARD MEMBERS, CLAIRE, I HAVE PUT ON THE BOARD

1 AGENDA, THAT WILL BE THURSDAY AND FRIDAY, FOR  
2 CONSIDERATION NAMING THE ORIGINAL SEED GRANTS AFTER  
3 DR. LEON THAL IN HIS MEMORY BECAUSE HE CONTRIBUTED SO  
4 MUCH TO THE AGENCY'S FORMATION AND HIS LIFE TO MEDICINE  
5 AND SCIENCE. WE THOUGHT IT WOULD BE APPRECIATED BY HIS  
6 FAMILY.

7 DR. POMEROY: WONDERFUL. I WOULD PERSONALLY  
8 BE VERY SUPPORTIVE.

9 CHAIRMAN KLEIN: BUT IT'S CERTAINLY  
10 APPROPRIATE IN EACH OF THESE MEETINGS TO ACKNOWLEDGE  
11 HIS GREAT CONTRIBUTIONS TO MEDICINE AND THE SCIENCE AND  
12 AS A PERSON, HIS FELLOWSHIP.

13 DR. POMEROY: YES.

14 CHAIRMAN KLEIN: THE FEDERAL LEGISLATION THAT  
15 WE HAVE BEFORE US, HR 3 AND SENATE BILL 5, HAVE BEEN  
16 DISTRIBUTED. I THINK, AS EVERYONE KNOWS, THAT THE  
17 HOUSE BILL WAS VOTED OUT OF THE HOUSE WITH 18 MORE  
18 VOTES THAN PREVIOUSLY WERE OBTAINED, BUT NOT ENOUGH  
19 VOTES FOR A VETO OVERRIDE. NEVERTHELESS, THE BILL  
20 SHOULD BE DEBATED IN THE SENATE, ACCORDING TO SENATOR  
21 REID, WHO IS AT A STEM CELL SUMMIT OF ABOUT 40 PEOPLE  
22 THE SENATE CALLED BACK TO WASHINGTON LAST WEEK.

23 END OF FEBRUARY, BUT PROBABLY THE BEGINNING  
24 OF MARCH, WE'LL SEE THE SENATE BRING UP THE BILL. AND  
25 THE BILL IS EXPECTED TO GO TO CONFERENCE COMMITTEE

1 BECAUSE THE SENATE WILL HAVE DIFFICULTY LIMITING  
2 AMENDMENTS, SO IT IS ONLY IN THE CONFERENCE COMMITTEE  
3 THAT THEY CAN HAVE A JOINT AGREEMENT WITH THE HOUSE ON  
4 AMENDMENTS. AND THE SENATE CONFERENCE COMMITTEE WILL  
5 BE VERY IMPORTANT. IF IT IS THE HOUSE BILL THAT IS  
6 REPORTED OUT, IT CANNOT BE AMENDED IN THE SENATE  
7 BECAUSE IT'S A HOUSE CONFERENCE BILL. IF IT'S A SENATE  
8 CONFERENCE BILL THAT GETS REPORTED OUT, IT CANNOT BE  
9 AMENDED IN THE HOUSE BECAUSE IT'S A SENATE CONFERENCE  
10 BILL.

11 SO WE'LL LOOK TO SEE WHAT THE OUTCOME OF THAT  
12 IS, BUT AT THE MOMENT THE BILLS ARE ESSENTIALLY VERY  
13 SIMILAR TO HR 810, WHICH PASSED PREVIOUSLY.

14 DISCUSSION, FIRST, BY THE MEMBERS HERE ON  
15 RECOMMENDATION TO THE BOARD ON SUPPORTING SENATE  
16 BILL -- HOUSE BILL 3 AND SENATE BILL 5.

17 MS. SAMUELSON: BOB, THIS IS JOAN. NOW, DID  
18 YOU SAY COMMENT FROM US NOW FIRST?

19 CHAIRMAN KLEIN: YES.

20 MS. SAMUELSON: IF THIS IS APPROPRIATE, I  
21 WOULD THINK IT WOULD BE, I'D LIKE TO PROPOSE THAT WE,  
22 AS A FULL BOARD, THAT WE RECOMMEND TO THE FULL ICOC  
23 THAT WE RESOLVE TO SUPPORT SUFFICIENT CONGRESSIONAL  
24 SUPPORT TO OVERRIDE A VETO OF THE ADMINISTRATION OF  
25 THIS LEGISLATION BY ANY MEANS POSSIBLE, AND THAT WE

1 WOULD GIVE WHATEVER SUPPORT WE CAN TO THAT EFFORT.

2 CHAIRMAN KLEIN: OKAY. BECAUSE WE DON'T HAVE  
3 A QUORUM, WHAT WE WILL BE DOING IS SUMMARIZING THE  
4 COMMENTS, NOT ACTUALLY PROVIDING A SENSE OF THE  
5 COMMITTEE, BUT ACTUALLY SUMMARIZING THE COMMENTS SO THE  
6 BOARD CAN MAKE ITS OWN DECISION ON THE SENSE OF THE  
7 COMMITTEE.

8 MS. SAMUELSON: OKAY.

9 CHAIRMAN KLEIN: BUT YOUR COMMENTS ARE  
10 APPRECIATED. ANYONE ELSE? COMMENT FROM STAFF? KIRK  
11 KLEINSCHMIDT.

12 MR. KLEINSCHMIDT: JUST ONE NOTE TO EMPHASIZE  
13 THIS IS A BIPARTISAN MEASURE. AND IN CALIFORNIA 42  
14 MEMBERS OF THE 53-MEMBER DELEGATION HAVE VOTED IN  
15 SUPPORT OF HR 3, WHICH INCLUDES EIGHT REPUBLICANS. SO  
16 I JUST WANT TO MAKE SURE EVERYONE IS AWARE.

17 CHAIRMAN KLEIN: OKAY. VERY GOOD POINT.

18 MS. SAMUELSON: IT IS IMPORTANT. AND IT IS  
19 VERY BIPARTISAN.

20 CHAIRMAN KLEIN: ANY OTHER COMMENTS FROM  
21 MEMBERS?

22 DR. MURPHY: YOU'RE LOOKING FOR US TO --

23 CHAIRMAN KLEIN: JUST STATE YOUR INDIVIDUAL  
24 POSITION AS WE WILL REPORT AS INDIVIDUAL POSITIONS  
25 BECAUSE WE DON'T HAVE A QUORUM.

1 DR. MURPHY: I ENTHUSIASTICALLY ENDORSE CIRM  
2 SUPPORTING BOTH OF THESE MEASURES.

3 CHAIRMAN KLEIN: OKAY.

4 DR. BRYANT: I ALSO SUPPORT BOTH MEASURES  
5 STRONGLY. THIS IS SUE BRYANT.

6 CHAIRMAN KLEIN: OKAY.

7 DR. POMEROY: DITTO.

8 DR. WRIGHT: AND JANET WRIGHT.

9 MR. SHEEHY: AND JEFF SHEEHY AS WELL.

10 CHAIRMAN KLEIN: AND, OF COURSE, BOB KLEIN, I  
11 SUPPORT THEM AS WELL. ANY OTHER BOARD MEMBER COMMENTS?  
12 HEARING NO BOARD MEMBER COMMENTS, ANY COMMENTS FROM THE  
13 PUBLIC?

14 MR. REED: DON REED. THIS JUST IS A WONDROUS  
15 THING, THAT A MEDICAL ADVANCE SO WIDELY KNOWN AND SO  
16 STRONGLY SUPPORTED, AND IT'S JUST A DELIGHT TO SEE IT  
17 GO FORWARD. EVERY PUBLIC PERSON THAT I WORK WITH IS  
18 OBVIOUSLY IN FAVOR OF THIS.

19 DR. POMEROY: JUST A FOLLOW-UP ON THIS. WHAT  
20 OPTIONS DOES THE ICOC HAVE AFTER WE EXPRESS OUR  
21 SUPPORT? WOULD WE BE DRAFTING A LETTER THAT WOULD COME  
22 FROM CIRM, OR HOW WOULD WE INCORPORATE ALL OF THAT?

23 CHAIRMAN KLEIN: AT THE BOARD LEVEL, IF THE  
24 BOARD WERE TO PASS IT, THERE WOULD BE A LETTER FROM  
25 CIRM TO THE HOUSE AND A SEPARATE LETTER TO THE SENATE.



1                   NOW, THE BOARD MEMBERS COULD IN THEIR  
2 RESOLUTION DECIDE TO HAVE ALL OF THE BOARD MEMBERS WHO  
3 WISH TO DIGITALLY SIGN IT. I THINK EACH MEMBER,  
4 PATIENT ADVOCATE, SCIENTIST, AND MEMBER OF THE CLINICAL  
5 COMMUNITY, AS WELL AS -- CLINICAL RESEARCH COMMUNITY AS  
6 WELL AS A MEMBER OF THE BIOTECH COMMUNITY HAS AN  
7 INDEPENDENT CREDIBILITY. AND IT MAY BE VERY VALUABLE  
8 TO HAVE EACH MEMBER SIGN. BUT THEORETICALLY WE WOULD  
9 HAVE, IF THAT WERE THE MOTION AT THE BOARD, WE'D HAVE  
10 THE RESOLUTION PASSED, EACH MEMBER WOULD SIGN EACH  
11 LETTER DIGITALLY, SO THAT WE COULD THEN SEND THEM  
12 IMMEDIATELY TO THE HOUSE AND SENATE.

13                   MS. SAMUELSON: IT MIGHT MAKE SENSE TO  
14 BRIEFLY DESCRIBE IN THAT LETTER, ASIDE FROM JUST  
15 SUPPORT FOR THE LEGISLATION, THE TERRIBLE BIND THAT OUR  
16 FUNDING IS PUT IN BECAUSE OF THE INABILITY TO WORK WITH  
17 PUBLIC ENTITIES COMPLETELY AS IS LAID OUT IN THE  
18 LETTERS FROM THE -- WELL, AT LEAST LETTERS THAT I SAW  
19 AND THE *GUARDIAN ARTICLE*. IT'S HORRIFYING HOW MANY  
20 RESTRICTIONS IT TURNS OUT THERE ARE AT THIS POINT  
21 BETWEEN THE PUBLIC AND PRIVATE MONEY AND SO ON. IT  
22 REALLY HAMSTRINGS OUR EFFORTS MORE THAN I EVER THOUGHT.

23                   CHAIRMAN KLEIN: YEAH. ALL RIGHT.

24                   MS. SAMUELSON: AND THE PUBLIC SHOULD KNOW  
25 THAT.

1                   CHAIRMAN KLEIN:  OKAY.  WELL, WE CAN  
2  CERTAINLY PREPARE FOR CONSIDERATION AT THE BOARD LEVEL  
3  LETTERS THAT WILL ADDRESS IT, INCLUDING, JOAN, YOUR  
4  COMMENTS.

5                   MS. SAMUELSON:  GREAT.

6                   CHAIRMAN KLEIN:  IF THERE'S NO ADDITIONAL  
7  MEMBERS OF THE PUBLIC THAT HAVE COMMENTS, I'D LIKE TO  
8  GO ON TO OMB CIRCULAR A-21.  IRV WEISSMAN, ARE YOU  
9  STILL THERE?

10                  DR. WEISSMAN:  HERE I AM.

11                  CHAIRMAN KLEIN:  IRV, I'M GOING TO ASK THAT  
12  YOU OPEN THIS DISCUSSION BY A DESCRIPTION OF A PORTION  
13  OF OMB CIRCULAR A-21 THAT IS NOT WELL-KNOWN, AND THAT  
14  IS THE RESTRICTION ON CELLULAR MATERIAL, WHETHER RNA,  
15  DNA, OR OTHER CELLULAR MATERIALS, DERIVED FROM FEDERAL  
16  RESEARCH THAT YOU NEED TO GET ACCESS FOR TO USE WITH  
17  POST-PRESIDENTIAL EMBRYONIC STEM CELL RESEARCH.

18                  DR. WEISSMAN:  SURE.  NOW, I'M SPEAKING AS AN  
19  INDIVIDUAL BECAUSE I'M PROBABLY NOT EMPOWERED TO SPEAK  
20  AS THE DIRECTOR FOR STANFORD UNIVERSITY.  BUT I THINK  
21  YOU'LL GET THE SENSE OF WHAT I'M TRYING TO SAY.

22                  AS A SCIENTIST WHO WORKS WITH SOME OF THE  
23  POST-PRESIDENTIAL CELL LINES, WE WISH TO, OF COURSE,  
24  MOVE AS FAST AS WE CAN TO UNDERSTAND HOW THOSE CELL  
25  LINES GIVE RISE TO THE KIND OF TISSUE STEM CELLS THAT

1 MIGHT BE USED FOR REGENERATION, FOR EXAMPLE. AND WHEN  
2 WE WISH TO EXAMINE THE CELL LINES AS THEY DIFFERENTIATE  
3 TO BLOOD FORMING OR HEART FORMING OR BRAIN FORMING STEM  
4 CELLS, WE'D LIKE TO KNOW EXACTLY WHAT GENES ARE TURNED  
5 ON, WHAT PROTEINS ARE MODIFIED, AND SO ON.

6 AND THEN WE GET INTO THIS BIND THAT MOST OF  
7 THE ADVANCES THAT HAVE BEEN MADE IN GENES AND  
8 UNDERSTANDING --

9 DR. REED: JOHN REED HERE.

10 CHAIRMAN KLEIN: THANK YOU, JOHN. IRV  
11 WEISSMAN IS DISCUSSING OMB CIRCULAR A-21.

12 DR. WEISSMAN: SO THAT MOST OF OUR KINDS OF  
13 ANALYSES WOULD GO FASTEST AND BEST IF WE COULD USE THE  
14 MOST RECENT ADVANCES, MOST OF WHICH, OUTSIDE OF  
15 COMMERCIAL COMPANIES, ARE SUPPORTED BY THE NATIONAL  
16 INSTITUTES OF HEALTH, SOME BY SOME OTHER GOVERNMENT  
17 AGENCIES, BUT THIS IS SUFFICIENT TO SAY THAT THIS IS AN  
18 INCREDIBLE BLOCK BECAUSE IT MAY BE ULTRACONSERVATIVE,  
19 BUT ALMOST ALL OF THE LEGAL COUNSELS AT THE  
20 UNIVERSITIES THAT I KNOW SAY THE A-21 SAYS YOU CAN'T DO  
21 THAT BECAUSE THAT'S USING FEDERAL FUNDS TO ADVANCE  
22 RESEARCH FOR THE NON- OR POST-PRESIDENTIAL CELL LINES.

23 SO IF WE WANT TO LOOK AT GENE EXPRESSION  
24 MICROARRAYS, OUR ONLY CHOICE ARE THE COMMERCIAL  
25 CHOICES, AND THEN ONLY IF THEY NEVER RECEIVE FEDERAL

1 SUPPORT.

2 SO YOU CAN IMAGINE, AS YOU GO FROM ONE STEP  
3 OF THE RESEARCH WHERE IT'S PERFECTLY CLEAR YOU CAN WORK  
4 WITH THE LINES TO ANOTHER PHASE TO TRY TO USE  
5 INFORMATION OF THE CELLS THEMSELVES OR PURIFIED SUBSETS  
6 OF THE CELLS, YOU REACH A BLOCK. SO THAT'S THE MAJOR  
7 POINT I'D LIKE TO MAKE. AND IT'S IN EVERY AREA OF  
8 RESEARCH WHERE YOU WOULD WANT TO DO ANALYSIS OR USE A  
9 GENE VECTOR TO MODIFY THE CELL THAT WAS MADE THROUGH  
10 NIH FUNDING.

11 SO WE WOULD FIND IT REALLY IMPORTANT IF THE  
12 GOVERNMENT COULD INTERPRET DIRECTLY OR IF BY  
13 LEGISLATION IT WAS INSTRUCTED TO INTERPRET THE  
14 POST-PRESIDENTIAL LINES AS THAT THE ONLY FUNDING THAT  
15 WOULD BE HELD BACK, WITHHELD, WOULD BE FOR WORKING WITH  
16 THE LINES DIRECTLY, NOT WITH WORKING WITH MATERIALS  
17 DERIVED FROM THE LINES IN SYSTEMS WHERE NIH FUNDING HAS  
18 BEEN INVOLVED.

19 CHAIRMAN KLEIN: ALL RIGHT. AND DR. CHIU HAS  
20 A QUESTION FOR YOU, IRV.

21 DR. CHIU: I JUST WAS HOPING YOU WOULD  
22 CLARIFY A LITTLE BIT WHAT EXACTLY ARE THE REAGENTS OR  
23 TOOLS OR MATERIALS FUNDED BY THE NIH THAT CANNOT BE  
24 USED WITH THE NON-PRESIDENTIAL LINES. SO I UNDERSTAND  
25 THAT ANYTHING EXTRACTED FROM THE NON-PRESIDENTIAL LINES

1 CANNOT BE WORKED ON USING NIH FUNDS.

2 DR. WEISSMAN: RIGHT. SO I'LL GIVE YOU A  
3 COUPLE MORE SPECIFIC EXAMPLES. AT STANFORD PAT BROWN  
4 AND DAVID BOTTSTEIN DEVELOPED CDNA MICROARRAYS WHICH  
5 COVERS THE WHOLE SET OF HUMAN GENES THAT ARE USED IN  
6 NORMAL AND IN ABNORMAL TISSUE DEVELOPMENT. SO THAT WAS  
7 FUNDED ENTIRELY BY THE NIH OR ALMOST ENTIRELY BY THE  
8 NIH. SO THEY HAVE A FACILITY NOW, A SERVICE FACILITY,  
9 LARGELY FUNDED FROM THE NIH WHICH WE CAN'T USE FOR THE  
10 PRESIDENTIAL CELL LINES.

11 DR. CHIU: RIGHT. THE FACILITY, YOU CANNOT  
12 USE THE FACILITY?

13 DR. WEISSMAN: THAT'S RIGHT. WE CAN'T GO TO  
14 THE FACILITY, WE CAN'T SEND OUR MATERIALS TO THE  
15 FACILITY, AND, THEREFORE, WE CAN'T GET INFORMATION.

16 SECOND --

17 DR. BRYANT: CAN I JUST ASK A QUESTION ABOUT  
18 THAT? SO IF THAT WERE SET UP AS A RECHARGE UNIT, WOULD  
19 YOU BE ABLE TO USE IT THEN?

20 DR. WEISSMAN: YOU'RE GOING BEYOND MY -- YOU  
21 MEAN RECHARGE TO THE INVESTIGATOR?

22 DR. BRYANT: YES. SO THAT ANYONE COMING INTO  
23 THE FACILITY WOULD HAVE TO PAY FOR ALL THE WORK THAT  
24 WAS DONE AND IT WOULD BE PAID FOR BY WHATEVER.

25 DR. WEISSMAN: NO. THAT'S WHAT WE DO ANYWAY.

1 THE ARGUMENT, AT LEAST THAT THE LOCAL COUNSEL HAS GIVEN  
2 US, IS THAT BECAUSE ALL OF THE INTELLECTUAL PROPERTY  
3 NOT PATENTED, BUT INHERENT IN THE METHOD THEY  
4 DEVELOPED, WAS FUNDED BY NIH AND WE'RE USING THAT  
5 INTELLECTUAL PROPERTY TO GET AT THE INFORMATION OF  
6 THOSE GENE EXPRESSION ARRAYS, EVEN IF WE PAY THEM BACK  
7 FOR THEIR COST AT THE TIME, THAT WOULDN'T COVER IT.

8 NOW, SOMEBODY MIGHT BRING UP, WELL, WHAT IF  
9 YOU PAY BACK APPORTIONED COST OF THE FULL DEVELOPMENT  
10 OF EVERYTHING? AND, YOU KNOW, THAT'S VERY CUMBERSOME,  
11 BUT I IMAGINE THAT COULD DO IT, BUT NOW HERE'S ANOTHER  
12 PROBLEM.

13 DR. MURPHY: IRV, EXCUSE ME, BEFORE YOU GO TO  
14 THAT OTHER ONE. YOU MAY HAVE MISSPOKE, OR I MAY HAVE  
15 MISHEARD. IF YOU HAVE PRESIDENTIAL LINES, CAN YOU USE  
16 THE NIH FACILITIES?

17 DR. WEISSMAN: YES.

18 DR. MURPHY: YOU SAID PRESIDENTIAL, SO IT'S  
19 POST-PRESIDENTIAL.

20 DR. WEISSMAN: IT'S POST-PRESIDENTIAL. I  
21 MISSPOKE THEN.

22 THE SECOND PART IS MANY OF US USE MONOCLONAL  
23 ANTIBODIES TO BE ABLE TO SORT OUT THE SUBSETS OF CELLS  
24 DERIVED FROM EMBRYONIC STEM CELLS SO THAT WE MIGHT FIND  
25 HEART OR BRAIN OR OTHER TISSUE STEM CELLS. ALMOST ALL

1 OF THOSE ANTIBODIES WERE DERIVED FROM NIH SUPPORT. AND  
2 SO ONCE AGAIN, YOU ARE DENIED THE USE OF CRITICAL  
3 REAGENTS. AND I SUPPOSE YOU COULD TRY TO GO BACK AND  
4 COST OUT EVERYTHING AGAIN, BUT IT WOULD BE A  
5 BUREAUCRATIC NIGHTMARE JUST TO TRY TO FIGURE THAT  
6 APPORTIONED COST. IT WOULD BE MUCH BETTER IF THE  
7 FUNDING BAN WERE SIMPLY ON WORKING WITH THE LINES  
8 THEMSELVES AND NOT DERIVATIVES FROM THE LINES.

9 CHAIRMAN KLEIN: IRV, IS IT MY UNDERSTANDING  
10 THAT ONE OF THE PROBLEMS AT STANFORD IS THE ATTORNEYS  
11 THINK THAT THE RECASTING IS HIGHLY SUBJECTIVE AND WOULD  
12 LEAVE THE UNIVERSITY HIGHLY VULNERABLE TO AUDITS THAT  
13 MAY NOT BE NECESSARILY BALANCED?

14 DR. WEISSMAN: YEAH. IT MIGHT BE TRUE. I  
15 DON'T KNOW THAT DIRECTLY. I JUST TRY TO FOLLOW THE  
16 RULES WHEN THEY TELL ME WHAT THE RULES ARE, NOT THE  
17 REASONS WHY THEY TELL ME THE RULES.

18 DR. CHIU: -- WHETHER THEY WILL BE APPLYING  
19 THESE RULES IN THE MANNER THAT YOUR ATTORNEYS SAY?

20 DR. WEISSMAN: I AM VIRTUALLY CERTAIN THEY  
21 WILL APPLY THEM, AND I'M VIRTUALLY CERTAIN THAT EVERY  
22 INSTITUTION THAT IS IN THE SLIGHTEST BIT CONSERVATIVE  
23 ABOUT THEIR CHANCES TO GET FEDERAL FUNDING WILL  
24 INTERPRET IT IN CLOSE TO THE SAME WAY, IF NOT THE SAME  
25 WAY. THAT'S SPECULATION FROM ME, NOT FROM THE

1 UNIVERSITY.

2 CHAIRMAN KLEIN: ANOTHER QUESTION, IS THERE?

3 DR. WRIGHT: I HAVE A QUESTION. THIS IS  
4 JANET WRIGHT. IRV, WITH WHOM DOES THE RESPONSIBILITY  
5 LIE TO RECONFIGURE THIS SO THAT IT APPLIES ONLY TO THE  
6 PRESIDENTIAL LINES?

7 DR. WEISSMAN: WELL, I MEAN YOU COULD TRY TO  
8 GET THE PRESIDENT AND HIS EXECUTIVE OFFICE TO CLARIFY  
9 THE EXECUTIVE ORDER. THAT WOULD BE ONE WAY. I SUPPOSE  
10 ANOTHER WAY IS THROUGH LEGISLATION, BUT THOSE ARE THE  
11 ONLY TWO WAYS THAT I COULD IMAGINE.

12 CHAIRMAN KLEIN: JANET, THE NIH INDIVIDUALS  
13 THAT I HAVE SPOKEN TO -- THIS IS BOB -- HAVE INDICATED  
14 THAT THE DIRECTION AT THE NIH IS DON'T ASK OMB, WHO IS  
15 THE PARTY THAT WOULD PROVIDE THIS GUIDANCE FOR THE  
16 WHITE HOUSE. YOU DON'T WANT TO KNOW THE ANSWER.

17 AND LET US REMIND EVERYONE. WE'RE AT A STAGE  
18 WHERE WE'RE TRYING TO DETERMINE -- WE HAVE A SERIOUS  
19 ENOUGH PROBLEM HERE. WE'RE JUST CONFIRMING THE  
20 SERIOUSNESS OF THE PROBLEM. WE'RE NOT AT THE ACTION  
21 STAGE OF HAVING ACTUAL RECOMMENDED LANGUAGE TO CONGRESS  
22 OR DECIDING THAT POTENTIALLY SOME OF THE OMB SITUATION  
23 MIGHT BE CLARIFIED AT THE NIH WITHOUT OMB INVOLVEMENT.  
24 WE'RE AT THE STAGE OF REALLY UNDERSTANDING THE  
25 MAGNITUDE OF THE ISSUE AND THE SERIOUSNESS OF IT FOR



1 THE COMMITMENT OF OUR STAFF TIME TO DEAL WITH THIS.

2 AND, DEBBIE, DO YOU HAVE ANY QUESTIONS FROM  
3 SCRIPPS OR ANY ADDITIONAL COMMENTS?

4 DR. MOSCA: YOU ARE REFERRING TO THE CIRCULAR  
5 A-21 AND THAT THERE WAS A PORTION WITHIN IT THAT THIS  
6 LANGUAGE REALLY BECAME ALLIED. I WAS JUST WONDERING IF  
7 YOU COULD POINT OUT EXACTLY WHERE THE LAWYERS ARE  
8 FOCUSING ON IN TERMS OF THEIR DESCRIPTION BECAUSE IT'S  
9 A FAIRLY LARGE CIRCULAR. THIS APPLIES TO THE  
10 FACILITIES CONCEPT AS WELL IN TERMS OF COMMINGLING OF  
11 FUNDS WITHIN FACILITIES. SO I THINK IT TRANSCENDS JUST  
12 THE RESEARCH.

13 CHAIRMAN KLEIN: THAT'S CORRECT. ANN JAMES  
14 IS THE COUNSEL AT STANFORD THAT I'VE SPOKEN TO ABOUT  
15 IT, DEBBIE. AND WHAT I SHOULD DO IS HAVE ANN JAMES  
16 SEND YOU AN E-MAIL.

17 DR. MOSCA: THAT'D BE GREAT.

18 CHAIRMAN KLEIN: OF COURSE, WE'LL MAKE THE  
19 SAME E-MAIL AVAILABLE --

20 DR. WEISSMAN: THE SECOND PERSON IS THAT ANN  
21 DOES REPORT TO THE GENERAL COUNSEL FOR THE UNIVERSITY,  
22 AND THAT'S DEBORAH ZUMWALT, Z-U-M-W-A-L-T.

23 CHAIRMAN KLEIN: WE WILL MAKE THAT RESPONSE  
24 AVAILABLE TO THE PUBLIC ON OUR SITE.

25 DR. MOSCA: GOOD.

1           CHAIRMAN KLEIN:  OKAY.  THERE'S ALSO THE --  
2   DO WE HAVE AT EACH OF OUR SITES A COPY OF THE *GUARDIAN*  
3   ARTICLE THAT CLAIRE POMEROY PROVIDED TITLED "SCIENCE  
4   AND TECHNOLOGY -- HARVARD'S BRIDGE OF SIGHS"?  IT DEALS  
5   WITH KEVIN EGGAN AND OTHER RESEARCHERS AT HARVARD AND  
6   THEIR INTERFACE SPECIFICALLY WITH THE PORTION OF THE  
7   PROBLEM THAT IRV JUST DESCRIBED, WHICH IS THE USE OF  
8   DERIVATIVES, WHETHER THEY'RE REAGENTS OR OTHER  
9   DERIVATIVES FROM FEDERAL RESEARCH, THAT ARE NEEDED TO  
10  BE USED IN THE INTERFACE WITH THE POST-PRESIDENTIAL  
11  EMBRYONIC STEM CELL RESEARCH.

12            IRV, COMMENT.  IS MY UNDERSTANDING CORRECT,  
13  THAT YOU'RE TALKING ABOUT REAGENTS AND MATERIAL,  
14  WHETHER IT'S RNA OR DNA, THAT'S DERIVED FROM FEDERAL  
15  RESEARCH?

16            DR. WEISSMAN:  RIGHT.  RNA, DNA, ANTIBODIES,  
17  PROTEIN INTERACTIONS, DEVICES.  JUST ABOUT ANYTHING  
18  THAT YOU WOULD USE TO TRY TO ADVANCE YOUR RESEARCH  
19  OTHER THAN THINGS THAT WERE MADE ENTIRELY WITHOUT  
20  FEDERAL DOLLARS, WHICH USUALLY MEANS COMMERCIAL  
21  OUTFITS.  AND THEY DON'T NECESSARILY HAVE COMPETITIVE  
22  MATERIALS.

23            CHAIRMAN KLEIN:  OKAY.  AND DR. ARLENE CHIU  
24  COMMENTS THAT REALLY KEVIN EGGAN IS MORE FOCUSED ON THE  
25  FACILITIES SIDE OF THE ISSUE AND EQUIPMENT RATHER THAN

1 THE SIDE OF THE ISSUE THAT IRV IS DESCRIBING HERE,  
2 WHICH IS A GOOD CLARIFICATION.

3 IN TERMS OF THE RESOLUTION THAT WE WOULD BE  
4 LOOKING AT AT THE BOARD IS IDENTIFYING THIS AS AN  
5 EXTREMELY IMPORTANT AREA ALONG THE ENTIRE SPECTRUM OF  
6 THE PROBLEM, THAT WE WOULD THEN FOCUS ATTENTION ON AT  
7 THE LEGISLATIVE COMMITTEE AND STAFF IN ORDER TO BRING  
8 BACK A RECOMMENDATION TO THE LEGISLATIVE COMMITTEE AND  
9 THEN TO THE BOARD FOR ACTION ITSELF.

10 BUT THE QUESTION IS AMONG THE BOARD MEMBERS  
11 ON THIS CALL, FROM THE LETTERS PROVIDED BY THE THREE  
12 DIFFERENT UNIVERSITIES, AND THERE'S ALSO A STANFORD  
13 LETTER THAT WE'LL SEND OUT AS WELL. WE DIDN'T HAVE A  
14 COMPLETE COPY OF THAT THAT WAS AVAILABLE FOR E-MAIL,  
15 BUT WE WILL GET THIS OUT TO ANYONE WHO WOULD REQUEST IT  
16 FROM THE PUBLIC OR ANY OF THE BOARD MEMBERS.

17 BUT WITH THE BENEFIT OF THE DISCUSSION WE'VE  
18 HAD TONIGHT, WITH THE BENEFIT OF THE *GUARDIAN* ARTICLE,  
19 WITH THE BENEFIT OF LETTERS FROM THE THREE DIFFERENT  
20 UNIVERSITIES, COULD THE BOARD MEMBERS JUST STATE THEIR  
21 VIEW OF THE IMPORTANCE OF ADDRESSING THIS ISSUE?

22 AND I WOULD SAY, AS A CONTEXT FOR THAT, THAT  
23 IN THE BEGINNING OF JANUARY, I MET WITH 25 MEMBERS OF  
24 THE U.S. SENATE INDIVIDUALLY AND APPROXIMATELY 20  
25 MEMBERS OF THE HOUSE LEADERSHIP. TO THE EXTENT THAT

1 THE BOARD WERE TO DECIDE THAT THIS WAS AN ITEM FOR  
2 ACTION, I DO BELIEVE THAT THE VOTES WOULD BE THERE FOR  
3 AN AMENDMENT, POSSIBLY ATTACHED TO A DEFENSE BILL, A  
4 MUST PASS-BILL, TO ADDRESS THIS ISSUE. THAT'S A  
5 SEPARATE ISSUE FROM APPROVING EMBRYONIC STEM CELL  
6 RESEARCH POST-PRESIDENTIAL FOR FEDERAL FUNDING. BUT  
7 THE QUESTION IS IS THIS ISSUE AS A SEPARATE ISSUE AN  
8 IMPORTANT AREA OF FOCUS?

9 DR. POMEROY: THIS IS CLAIRE. I THINK THAT  
10 IT'S QUITE CLEAR THAT WE ALL HAVE CONCERNS LIKE THOSE  
11 THAT DR. WEISSMAN OUTLINED FOR US. I THINK THE REAL  
12 ISSUE HERE IS WHAT IS THE MOST EFFECTIVE WAY TO GET TO  
13 WHERE WE WANT TO GO, WHICH IS, YOU KNOW, NOT HAVING  
14 THESE BUREAUCRATIC CONCERNS TO KEEP US FROM  
15 ACCOMPLISHING OUR GOAL. I KNOW THERE HAS BEEN SOME  
16 FEEDBACK THAT THIS CIRCULAR A-21 IS, YOU KNOW, THE  
17 RESULT OF A LOT, A LOT OF WORK ON A LOT OF PEOPLE'S  
18 PARTS, AND THAT WE NEED TO BE CAREFUL THAT WE DON'T  
19 HAVE UNINTENDED CONSEQUENCES BY TRYING TO CHANGE IT.

20 AND SO I GUESS MY QUESTION WOULD BE, YES, I  
21 THINK WE HAVE THESE PROBLEMS AND THESE CHALLENGES, AND  
22 I THINK THEY'RE HOLDING BACK STEM CELL RESEARCH. THE  
23 QUESTION IS WHAT'S THE MOST EFFECTIVE WAY TO GET TO THE  
24 END THAT WE WANT?

25 CHAIRMAN KLEIN: CERTAINLY IN THIS PROCESS OF

1 DUE DILIGENCE INVESTIGATION, CLAIRE, PART OF THE GROUPS  
2 WE'VE MET WITH THUS FAR INCLUDE CAMR, THE COALITION OF  
3 ADVANCEMENT OF MEDICAL RESEARCH, THEIR LEADERSHIP, THE  
4 AMERICAN ASSOCIATION OF MEDICAL SCHOOLS  
5 REPRESENTATIVES, THE AAAS REPRESENTATIVES, AND OTHER  
6 SCIENTIFIC ORGANIZATIONS BECAUSE WHAT THE INTENT WOULD  
7 BE, IF WE'VE IDENTIFIED THIS AS A PRIORITY PROBLEM --

8 (TELEPHONE INTERFERENCE.)

9 CHAIRMAN KLEIN: -- THROUGH AN EXTENDED DUE  
10 DILIGENCE PERIOD BRING BACK THE INFORMATION FROM ALL OF  
11 THESE GROUPS AND THEIR COUNSEL SO THAT THE BOARD CAN  
12 MAKE AND THE LEGISLATIVE COMMITTEE CAN MAKE AN  
13 INDEPENDENT JUDGMENT WITH THE INPUT ON AN EXPANDED  
14 BASIS SO THAT WHEN THIS CAME BACK, WE WOULD HAVE  
15 PARTIES FROM THOSE OTHER ORGANIZATIONS AS WELL ON THE  
16 CALL SO THAT THE BOARD MEMBERS ON THE LEGISLATIVE  
17 COMMITTEE COULD INDEPENDENTLY ASK THEM QUESTIONS.

18 MS. SAMUELSON: THIS IS JOAN. THAT SOUNDS  
19 LIKE A GOOD IDEA. IT SEEMS TO ME WE WANT A THOROUGH  
20 LEGAL AND POLITICAL ASSESSMENT.

21 DR. BRYANT: THIS IS SUE. SORRY, JOAN. THIS  
22 IS SUE BRYANT. I COMPLETELY AGREE. I THINK THAT -- I  
23 WAS JUST LOOKING AT THE INTERMEDIATE, THE YELLOW  
24 SOLUTION FROM THE HARVARD EQUIPMENT THING. I MEAN IT'S  
25 POSSIBLE TO THINK OF INVENTING SOMETHING LIKE THAT FOR

1 REAGENTS ALSO, BUT IT WOULD BE EXTREMELY ARBITRARY. I  
2 CAN'T ACTUALLY -- I THINK WE NEED A LOT OF PEOPLE  
3 THINKING ABOUT THIS BECAUSE I THINK THIS IS A VERY  
4 SERIOUS PROBLEM.

5 MS. SAMUELSON: MY HUNCH IS THAT WHEN ALL THE  
6 DUST SETTLES, OUR ONLY REAL OPTION TO REALLY BE ABLE TO  
7 GO AHEAD AGGRESSIVELY EVEN WITHIN OUR OWN FUNDING, IF  
8 WE'RE REALLY CONTEMPLATING GETTING RESULTS, IS THAT WE  
9 SOLVE THE ENTIRE PROBLEM BY GETTING THE BAN LIFTED BY  
10 WHATEVER -- WITH AN OVERRIDE IF THAT'S WHAT WE NEED.

11 CHAIRMAN KLEIN: WELL, THE THEORY ON THIS  
12 ISOLATED ISSUE IS IF IN THE SUMMER OR FALL THERE WAS A  
13 DECISION TO GO FORWARD WITH A LEGISLATIVE SOLUTION, WE  
14 WOULD TRY AND BE VERY ACUTE AND FOCUS ON THOSE AREAS  
15 THAT WERE THE MOST TROUBLESOME AND DO IT IN AN  
16 AMENDMENT THAT, IN FACT, WOULD BE PART OF A MUST-PASS  
17 BILL, TRYING TO KEEP THE LOWEST PROFILE TO THE LANGUAGE  
18 IN TERMS OF MAKING IT RESTRICTIVE AND MAKING IT CLEAR  
19 THAT THIS IS NOT THE ISSUE ADDRESSED IN HOUSE BILL 3 OR  
20 SENATE BILL 5, WHICH IS A BROADER ISSUE. THIS ISSUE  
21 IS, FROM THE SENATORS I'VE TALKED WITH AND THE HOUSE  
22 MEMBERS I'VE TALKED WITH, THIS ISSUE MAY BE MORE  
23 ACCEPTABLE TO SOME CROSSOVER MEMBERS WHO DON'T WANT TO  
24 SEE A HUGE AMOUNT OF FEDERAL RESEARCH FUNDS THAT HAVE  
25 ALREADY BEEN EXPENDED WASTED IN A PERIOD WHERE THERE'S

1 VERY RESTRICTED RESOURCES IN THE FIRST PLACE, AND THEY  
2 DON'T WANT TO HAVE TO APPROPRIATE TWICE TO ACCESS  
3 RESEARCH THAT'S PREVIOUSLY BEEN PAID FOR WITH FEDERAL  
4 DOLLARS.

5 MS. SAMUELSON: THAT'S WHERE I THINK WE'RE  
6 PROBABLY GOING TO NEED A THOROUGH POLITICAL ASSESSMENT  
7 AND LEGAL ASSESSMENT OF THE WHOLE THING TO SEE WHAT THE  
8 CONSEQUENCES TO VARIOUS STRATEGIES WOULD BE AND HOW  
9 LONG IT WOULD TAKE TO GET THEM. I GUESS I'M A BIG FAN  
10 OF WORKING TOWARDS THE OVERRIDE BECAUSE I THINK IT'S  
11 DOABLE. IF PEOPLE FEEL THAT'S IMPOSSIBLE, OF COURSE,  
12 THEN THIS MIGHT BE THE NEXT BEST THING. BUT IT JUST  
13 SOUNDS LIKE A MESS.

14 CHAIRMAN KLEIN: DEFINITELY.

15 MS. SAMUELSON: AND THAT THERE ARE PEOPLE IN  
16 THE WHITE HOUSE WHO ARE PROBABLY VERY HAPPY TODAY IN  
17 HAVING ACCOMPLISHED THIS. THEY'RE DOING A BRILLIANT  
18 JOB OF GUMMING UP THE WORKS.

19 CHAIRMAN KLEIN: JEFF, DID YOU HAVE A  
20 COMMENT?

21 MR. SHEEHY: WELL, I DID THINK IT MIGHT BE  
22 WORTH PURSUING BECAUSE THERE IS SOMETHING ABOUT THE WAY  
23 THE POLICY'S BEEN IMPLEMENTED, THAT IT REALLY GOES  
24 BEYOND, I THINK, WHAT THE PUBLIC GENERALLY UNDERSTANDS.  
25 I THINK, YOU KNOW, IT'S ONE THING THAT THE FEDERAL

1 GOVERNMENT NOT FUND STEM CELL RESEARCH BASED ON THE  
2 VERY STRONGLY HELD BELIEF OF THE PRESIDENT AND A NUMBER  
3 OF PEOPLE IN THE COUNTRY, AND ONE CAN UNDERSTAND THAT.  
4 BUT WE ARE IN A DEMOCRACY, WE'RE IN A FEDERAL SYSTEM,  
5 AND IT'S NOT ONLY CALIFORNIA, BUT IT'S ILLINOIS, IT'S  
6 NEW JERSEY, IT'S NEW YORK, CONNECTICUT. STATES AROUND  
7 THE COUNTRY ARE MAKING THE DECISION THAT THEY WOULD  
8 LIKE TO MOVE FORWARD WITH STEM CELL RESEARCH, AND  
9 THAT'S BEEN A LONG-HONORED WAY IN THIS COUNTRY OF  
10 TRYING TO RESOLVE SOME OF THESE THORNY SOCIAL ISSUES IS  
11 TO LET THE STATE LABORATORIES FOR EXPERIMENTING WITH  
12 REALLY THE PUBLIC TOLERANCE FOR SOME OF THESE  
13 CONTROVERSIAL ISSUES.

14 AND THIS SEEKS TO REALLY IMPOSE -- TO REALLY  
15 BE VERY DRACONIAN IN IMPOSING A BAN IN A WAY THAT I  
16 DON'T THINK ANYBODY, WHEN THIS WAS FIRST TALKED ABOUT,  
17 EVER ENVISIONED. THE LEVEL OF SEGREGATION, THE LEVEL  
18 OF ONEROUSNESS, THREATS THAT ARE BEING RAISED, WE CAN  
19 ALL SEE A CERTAIN FAIRNESS IN THE PRESIDENT SAYING I  
20 DON'T WANT TO FUND THIS, SO WE'RE NOT GOING TO FUND  
21 THIS. BUT TO GO AND SAY THAT YOU CAN'T USE DISCOVERIES  
22 THAT THE NIH HAS FUNDED, TO USE THE TOOLS FROM THIS  
23 RESEARCH JUST SEEMS A BIT LIKE OVERKILL. AND I THINK  
24 IT WOULD BE WORTH EXPLORING. EVEN FOR OPPONENTS OF  
25 STEM CELL RESEARCH, THIS JUST SEEMS TO REPRESENT A



1 MEAN-SPIRITEDNESS THAT I THINK REFLECTS BADLY ON  
2 EVERYONE INVOLVED, EVERYONE SUPPORTING THIS POSITION.

3 CHAIRMAN KLEIN: I'D ALSO LIKE TO ADD, AS A  
4 POINT OF INFORMATION HERE, THAT WHEN WE TALK ABOUT  
5 A-21, IT'S SHORTHAND FOR ALSO TALKING ABOUT A-110,  
6 WHICH ACTUALLY IS THE CIRCULAR THAT DEALS WITH SOME OF  
7 THE EQUIPMENT ISSUES. SO WHEN WE PROVIDE YOU WITH THE  
8 LEGAL REFERENCES, SOME OF THEM WILL BE TO A-21, SOME OF  
9 THEM WILL BE FOR A-110.

10 DR. PRIETO: THIS IS FRANCISCO PRIETO. JUST  
11 QUESTION. THE POINT THAT JEFF ALLUDED TO RIGHT NOW I  
12 THINK IS A VERY IMPORTANT ONE. DOESN'T THIS APPLY  
13 EQUALLY AND IMPACT EVERYONE WHO'S TRYING TO DO STEM  
14 CELL RESEARCH ANYWHERE IN THE COUNTRY THAT INVOLVES USE  
15 OF REAGENTS AND TOOLS THAT HAVE HAD NIH FUNDING AT SOME  
16 POINT?

17 CHAIRMAN KLEIN: IT ABSOLUTELY DOES. AND IN  
18 ADDITION TO CAMR, FOR EXAMPLE, WHEN I WAS IN WASHINGTON  
19 LAST WEEK, I MET WITH GOVERNOR DOYLE OF WISCONSIN.  
20 THEY SEE THEMSELVES IMPACTED HEAVILY BY THIS SAME  
21 POLICY AS WE DO. BUT IN BRINGING THIS BACK, WE'LL TRY  
22 AND BRING BACK INFORMATION, AS JEFF SAYS, FROM NEW  
23 YORK, NEW JERSEY, ILLINOIS, WISCONSIN SO THAT YOU HAVE  
24 THE VIEWS FROM OTHER STATES AS WELL BECAUSE WE NEED A  
25 CONSISTENT FEDERAL APPROACH TO THIS BY THE STATE

1 JURISDICTIONS ACROSS THE COUNTRY AND TRYING TO BRING  
2 TOGETHER THE BEST MINDS OF ALL OF THE LEADING STATES SO  
3 WE HAVE A MULTIFACETED PERSPECTIVE.

4 DR. PRIETO: THAT'S EXACTLY MY POINT. I  
5 THINK WE NEED THE CONSISTENCY AND BASICALLY TO BE  
6 WORKING IN TANDEM ON THIS SINCE IT AFFECTS ALL OF US.

7 DR. MURPHY: ARE OUR ALTERNATIVES A  
8 FREESTANDING BILL THAT WOULD HAVE TO GO THROUGH BOTH  
9 HOUSES AS OPPOSED TO A RIDER ON A MUST-HAVE BILL? IS  
10 THAT WHERE WE ARE RIGHT NOW?

11 CHAIRMAN KLEIN: THE ALTERNATIVES ARE, A,  
12 SOME OF THESE RESTRICTIONS, FOR EXAMPLE, MAYBE THE NIH  
13 MAY BE ABLE TO CHANGE THE PROVISION THAT SAYS THAT  
14 SOMEONE ON AN NIH GRANT WHO'S A GRADUATE STUDENT IS NOT  
15 PROHIBITED FROM ACTUALLY GOING INTO THESE LABS JUST TO  
16 LOOK AT THE RESEARCH. BUT MAYBE THAT CLARIFICATION IS  
17 SUFFICIENT. MAYBE SOME INSTITUTIONS THINK THEY ALREADY  
18 HAVE THAT CLARIFICATION. OTHERS DON'T.

19 BUT LEGISLATIVELY, WHAT WE'RE REFERRING TO,  
20 IT'S A STANDALONE BILL OR AN AMENDMENT. AND THE  
21 COUNSEL FROM WASHINGTON, D.C., WAS TENTATIVELY IF YOU  
22 DECIDE TO GO FORWARD ON THIS AND HAVE A CONSENSUS ON  
23 THE LANGUAGE, THE AMENDMENT TO A MUST-PASS BILL SEEMS  
24 TO BE THEIR RECOMMENDATION.

25 DR. MURPHY: I SHOULD TELL YOU THAT I TALKED

1 WITH ONE OF THE LOBBYISTS WHO REPRESENTS US IN  
2 WASHINGTON, AND I RAN THIS IDEA BY THEM. AND I ASKED  
3 TWO QUESTIONS. ONE IS ARE WE GOING TO CREATE SOME REAL  
4 RESISTANCE AND SOME ANTIBODIES IN WASHINGTON IF WE PUSH  
5 FOR THIS? AND ARE, IN FACT, THERE ANTIBODIES OUT THERE  
6 NOW? AND THE ANSWER THAT SHE TOLD ME, AND SHE'S VERY  
7 MUCH INVOLVED IN THE STEM CELL DEBATE, WAS SHE HAD  
8 HEARD NOTHING ON A NEGATIVE SIDE ABOUT EFFORTS TO DEAL  
9 WITH THESE ISSUES. SO SHE WAS NOT AT ALL CONCERNED  
10 THAT WE WERE GOING TO CREATE ENEMIES WITH THIS.

11 THE OTHER THING SHE SAID WAS THE IDEA OF  
12 PUTTING A RIDER ON A BILL, TO HER, MAKES A LOT OF SENSE  
13 BECAUSE IN THAT WAY YOU REALLY DO COME PERHAPS UNDER  
14 THE RADAR SCREEN. AND A LOT OF PEOPLE WOULD BENEFIT  
15 FROM NOT HAVING TO TAKE A PUBLIC STAND ON THIS ISSUE.  
16 SO WHILE I AGREE WITH THOSE WHO HAVE SAID THAT WE NEED  
17 TO BE WARY, I ALSO HOPE WE DON'T GET PARALYZED BY  
18 BECOMING SO METICULOUS FROM THE POLITICAL AND  
19 LEGISLATIVE SIDE THAT WE CAN'T MOVE THIS THING ALONG  
20 VERY QUICKLY AND GET THE KIND OF SUPPORT THAT YOU'RE  
21 TALKING ABOUT FROM OTHER CONSTITUENCIES.

22 CHAIRMAN KLEIN: THANK YOU VERY MUCH, DR.  
23 MURPHY. AND, AGAIN, WHAT WE'VE HAD THUS FAR IS A  
24 NUMBER OF INDIVIDUAL STATEMENTS, AND OUR GOAL HERE  
25 TONIGHT, BECAUSE WE DON'T HAVE A QUORUM, IS, IN FACT,

1 TO COLLECT THOSE STATEMENTS AND REPORT THE SUMMARY OF  
2 THOSE STATEMENTS TO THE BOARD FOR THE BOARD TO  
3 INDIVIDUALLY CONSIDER. BUT, AGAIN, OUR GOAL IS TO  
4 BRING -- IS THAT IF THERE IS A STRONG BELIEF AMONG THE  
5 INDIVIDUAL BOARD MEMBERS THAT THIS IS SOMETHING WE NEED  
6 TO FOCUS ON AND BRING BACK A VERY EXTENSIVE DUE  
7 DILIGENCE PROGRAM AND WITH DIRECT PARTICIPATION FROM  
8 NATIONAL ORGANIZATIONS, LIKE THE MEDICAL SCHOOLS  
9 ORGANIZATIONS THAT WOULD HAVE A PERSPECTIVE ON THIS,  
10 BECAUSE SOME OF THE PERSPECTIVES ARE DIFFERENT, THAT WE  
11 WOULD THEN BRING IT BACK IN SEVERAL MONTHS AND HAVE A  
12 LEGISLATIVE MEETING ON A VERY BROAD SCALE, AND THEN  
13 BRING IT TO THE BOARD. SO THAT'S THE GLIDE PATH WE'RE  
14 LOOKING AT HERE.

15 IT SOUNDS TO ME LIKE WE HAVE ENOUGH  
16 INDIVIDUAL BOARD MEMBERS WHO THINK THAT WE SHOULD TAKE  
17 THIS TO THE BOARD FOR DISCUSSION, THAT WE SHOULD  
18 PROCEED IN THAT MANNER.

19 MR. SHEEHY: I WOULD AGREE.

20 MS. SAMUELSON: SAME HERE. I THINK WE SHOULD  
21 KEEP IN MIND THE TIMEFRAME AFFECTING OVERRIDE ISSUES  
22 WITH THIS TIMEFRAME BECAUSE WE SHOULD UNDERSTAND THE  
23 FULL CONSEQUENCES OF GETTING OR FAILING TO GET AN  
24 OVERRIDE OF A BUSH VETO WHICH MIGHT ENCOMPASS THIS.

25 CHAIRMAN KLEIN: YEAH. THE THEORY HERE,

1 JOAN, IS THAT THIS LANGUAGE WOULD NOT BE PUT ON THE  
2 TABLE IN AN AMENDMENT UNTIL AFTER THE OVERRIDE ATTEMPT  
3 IS FULLY MARSHALED ON HOUSE BILL 3 AND SENATE BILL 5.

4 MS. SAMUELSON: AND THAT'S WHERE I THINK WE'D  
5 REALLY WANT TO DO A THOROUGH POLITICAL ANALYSIS BECAUSE  
6 THIS IS REALLY INFLAMMATORY STUFF. AND IF THE  
7 CONSEQUENCES OF GETTING AN OVERRIDE IS THAT WE AVOID  
8 ALL OF THIS, THAT WOULD BE A STRONG ARGUMENT TO MAKE IN  
9 THE MEMBERS' OFFICES WHO HAVEN'T YET COMMITTED TO VOTE  
10 FOR IT.

11 CHAIRMAN KLEIN: RIGHT. WE'RE IN A POSITION  
12 WHERE --

13 MS. SAMUELSON: AND THAT'S TRICKY.

14 CHAIRMAN KLEIN: IF WE CAN GET THE OVERRIDE,  
15 THAT'S CERTAINLY THE FOCUS. THIS WOULDN'T BE PUT ON  
16 THE TABLE UNTIL AFTER THAT DECISION. AS YOU POINT OUT,  
17 IN GETTING THE OVERRIDE, SOME OF THIS INFORMATION COULD  
18 INDIVIDUALLY BE USED WITH MEMBERS THAT ARE ON THE  
19 FENCE, BUT WE ARE AT LEAST 25 VOTES SHORT IN THE HOUSE.  
20 AS YOU POINTED OUT TO ME PREVIOUSLY, WHEN YOU GO BACK  
21 TO THE FETAL TISSUE AREA, NO ONE BELIEVED THAT AN  
22 OVERRIDE WAS POSSIBLE, AND THEY CAME FAIRLY CLOSE TO  
23 MARSHALING AN OVERRIDE THERE; IS THAT CORRECT, JOAN?

24 MS. SAMUELSON: THIRTEEN VOTES. IT TOOK A  
25 SERIOUS EFFORT, BUT WE DIDN'T BEGIN TO HAVE THE

1 RESOURCES THAT ARE AVAILABLE NOW IN TERMS OF PUBLIC  
2 SUPPORT AND BIPARTISAN SUPPORT.

3 DR. POMEROY: I JUST WANT TO REITERATE,  
4 THOUGH, THAT, AS YOU SAID, NOT EVERYONE AGREES ABOUT  
5 WHAT'S THE BEST WAY TO ACCOMPLISH THIS. AND THERE IS  
6 SOME ANXIETY OUT THERE ABOUT OPENING UP A-21 TO  
7 DISCUSSION. AND, THEREFORE, I HOPE THAT IF WE'RE GOING  
8 TO INVESTIGATE THIS FURTHER, WE'LL LOOK AT THE FULL  
9 RANGE OF OPTIONS.

10 CHAIRMAN KLEIN: ABSOLUTELY. AND I TOOK PART  
11 IN A LUNCHEON MEETING IN WASHINGTON LAST WEEK TO HAVE  
12 FOUR OR FIVE PEOPLE FROM VERY DIFFERENT PERSPECTIVES  
13 REPRESENTING NATIONAL ORGANIZATIONS SPEAK TO THEIR  
14 PERSPECTIVES, BUT WE'LL REPORT ALL OF THAT BACK. AND  
15 I'D LIKE THOSE PEOPLE TO ACTUALLY BE ON A LEGISLATIVE  
16 CALL IN THE FUTURE SO THAT THE BOARD MEMBERS CAN  
17 INDIVIDUALLY ASK THEM THEIR PERSPECTIVES.

18 DR. BRYANT: BOB, COULD I ASK A QUESTION?

19 CHAIRMAN KLEIN: YES.

20 DR. BRYANT: YOU KNOW, I MIGHT HAVE AN  
21 OPPORTUNITY TO VISIT WITH RELEVANT SENATORS AND  
22 CONGRESSPEOPLE. AT THE END OF FEBRUARY, THE COUNCIL OF  
23 VICE CHANCELLORS IN THE UC SYSTEM ARE MEETING IN  
24 WASHINGTON, D.C. I DON'T KNOW HOW MUCH VISITING TIME  
25 THERE WILL BE; BUT IF YOU GUYS COULD DEVELOP A LIST OF

1 PRIORITY CONTACTS, I WOULD BE HAPPY TO TRY AND GET TO  
2 THEM. AND ALSO, YOU KNOW, WE SHOULD THINK ABOUT, GIVEN  
3 THE KIND OF INFLAMMATORY NATURE OF THIS LATEST TURN OF  
4 EVENTS, I MEAN IT'S BEEN THERE ALL ALONG, BUT JUST  
5 THINKING ABOUT THE MAGNITUDE OF THE REAGENT ISSUE IS A  
6 LITTLE OVERWHELMING. HOW MUCH OF THAT DO WE WANT TO  
7 BRING UP? WE WOULD LIKE TO PUSH FOR AN AMENDMENT, I  
8 THINK, IS WHAT WE'RE TALKING ABOUT HERE, AND SO IT  
9 WOULD GET THROUGH QUICKLY.

10 CHAIRMAN KLEIN: WHAT'S IMPORTANT HERE IS  
11 ALWAYS TO EMPHASIZE TO WHOMEVER YOU SEE THAT WE HAVE NO  
12 INTENTION OF PUTTING ANYTHING ON THE TABLE TILL AFTER  
13 THE OTHER VOTE. AND UNTIL WE HAVE A CONSENSUS  
14 NATIONALLY AMONG LEADING MEDICAL RESEARCH  
15 ORGANIZATIONS, WE WON'T PUT ANYTHING ON THE TABLE  
16 BECAUSE WE HAVE TO HAVE A VERY HIGH LEVEL OF CONSENSUS.

17 DR. BRYANT: EXACTLY. RIGHT.

18 CHAIRMAN KLEIN: LET US MOVE, IF WE CAN, TO  
19 THE STATE LEGISLATURE WHERE OUR LAST ITEM WE'RE GOING  
20 TO LOOK AT VERY QUICKLY HERE IS --

21 DR. WEISSMAN: BOB, SHOULD I GET OFF NOW?

22 CHAIRMAN KLEIN: THANK YOU, IRV WEISSMAN. WE  
23 ALL GREATLY APPRECIATE YOUR CONTRIBUTION. LET ME FIND  
24 OUT. DO YOU HAVE A QUESTION, DON, FOR IRV WEISSMAN?

25 MR. REED: NO.

1                   CHAIRMAN KLEIN:  OKAY.  DOES ANYONE ELSE HAVE  
2  A QUESTION FOR IRV WEISSMAN?

3                   DR. WEISSMAN:  THANK YOU VERY MUCH.

4                   MS. SAMUELSON:  I NEED TO JUMP OFF TOO, BOB.

5                   DR. BRYANT:  I DO ALSO, BOB.  SORRY.

6                   CHAIRMAN KLEIN:  THAT'S OKAY.  THANK YOU.  
7  DON.

8                   MR. REED:  IT WAS MY UNDERSTANDING THAT THERE  
9  IS A MILITARY PRECEDENT FOR SOMETHING LIKE THIS TO USE  
10 MATERIALS AND EQUIPMENT THAT ARE NOT BEING USED.  AND  
11 IF THAT IS THE CASE, I THINK IT WOULD BE USEFUL TO  
12 CONTACT THE PEOPLE WHO WROTE THAT LANGUAGE AND FIND OUT  
13 HOW THEY WERE ABLE TO WORK WITHIN THE SYSTEM TO GET  
14 THAT DOUBLE USE.

15                  CHAIRMAN KLEIN:  WHAT DON IS REFERRING TO IS  
16 THAT THE DEPARTMENT OF DEFENSE HAS RECENTLY CREATED  
17 CERTAIN PROTOCOLS WHERE THINGS LIKE BAROMETRIC CHAMBERS  
18 THAT ARE FUNDED WITH DOD FUNDS ARE THEN AVAILABLE FOR  
19 ANY OTHER RESEARCH THAT THE INSTITUTION DEEMS IMPORTANT  
20 TO THEIR EDUCATIONAL RESEARCH MISSION WITHOUT A  
21 CHARGE-BACK SYSTEM THAT A-110, FOR EXAMPLE, REPRESENTS.  
22 AND THOSE EXAMPLES, THE DOD EXAMPLES, ARE PARTICULARLY  
23 VALUABLE BECAUSE IT PROVIDES A PLATFORM FOR WHY WE  
24 WOULD USE A DEPARTMENT OF DEFENSE BILL FOR THE RIDER  
25 THAT WE WOULD BE PUTTING ON.  BUT THOSE WE'LL BRING



1 BACK TO YOU.

2 IF WE CAN GO TO THE STATE, KIRK, CAN YOU JUST  
3 SUMMARIZE ASSEMBLY BILL 40 AND ASSEMBLY BILL 34? AND  
4 I'D LIKE TO SUPPORT WHAT WE CAN AT THE STATE LEVEL THAT  
5 MAY BE COMPLEMENTARY TO OUR MISSION ALTHOUGH NOT AT THE  
6 CORE OF OUR MISSION. TO THE EXTENT THAT WE CAN SHOW  
7 THE LEGISLATURE THAT WE'RE SUPPORTIVE OF ANY RESEARCH  
8 SUPPORT AND LEADERSHIP THEY'RE PROVIDING, IT WOULD  
9 PROBABLY BE A WELCOME MESSAGE.

10 MR. KLEINSCHMIDT: THE TWO BILLS THAT YOU  
11 HAVE IN FRONT OF YOU, AB 34 AND AB 40, ARE BASICALLY  
12 PLACEHOLDER BILLS. SO I WOULDN'T SPEND TOO MUCH TIME  
13 ON THOSE PARTICULAR AS FAR AS THE LANGUAGE GOES.

14 BUT THE NEW ASSEMBLYMEMBER, HIS NAME IS  
15 ANTHONY PORTANTINO. HE'S FROM THE L.A. AREA, WAS JUST  
16 ELECTED THIS PAST FALL. THIS IS HIS TOP PRIORITY. IF  
17 YOU LOOKED AT TODAY'S CLIPS, NEWS CLIPS, THERE'S AN  
18 ARTICLE IN TODAY'S *L.A. TIMES* ABOUT HIM AND HIS  
19 MOTIVATION FOR DOING THIS, WHICH IS SOME PERSONAL  
20 ISSUES OF WHEN HE HAD AND HIS WIFE HAD A BABY, THEY  
21 WANTED TO DONATE CORD BLOOD, AND HAD A LOT OF PROBLEMS  
22 IN BEING ABLE TO DO THAT IN AN EASY WAY. SO THAT'S  
23 KIND OF A PERSONAL MOTIVATION COUPLED WITH A FAMILY  
24 FRIEND WHOSE CHILD WAS HELPED THROUGH SUCH A  
25 TRANSFUSION.

1                   SO, AGAIN, THESE TWO BILLS I'VE BEEN TOLD  
2 FROM STAFF IN HIS OFFICE AS OF LAST WEEK THAT THIS WILL  
3 CHANGE IN THE VERY NEAR FUTURE, SO I WOULDN'T GET TOO  
4 FOCUSED ON THIS LANGUAGE.

5                   THE TWO OVERRIDING GOALS THAT HE'S SEEKING TO  
6 DO IS TO INCREASE THE INVENTORY OF PUBLICLY BANKED CORD  
7 BLOOD AND, SECONDLY, TO INCREASE THE DIVERSITY OF THAT  
8 KIND OF BLOOD IN CALIFORNIA. HOW THIS IS GOING TO BE  
9 ACTUALIZED REMAINS TO BE SEEN. THEY WERE TALKING  
10 ABOUT, FOR INSTANCE, DOING A REQUEST FOR PROPOSAL TO  
11 ESTABLISH SUCH A BANK MECHANISM. AGAIN, THE DETAILS  
12 AREN'T REALLY AVAILABLE AT THIS TIME.

13                   LASTLY, I'LL JUST NOTE THE BILL INTRODUCTION  
14 DATE FOR THE STATE LEGISLATURE IS FEBRUARY 23D. SO THE  
15 NEXT TWO WEEKS ARE CRITICAL, AND WE'LL SEE MORE  
16 AMENDMENTS TO EXISTING PIECES OF LEGISLATION, BUT THERE  
17 IS VERY FEW BILLS OUT THERE AT THIS MOMENT RELATED TO  
18 STEM CELL RESEARCH.

19                   SO I GUESS MY BOTTOM LINE IS I WOULD  
20 RECOMMEND NOT TAKING A FORMAL POSITION TILL WE HAVE A  
21 FORMAL BILL WITH ACTUAL LANGUAGE BECAUSE I KNOW THIS IS  
22 GOING TO CHANGE DRASTICALLY, BUT YOU HAVE A SENSE OF  
23 WHERE THEY'RE GOING.

24                   CHAIRMAN KLEIN: KIRK, WE CAN'T TAKE A FORMAL  
25 POSITION TONIGHT. WE CAN TAKE INDIVIDUAL COMMENTS.

1 ANY COMMENTS FROM BOARD MEMBERS?

2 DR. PRIETO: YES, BOB. FRANCISCO PRIETO  
3 HERE. I GUESS I'D LIKE TO ASK KIRK ABOUT THE STATUS OF  
4 THE KUEHL-RUNNER BILL THAT WE GOT A PIECE OF IN THE --  
5 AN ARTICLE ABOUT IN THE CLIPS RECENTLY. WHERE DOES  
6 THAT STAND?

7 MR. KLEINSCHMIDT: NOTHING HAS BEEN FORMALLY  
8 INTRODUCED YET, SO WE KNOW AS MUCH AS WAS WRITTEN IN  
9 THAT ARTICLE IN THE SENSE OF THE IDEAS THAT ARE  
10 FLOATING. BUT, AGAIN, THE DEADLINE WILL BE FEBRUARY  
11 23D, SO I WOULD EXPECT IN THE TWO WEEKS.

12 DR. PRIETO: ONE OF THE CONCERNS I HAVE ABOUT  
13 THAT IS IT SEEMED TO ME THAT SOME OF THE POINTS IN THE  
14 ARTICLE MAYBE DIDN'T QUITE ACCURATELY REPRESENT THE  
15 SENSE OF OUR INTELLECTUAL PROPERTY POLICIES. AND IF WE  
16 THINK THIS IS GOING TO BECOME A SIGNIFICANT ISSUE, IT  
17 MIGHT BE WORTH SENDING A DELEGATION OF SOME OF THE  
18 FOLKS FROM THE INTELLECTUAL PROPERTY TASK FORCE TO  
19 CLARIFY JUST EXACTLY WHAT WE TRIED TO DO AND WHAT WE  
20 THINK WE ACCOMPLISHED AND TRY AND GET THE LEGISLATURE  
21 ON THE SAME PAGE IF THEY'RE WANTING TO CODIFY THAT  
22 STATEWIDE.

23 MR. SHEEHY: I HAD THE SAME FEELING WHEN I  
24 READ THAT ARTICLE, FRANCISCO. I ESPECIALLY WAS STRUCK  
25 BY THE IDEA THAT WE HAD NOT INCLUDED ALL PUBLIC

1 PURCHASERS IN CALIFORNIA OF THERAPY.

2 DR. PRIETO: EXACTLY.

3 MR. SHEEHY: THAT PARTICULAR SUGGESTION WAS  
4 TAKEN DIRECTLY FROM THE CONSULTANT TO SENATE HEALTH  
5 WHO'S STILL THERE. WE HAVE E-MAIL TRAFFIC THAT SHOWS  
6 THAT WE EXPANDED THAT DIRECTLY AT HIS REQUEST, AND IT  
7 JUST FEELS A LITTLE STRANGE TO ME THAT WHAT HAS BEEN  
8 WRITTEN INTO POLICY AT THE REQUEST OF A SENATE STAFFER  
9 WHO'S DOING THE SAME JOB --

10 DR. PRIETO: THAT'S WHY I'D LIKE TO MAKE IT  
11 VERY CLEAR TO THE LEGISLATORS INVOLVED THAT, IN FACT,  
12 WE DID ADDRESS THAT ISSUE AND IN THE DIRECTION THAT  
13 THEY'RE TRYING TO MOVE IT, THAT WE'RE ALREADY THERE,  
14 AND, YOU KNOW, SOME OF THE DISCUSSIONS THAT WENT UP --  
15 WENT INTO DEVELOPING THAT POLICY.

16 CHAIRMAN KLEIN: DR. PRIETO, WE'RE DEALING  
17 WITH PETER HANSEL, WHO IS A HOLDOVER FROM THE PRIOR  
18 CHAIR OF THAT COMMITTEE. AND HE SAT INTO A MEETING  
19 THAT I'M GOING TO HAVE KIRK DESCRIBE WHERE DR. PENHOET  
20 FOLLOWED EXACTLY YOUR SUGGESTION AND WENT UP AND MET  
21 WITH SENATOR KUEHL AND ACTUALLY WITH THE STAFF OF  
22 SENATOR KUEHL. I WANT KIRK TO DESCRIBE WHO WAS THERE,  
23 WHAT THEY KNEW BEFORE THEY ACTUALLY RELEASED THE  
24 ARTICLE THAT DOESN'T PROPERLY REPRESENT THE POSITION.

25 MR. KLEINSCHMIDT: THANK YOU. FRANCISCO,

1 PREVIOUSLY WE HAD SCHEDULED A MEETING WITH SOME KEY  
2 LEGISLATIVE STAFF, INCLUDING PETER HANSEL, WHO IS THE  
3 LEAD CONSULTANT TO THE SENATE HEALTH COMMITTEE, AND A  
4 REPRESENTATIVE FROM THE ASSEMBLY JUDICIARY COMMITTEE,  
5 AS WELL AS REPRESENTATIVES FROM ASSEMBLY HEALTH, SENATE  
6 JUDICIARY, AS WELL AS SOME MISCELLANEOUS STAFFERS, FOR  
7 INSTANCE, A PERSON REPRESENTING MR. GENE MULLINS'  
8 OFFICE, WHO, AS WE ALL KNOW, HAS A BIG INTEREST IN  
9 INTELLECTUAL PROPERTY POLICY.

10 THIS MEETING HAPPENED THE SAME WEEK, COUPLE  
11 DAYS AFTER THAT STORY BROKE OUT, AGAIN, PREVIOUSLY  
12 SCHEDULED. SO IT WAS ED PENHOET, MARY MAXON, SCOTT  
13 TOCHER, AND MYSELF MEETING WITH APPROXIMATELY TEN  
14 STAFFERS GOING THROUGH A SERIES OF QUESTIONS THAT THEY  
15 HAD. THEY RANGED FROM WHY DID WE TAKE OUT THE RESEARCH  
16 USE EXEMPTION PROVISION IN OUR POLICY OVER THE SUMMER  
17 TO QUESTIONS ABOUT FINANCIAL RETURN AS WELL AS THE  
18 TYPES OF ACCESS PLANS, AND WHAT DOES INDUSTRY STANDARD  
19 MEAN, AND THINGS OF THIS NATURE.

20 SO IT WAS A VERY PRODUCTIVE CONVERSATION IN  
21 THE SENSE OF WE WERE ABLE TO EXPLAIN WHAT OUR POLICY IS  
22 AND THE INTENT. AND I THINK PART OF WHAT JEFF IS  
23 POINTING OUT AND PART OF THE CHALLENGE THAT WE'RE STILL  
24 DEALING WITH, AS WE ALL KNOW, IS THAT OUR POLICY HAS  
25 NOT YET BEEN TRANSLATED INTO REGULATORY LANGUAGE IN ALL

1 ELEMENTS. SO THERE ARE PARTS OF IT, ESPECIALLY THE  
2 LICENSING PART, ESPECIALLY THE PART ON THE ACCESS  
3 PLANS, THAT IS NOT YET FINISHED IN EITHER THE NONPROFIT  
4 POLICY OR, FOR THAT MATTER, THE FOR-PROFIT POLICY. IN  
5 FACT, THE WHOLE FOR-PROFIT REGULATIONS HAVE NOT EVEN  
6 BEEN SUBMITTED FOR PUBLIC COMMENT YET IN THE FIRST  
7 GO-ROUND, BUT I THINK IT'S GOING TO HAPPEN THIS WEEK,  
8 IF NOT VERY SOON.

9 SO THERE IS A LITTLE BIT OF DISCONNECT  
10 BETWEEN THE POLICY AND WHAT OUR REGULATIONS SAY. AND  
11 THAT'S PARTIALLY WHAT THEY'RE POINTING TO, BUT THEY ARE  
12 POINTING TO OTHER ISSUES TOO, LIKE THE FACT OF THE  
13 RESEARCH USE EXEMPTION IN THE BIGGER STATUTE. WE DID  
14 POINT OUT THAT WE HAVE SOME OTHER PROVISIONS THAT WERE  
15 ADDED IN IN A SECOND MEETING AFTER THAT JULY MEETING  
16 WHEN IT WAS TAKEN OUT THAT GUARANTEES RESEARCHERS IN  
17 THE SAMPLE LAB TO BE ABLE TO USE THAT TYPE OF PATENT  
18 AND THE LIKE.

19 A SECOND POINT, FOR THE RECORD, ABOUT THE  
20 SAME TIME WE ALSO JUST RECEIVED A LETTER FROM  
21 ASSEMBLYMAN DAVE JONES, WHO IS THE CHAIR OF THE  
22 ASSEMBLY JUDICIARY COMMITTEE. THAT WENT TO ED PENHOET  
23 AS WELL. AND WE JUST MADE A RESPONSE TO THAT, COVERING  
24 SOME OF THESE SAME ISSUES. SO I THINK THERE IS SOME  
25 LACK OF CLARITY WHERE OUR REGULATIONS ARE AND WHAT THEY

1 SAY. AND HOPEFULLY WE DID SOME POSITIVE STEPS, BUT I  
2 THINK THAT ALSO UNDERSCORES THE MEDIA REPORT OF WHAT  
3 THEY'RE GOING TO SAY IN THIS BILL MAY NOT REFLECT THE  
4 ACTUAL LANGUAGE OF THE BILL. I THINK WE STILL HAVE TO  
5 BE A LITTLE BIT PATIENT TO SEE WHERE THEY ACTUALLY SAY,  
6 ESPECIALLY IN THE I.T. PROVISION.

7 CHAIRMAN KLEIN: I THINK DR. PRIETO'S POINT  
8 IS, THOUGH, THERE ARE CERTAIN ITEMS LIKE PUBLIC HEALTH  
9 ENTITIES IN CALIFORNIA, THEIR ABILITY TO ACCESS THESE  
10 PRICES, WHATEVER THE PRICE FORMULA IS. THAT IS KNOWN  
11 AS PART OF OUR POLICY. AND THE PROBLEM IS THAT EVEN  
12 AFTER THE MEETING THAT ED PENHOET HAD, THE STAFF WROTE  
13 A RELEASE THAT WAS SENT OUT FROM SENATOR KUEHL'S OFFICE  
14 THAT CONTINUED TO REPEAT THE SAME PROBLEM THAT YOU  
15 MENTIONED, DR. PRIETO.

16 SO THE ISSUE HERE IS THAT WE MAY HAVE TO HAVE  
17 A BROADER INTERFACE, WHICH I THINK WOULD BE HEALTHY  
18 ANYWAY, WITH THE LEGISLATURE SO THAT THERE ARE MULTIPLE  
19 PEOPLE WITHIN THE LEGISLATURE THAT HAVE FIRSTHAND  
20 INFORMATION TECHNICALLY OF WHAT THE REAL POSITION IS.

21 MAYBE YOU COULD DESCRIBE THE MEETING WE HAD  
22 WITH THE LEGISLATORS FROM SAN DIEGO AND SACRAMENTO  
23 SEPARATE FROM THAT MEETING TO PROVIDE THIS GENERAL  
24 EDUCATION.

25 MR. KLEINSCHMIDT: SURE. ABSOLUTELY. WE'VE

1 BEEN HAVING VARIOUS ONE-ON-ONES UP THERE WITH MEMBERS  
2 THAT ARE INTERESTED IN GETTING AN UPDATE ON GENERAL  
3 CIRM ACTIVITIES. SOMETIMES THEY HAVE SPECIFIC  
4 INTERESTS. AND SO IN THE LAST THREE OR FOUR WEEKS,  
5 WE'VE PROBABLY MET WITH 15 OR SO MEMBERS OR THEIR  
6 STAFFS. I'LL BE UP THERE, FOR INSTANCE, THE NEXT TWO  
7 DAYS DOING MORE VISITS, I THINK ANOTHER DOZEN OR SO.  
8 AND THEN WE ALSO HAVE A BRIEFING THAT'S GOING TO -- WE  
9 INVITED ALL MEMBERS OF THE LEGISLATURE ON FEBRUARY  
10 21ST. AND ZACH HALL, ARLENE CHIU, AND MARY MAXON WILL  
11 REPRESENT US ON VARIOUS PIECES OF AN UPDATE, AND THAT  
12 WILL BE A PUBLIC DISCUSSION ABOUT OUR VARIOUS POLICIES  
13 AND WHERE THEY ARE. SO WE'RE MAKING A NUMBER OF  
14 CONCERTED EFFORTS.

15 THE MEETING THAT BOB IS REFERRING TO IS A  
16 SMALL BRIEFING THAT SENATOR CHRISTINE KEHOE FROM SAN  
17 DIEGO ORGANIZED, AND SHE HAD, I THINK, FIVE OR SO OTHER  
18 MEMBERS, INCLUDING ASSEMBLYMEMBER FIONA MA, SENATOR  
19 LELAND YEE, ASSEMBLYMEMBER MARY SALAS, AND  
20 ASSEMBLYMEMBER LORI SALDANA, AND I MAY BE MISSING  
21 SOMEBODY ELSE, AT A LITTLE BRIEFING THAT TALKED ABOUT A  
22 VARIETY OF ISSUES HAVING TO DO WITH LITIGATION, OUR  
23 GRANTS PROGRAM. ZACH DID ABOUT 20 OR SO MINUTES, AND  
24 THEN BOB FINISHED IT UP WITH ABOUT HALF AN HOUR OR SO  
25 TALKING ABOUT VARIOUS ISSUES, IDEAS, GETTING THEIR



1 INPUT FOR STRENGTHENING THE PROGRAM, THINGS LIKE THAT.

2 CHAIRMAN KLEIN: SO IN ANY CASE, WE'RE DOING  
3 A SERIOUS OUTREACH, BUT THE MEMBERS ON THE CALL ARE  
4 CERTAINLY WELCOME TO HELP WITH THIS OUTREACH BECAUSE  
5 THE MORE MEMBERS WE SEE, THE MORE DIVERSE VOICES  
6 PROVIDING PATIENT AND SCIENTIFIC AND CLINICAL  
7 PERSPECTIVES, THE MORE VALIDITY THEY'LL SEE IN THE  
8 CONSISTENCY OF OUR MESSAGE ABOUT WHAT OUR POLICIES  
9 REALLY ARE.

10 DR. PRIETO: I'M GLAD TO HEAR THAT, KIRK,  
11 THAT YOU AND ED AND MARY HAD THAT MEETING, BECAUSE I  
12 THINK THAT SORT OF THING CAN BE VERY PRODUCTIVE. I  
13 KNOW REGARDING THE SACRAMENTO MEMBERS AT LEAST, I'M  
14 SURE THAT -- I KNOW DAVE JONES, AND I'M SURE THAT  
15 CLAIRE DOES ALSO, AND HE'S OUR REPRESENTATIVE. HIS  
16 POSITION ON CHAIRING THE HEALTH COMMITTEE CERTAINLY  
17 WOULD BE WORTH MAINTAINING THOSE CONTACTS AND KEEPING  
18 HIM INFORMED AND FEELING THAT HE'S IN THE LOOP AND  
19 UNDERSTANDING, YOU KNOW, WHAT OUR INTENTIONS ARE.

20 CHAIRMAN KLEIN: RIGHT. HE'S IN JUDICIARY  
21 COMMITTEE THIS YEAR, BUT YOU'RE ABSOLUTELY CORRECT.

22 DR. PRIETO: HE'S ON THE HEALTH COMMITTEE,  
23 THOUGH, ISN'T HE?

24 CHAIRMAN KLEIN: I THINK THAT YOU'RE CORRECT.  
25 THE OTHER THING IS APRIL 10TH WE'LL HAVE AN ICOC

1 MEETING IN SACRAMENTO THAT WE'LL BE WORKING TOWARDS TO  
2 TRY AND MAKE SURE WE HAVE A REAL BROAD OUTREACH TO THE  
3 SENATE AND ASSEMBLY. THEY CAN ASK THEIR QUESTIONS, WE  
4 CAN BE FULLY RESPONSIVE TO THEIR NEEDS, AND WE CAN  
5 PROVIDE ACCURATE INFORMATION FROM ALL THE BOARD MEMBERS  
6 OF THE ICOC.

7 DR. PRIETO: RIGHT. THAT WOULD BE A VERY  
8 GOOD IDEA.

9 DR. WRIGHT: BOB, THAT'S SORT OF FRIGHTENING.  
10 THIS IS JANET. I WAS JUST GOING THROUGH MY LITTLE PALM  
11 PILOT THINKING WHERE IS THAT MEETING IN SACRAMENTO  
12 BECAUSE IT'S SUCH A LOGICAL TIME FOR US. I'M GLAD  
13 WE'RE DOING THAT.

14 CHAIRMAN KLEIN: LISTEN, I THINK THAT IN  
15 TERMS OF THESE TWO BILLS, WHICH WE WILL BE WATCHING, ON  
16 CORD BLOOD, THE HOPE IS THAT PRIOR TO THIS APRIL 10TH  
17 MEETING HERE, WE'LL HAVE ANOTHER LEGISLATIVE  
18 SUBCOMMITTEE MEETING SO THAT, WHETHER IT'S THE CORD  
19 BLOOD BILLS OR OTHER BILLS THAT COME TO THE TABLE, WE  
20 CAN HAVE AT LEAST SOME PRELIMINARY SUPPORT POSITIONS  
21 SUBJECT TO THE FINAL BILL SO THAT WE CAN GIVE SOME  
22 POSITIVE FEEDBACK TO LEGISLATORS WHEN THEY'RE TRYING TO  
23 DO COMPATIBLE AREAS OF LEGISLATION OR SUPPORTIVE AREAS  
24 OF LEGISLATION, THAT WE'RE THERE TO BE SUPPORTIVE, NOT  
25 JUST ASK FOR SUPPORT FROM THEM ON WHAT WE'RE DOING.

1 I THINK THAT THAT COVERS THE SUBJECT, AND WE  
2 GREATLY APPRECIATE IT. WE ACTUALLY ENDED UP WITH A  
3 TREMENDOUS NUMBER OF MEMBERS PARTICIPATING. NEXT TIME  
4 WHAT WE'RE GOING TO DO IS NOTICE A SITE FOR EACH  
5 COMMITTEE MEMBER THAT MIGHT PARTICIPATE SO THAT WE HAVE  
6 THE OPPORTUNITY TO THEN COUNT THOSE MEMBERS TOWARDS THE  
7 QUORUM, BUT WE REALLY DO APPRECIATE THE BROAD  
8 PARTICIPATION IN THIS MEETING.

9 ANY ADDITIONAL PUBLIC COMMENT? HEARING NO  
10 COMMENTS, WE WILL STAND ADJOURNED.

11 (THE MEETING WAS THEN ADJOURNED AT 06:03  
12 P.M.)

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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 PROCEEDINGS 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 ON FEBRUARY 12, 2007, 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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