

Chapter 697

H.B. No. 810

1 AN ACT
2 relating to the provision of certain investigational stem cell
3 treatments to patients with certain severe chronic diseases or
4 terminal illnesses and regulating the possession, use, and transfer
5 of adult stem cells; creating a criminal offense.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. This Act shall be known as Charlie's Law.

8 SECTION 2. Chapter 1003, Health and Safety Code, is amended
9 by designating Sections 1003.001, 1003.002, and 1003.003 as
10 Subchapter A and adding a subchapter heading to read as follows:

11 SUBCHAPTER A. GENERAL PROVISIONS

12 SECTION 3. Chapter 1003, Health and Safety Code, is amended
13 by adding Subchapter B to read as follows:

14 SUBCHAPTER B. PROVISION OF INVESTIGATIONAL STEM CELL TREATMENTS TO
15 PATIENTS WITH CERTAIN SEVERE CHRONIC DISEASES OR TERMINAL ILLNESSES

16 Sec. 1003.051. DEFINITIONS. In this subchapter:

17 (1) "Investigational stem cell treatment" means an
18 adult stem cell treatment that:

19 (A) is under investigation in a clinical trial
20 and being administered to human participants in that trial; and

21 (B) has not yet been approved for general use by
22 the United States Food and Drug Administration.

23 (2) "Severe chronic disease" means a condition,
24 injury, or illness that:

1 (A) may be treated;
2 (B) is never cured or eliminated; and
3 (C) entails significant functional impairment or
4 severe pain.

5 (3) "Terminal illness" means an advanced stage of a
6 disease with an unfavorable prognosis that, without
7 life-sustaining procedures, will soon result in death or a state of
8 permanent unconsciousness from which recovery is unlikely.

9 Sec. 1003.052. RULES. The executive commissioner shall
10 adopt rules designating the medical conditions that constitute a
11 severe chronic disease or terminal illness for purposes of this
12 subchapter.

13 Sec. 1003.053. PATIENT ELIGIBILITY. A patient is eligible
14 to access and use an investigational stem cell treatment under this
15 subchapter if:

16 (1) the patient has a severe chronic disease or
17 terminal illness listed in the rules adopted under Section 1003.052
18 and attested to by the patient's treating physician; and

19 (2) the patient's physician:

20 (A) in consultation with the patient, has
21 considered all other treatment options currently approved by the
22 United States Food and Drug Administration and determined that
23 those treatment options are unavailable or unlikely to alleviate
24 the significant impairment or severe pain associated with the
25 severe chronic disease or terminal illness; and

26 (B) has recommended or prescribed in writing that
27 the patient use a specific class of investigational stem cell

1 treatment.

2 Sec. 1003.054. INFORMED CONSENT. (a) Before receiving an
3 investigational stem cell treatment, an eligible patient must sign
4 a written informed consent.

5 (b) If the patient is a minor or lacks the mental capacity to
6 provide informed consent, a parent, guardian, or conservator may
7 provide informed consent on the patient's behalf.

8 (c) The executive commissioner by rule may adopt a form for
9 the informed consent under this section.

10 Sec. 1003.055. TREATMENT REQUIREMENTS; TEXAS MEDICAL BOARD
11 RULES. (a) Treatment provided under this subchapter must be:

12 (1) administered directly by a physician certified
13 under Subsection (c);

14 (2) overseen by an institutional review board
15 described by Subsection (d); and

16 (3) provided at:

17 (A) a hospital licensed under Chapter 241;

18 (B) an ambulatory surgical center licensed under
19 Chapter 243; or

20 (C) a medical school, as defined by Section
21 61.501, Education Code.

22 (b) A physician administering an investigational stem cell
23 treatment under this subchapter shall comply with all applicable
24 Texas Medical Board rules.

25 (c) An institutional review board described by Subsection
26 (d) may certify a physician to provide an investigational stem cell
27 treatment under this subchapter.

1 (d) An institutional review board that oversees
2 investigational stem cell treatments administered under this
3 subchapter must be affiliated with:

4 (1) a medical school, as defined by Section 61.501,
5 Education Code; or

6 (2) a hospital licensed under Chapter 241 that has at
7 least 150 beds.

8 (e) The Texas Medical Board may adopt rules regarding
9 institutional review boards as necessary to implement this section.

10 Sec. 1003.056. EFFECT ON OTHER LAW. (a) This subchapter
11 does not affect the coverage of enrollees in clinical trials under
12 Chapter 1379, Insurance Code.

13 (b) This subchapter does not affect or authorize a person to
14 violate any law regulating the possession, use, or transfer of
15 fetal tissue, fetal stem cells, adult stem cells, or human organs,
16 including Sections 48.02 and 48.03, Penal Code.

17 Sec. 1003.057. ACTION AGAINST PHYSICIAN'S LICENSE
18 PROHIBITED. Notwithstanding any other law, the Texas Medical Board
19 may not revoke, fail to renew, suspend, or take any action against
20 a physician's license under Subchapter B, Chapter 164, Occupations
21 Code, based solely on the physician's recommendations to an
22 eligible patient regarding access to or use of an investigational
23 stem cell treatment, provided that the care provided or
24 recommendations made to the patient meet the standard of care and
25 the requirements of this subchapter.

26 Sec. 1003.058. GOVERNMENTAL INTERFERENCE PROHIBITED. (a)
27 In this section, "governmental entity" means this state or an

1 agency or political subdivision of this state.

2 (b) A governmental entity or an officer, employee, or agent
3 of a governmental entity may not interfere with an eligible
4 patient's access to or use of a stem cell treatment authorized under
5 this subchapter.

6 Sec. 1003.059. INSTITUTIONAL REVIEW BOARD DOCUMENTATION;
7 REPORT. (a) An institutional review board overseeing an
8 investigational stem cell treatment under this subchapter shall
9 keep a record on each person to whom a physician administers the
10 treatment and document in the record the provision of each
11 treatment and the effects of the treatment on the person throughout
12 the period the treatment is administered to the person.

13 (b) Each institutional review board overseeing an
14 investigational stem cell treatment under this subchapter shall
15 submit an annual report to the Texas Medical Board on the review
16 board's findings based on records kept under Subsection (a). The
17 report may not include any patient identifying information and must
18 be made available to the public in both written and electronic form.

19 SECTION 4. Chapter 48, Penal Code, is amended by adding
20 Section 48.03 to read as follows:

21 Sec. 48.03. PROHIBITION ON PURCHASE AND SALE OF ADULT STEM
22 CELLS FOR CERTAIN INVESTIGATIONAL TREATMENTS. (a) In this
23 section:

24 (1) "Adult stem cell" means an undifferentiated cell
25 that is:

26 (A) found in differentiated tissue; and

27 (B) able to renew itself and differentiate to

1 yield all or nearly all of the specialized cell types of the tissue
2 from which the cell originated.

3 (2) "Investigational stem cell treatment" means an
4 adult stem cell treatment that:

5 (A) is under investigation in a clinical trial
6 and being administered to human participants in that trial; and

7 (B) has not yet been approved for general use by
8 the United States Food and Drug Administration.

9 (b) A person commits an offense if the person knowingly
10 offers to buy, offers to sell, acquires, receives, sells, or
11 otherwise transfers any adult stem cells for valuable consideration
12 for use in an investigational stem cell treatment.

13 (c) It is an exception to the application of this section
14 that the valuable consideration is:

15 (1) a fee paid to a physician or to other medical
16 personnel for services rendered in the usual course of medical
17 practice or a fee paid for hospital or other clinical services;

18 (2) reimbursement of legal or medical expenses
19 incurred for the benefit of the ultimate receiver of the
20 investigational stem cell treatment; or

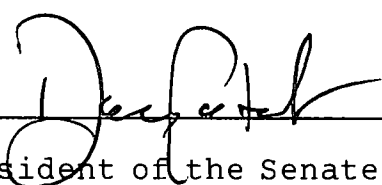
21 (3) reimbursement of expenses of travel, housing, and
22 lost wages incurred by the donor of adult stem cells in connection
23 with the donation of the adult stem cells.

24 (d) It is an exception to the application of this section
25 that the actor engaged in conduct authorized under Chapter 162,
26 Health and Safety Code.

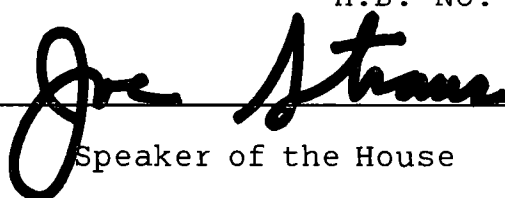
27 (e) A violation of this section is a Class A misdemeanor.

1 SECTION 5. As soon as practicable after the effective date
2 of this Act, the executive commissioner of the Health and Human
3 Services Commission shall adopt rules necessary to implement
4 Subchapter B, Chapter 1003, Health and Safety Code, as added by this
5 Act.

6 SECTION 6. This Act takes effect September 1, 2017.

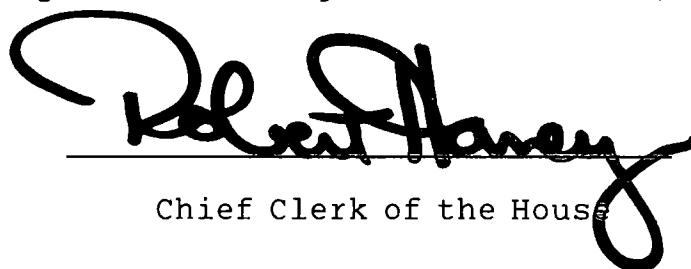


President of the Senate



Speaker of the House

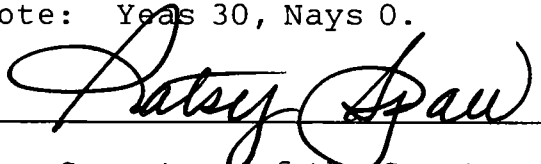
I certify that H.B. No. 810 was passed by the House on May 12, 2017, by the following vote: Yeas 141, Nays 0, 1 present, not voting; that the House refused to concur in Senate amendments to H.B. No. 810 on May 26, 2017, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 810 on May 28, 2017, by the following vote: Yeas 145, Nays 0, 1 present, not voting.



Chief Clerk of the House

H.B. No. 810

I certify that H.B. No. 810 was passed by the Senate, with amendments, on May 24, 2017, by the following vote: Yeas 31, Nays 0; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 810 on May 28, 2017, by the following vote: Yeas 30, Nays 0.



Secretary of the Senate

APPROVED: 6-9-2017

Date


Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
3:30 PM O'CLOCK

JUN 12 2017

Secretary of State

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 25, 2017

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB810 by Parker (Relating to the provision of certain investigational stem cell treatments to patients with certain severe chronic diseases or terminal illnesses and regulating the possession, use, and transfer of adult stem cells; creating a criminal offense.), **As Passed 2nd House**

<p>No significant fiscal implication to the State is anticipated.</p>
--

The bill would amend Health and Safety Code Chapter 1003 to require the Health and Human Services Commission to adopt rules designating medical conditions that are recognized to be a severe chronic disease or a terminal illness. The bill would allow patients with such medical conditions to access and use investigational stem cell treatment if certain requirements have been met. The bill also would amend Penal Code Chapter 48 to make it a Class A misdemeanor to sell or transfer adult stem cells, with exemptions under certain scenarios. The bill would take effect September 1, 2017.

According to the Health and Human Services Commission and the Texas Medical Board, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

A Class A misdemeanor is punishable by a fine of not more than \$4,000, confinement in jail for a term not to exceed one year, or both. Costs associated with enforcement, prosecution and confinement could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal implication.

Source Agencies: 503 Texas Medical Board, 529 Health and Human Services Commission

LBB Staff: UP, KCA, EP, SSc

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 16, 2017

TO: Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB810 by Parker (Relating to the provision of certain investigational stem cell treatments to patients with certain severe chronic diseases or terminal illnesses and regulating the possession, use, and transfer of adult stem cells; creating a criminal offense.), **As Engrossed**

<p>No significant fiscal implication to the State is anticipated.</p>
--

The bill would amend Health and Safety Code Chapter 1003 to require the Health and Human Services Commission to adopt rules designating medical conditions that are recognized to be a severe chronic disease or a terminal illness. The bill would allow patients with such medical conditions to access and use investigational stem cell treatment if certain requirements have been met. The bill also would amend Penal Code Chapter 48 to make it a Class A misdemeanor to sell or transfer adult stem cells, with exemptions under certain scenarios. The bill would take effect September 1, 2017.

According to the Health and Human Services Commission and the Texas Medical Board, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

A Class A misdemeanor is punishable by a fine of not more than \$4,000, confinement in jail for a term not to exceed one year, or both. Costs associated with enforcement, prosecution and confinement could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal implication.

Source Agencies: 503 Texas Medical Board, 529 Health and Human Services Commission
LBB Staff: UP, KCA, EP, SSc, JGA

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 30, 2017

TO: Honorable Four Price, Chair, House Committee on Public Health

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB810** by Parker (Relating to the provision of certain investigational stem cell treatments to patients with certain severe chronic diseases or terminal illnesses and regulating the possession, use, and transfer of adult stem cells; creating a criminal offense.), **Committee Report 1st House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
--

The bill would amend Health and Safety Code Chapter 1003 to require the Health and Human Services Commission to adopt rules designating medical conditions that are recognized to be a severe chronic disease or a terminal illness. The bill would allow patients with such medical conditions to access and use investigational stem cell treatment if certain requirements have been met. The bill also would amend Penal Code Chapter 48 to make it a Class A misdemeanor to sell or transfer adult stem cells, with exemptions under certain scenarios. The bill would take effect September 1, 2017.

According to the Health and Human Services Commission and the Texas Medical Board, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

A Class A misdemeanor is punishable by a fine of not more than \$4,000, confinement in jail for a term not to exceed one year, or both. Costs associated with enforcement, prosecution and confinement could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal implication.

Source Agencies: 503 Texas Medical Board, 529 Health and Human Services Commission
LBB Staff: UP, KCA, EP, SSc, JGA

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 13, 2017

TO: Honorable Four Price, Chair, House Committee on Public Health

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB810 by Parker (Relating to the provision of certain investigational stem cell treatments to patients with certain severe chronic diseases or terminal illnesses.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Health and Safety Code Chapter 1003 to require the Health and Human Services Commission to adopt rules designating medical conditions that are recognized to be a severe chronic disease or a terminal illness. The bill would allow patients with such medical conditions to access and use investigational stem cell treatment if certain requirements have been met. The bill would take effect immediately upon receiving a two-thirds majority vote in each house. Otherwise, the bill would take effect September 1, 2017.

According to the Health and Human Services Commission and the Texas Medical Board, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 503 Texas Medical Board, 529 Health and Human Services Commission

LBB Staff: UP, KCA, EP, SSc, EK