

BEFORE THE
LEGISLATIVE SUBCOMMITTEE
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: MARCH 31, 2009
8:30 A.M.

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

BRS FILE NO.: 84168

BARRISTERS' REPORTING SERVICE

I N D E X

ITEM	DESCRIPTION	PAGE NO.
CALL TO ORDER		3
ROLL CALL		17
INFORMATIONAL ITEM		4
UPDATE REGARDING STATE LEGISLATION, INCLUDING BUT NOT LIMITED TO SB 471 AND SB 343, AND CONSIDERATION OF CIRM' S POSITION REGARDING LEGISLATION		18
PUBLIC COMMENT		41
ADJOURNMENT		43

BARRISTERS' REPORTING SERVICE

1 TUESDAY, MARCH 31, 2009

2 8:30 A.M.

3

4

MS. KING: SUSAN BRYANT. MICHAEL

5

GOLDBERG.

6

MR. GOLDBERG: HERE.

7

MS. KING: BOB KLEIN.

8

CHAIRMAN KLEIN: HERE.

9

MS. KING: CLAIRE POMEROY.

10

DR. POMEROY: HERE.

11

MS. KING: FRANCISCO PRIETO. DR. PRIETO

12

WAS ON THE LINE EARLIER, WILL BE REJOINING

13

MOMENTARILY, I'M SURE.

14

DUANE ROTH.

15

MR. ROTH: HERE.

16

MS. KING: JOAN SAMUELSON. JEFF SHEEHY.

17

MR. SHEEHY: HERE.

18

MS. KING: AND ART TORRES. ACTUALLY ART

19

IS HERE IN SAN FRANCISCO, SO I WILL GO TO HIS OFFICE

20

AND LET HIM KNOW THAT WE'RE GETTING STARTED. GIVE

21

ME 30 SECONDS TO DO THAT, AND HOPEFULLY IN THAT TIME

22

DR. PRIETO WILL REJOIN US AS WELL.

23

CHAIRMAN KLEIN: WHILE WE'RE WAITING FOR

24

MELISSA TO RETURN, JUST INFORMATIONALLY THERE'S AN

25

ITEM THAT'S MOVING IN THE U.S. CONGRESS THAT WE DO

BARRISTERS' REPORTING SERVICE

1 NOT HAVE AGENDIZED. WE'RE NOT GOING TO -- THERE'S
2 ACTUALLY TWO ITEMS. WE'RE NOT GOING TO TAKE A VOTE
3 ON IT, BUT INFORMATIONALLY I'M GOING TO HAVE DUANE
4 GO THROUGH IT. WE HAVE PUBLIC COMMENT FROM AT DR.
5 ED PENHOET AND DR. MICHAEL FRIEDMAN I'D LIKE TO TAKE
6 AT THE BEGINNING.

7 WHO JUST JOINED?

8 DR. PENHOET: ED.

9 MR. GIBBONS: THIS IS DON GIBBONS TOO.

10 CHAIRMAN KLEIN: OKAY. AND WHO ELSE JUST
11 JOINED?

12 DR. PRIETO: FRANCISCO PRIETO.

13 MS. KING: HI, DR. PRIETO.

14 CHAIRMAN KLEIN: OKAY.

15 MS. KINNEY: JACKIE KINNEY FROM SENATOR
16 ROMERO'S OFFICE.

17 MS. KING: SO WE DO, BY THE WAY, HAVE A
18 QUORUM.

19 CHAIRMAN KLEIN: OKAY. WHAT I'M GOING TO
20 DO BECAUSE OF TIME CONSTRAINTS FOR DR. PENHOET AND
21 DR. FRIEDMAN, DR. PENHOET SPECIFICALLY, DUANE, COULD
22 YOU JUST PROVIDE A SHORT INTRODUCTION ISSUE -- AND
23 WHO JUST JOINED? -- THE ISSUE OF THE CONGRESSIONAL
24 LEGISLATION RELATED TO PATENTS? AND THEN WE'RE
25 GOING TO HAVE DR. PENHOET JOIN BECAUSE HE HAS A VERY

BARRISTERS' REPORTING SERVICE

1 SHORT STOP, AND WE JUST WANT HIS PUBLIC TESTIMONY.
2 WE'LL ALSO TAKE OTHER TESTIMONY AT THAT TIME, AND
3 THEN PERHAPS GO INTO ADDITIONAL DEPTH ON AN
4 INFORMATIONAL BASIS ONLY. AGAIN, THIS IS NOT AN
5 ACTION ITEM, BUT AN INFORMATIONAL ITEM. WE WILL
6 CALENDAR IT FOR THE NEXT MEETING, BUT THIS IS
7 SOMETHING THAT INDIVIDUALS WILL WANT TO BE WATCHING
8 ON A CONGRESSIONAL LEVEL.

9 DR. PENHOET: DR. FRIEDMAN ALSO HAS A
10 SHORT TIMEFRAME, I THINK.

11 CHAIRMAN KLEIN: I WILL TAKE HIS COMMENTS
12 RIGHT AFTER YOURS, ED.

13 DR. PENHOET: THANK YOU.

14 CHAIRMAN KLEIN: AND, DUANE, IF YOU WOULD
15 INTRODUCE THE SUBJECT.

16 MR. ROTH: YES. SO I'LL TRY AND CAPTURE
17 THIS ON THE TOP LINE ONLY SO WE CAN GET TO ED AND
18 DR. FRIEDMAN'S COMMENTS.

19 BUT THERE'S TWO BILLS THAT ARE MOVING
20 THROUGH CONGRESS THAT COULD HAVE A VERY NEGATIVE
21 IMPACT ON THE ABILITY TO FUND EARLY STAGE
22 INNOVATION. ONE OF THEM IS INTELLECTUAL PROPERTY.
23 SOME REFORM HAS BEEN IN THE WORKS FOR A NUMBER OF
24 YEARS IN CONGRESS. IT HAS BEEN RECENTLY, WITHIN THE
25 LAST SEVERAL WEEKS, REINTRODUCED BY SENATOR LEAHY IN

BARRISTERS' REPORTING SERVICE

1 THE SENATE. AND THIS BILL HAS A NUMBER OF ITEMS
2 THAT ARE GOING TO MAKE THE U.S. PATENT REGULATION
3 ADVERSELY AFFECT SOME OF THE VERY EARLY STAGE OR THE
4 EARLIEST STAGE START-UPS IN SEVERAL PEOPLE'S
5 OPINION.

6 BUT IT DEALS WITH A NUMBER OF ITEMS. I'M
7 GOING TO FOCUS ON THE MOST IMPORTANT ONE WHERE
8 THERE'S A DIFFERENCE BETWEEN SOME OF THE LARGE TECH
9 COMPANIES AND THE LIFE SCIENCE INDUSTRY AND
10 PARTICULARLY THE START-UPS AND RESEARCH INSTITUTES,
11 AND THAT DEALS WITH PATENT INFRINGEMENT. AND IF
12 YOU'RE FOUND UNDER THIS NEW LEGISLATION, IF YOU'RE
13 FOUND TO INFRINGE A PATENT, THE WAY THAT WILL BE
14 DECIDED IN COURT, IT'S CALLED -- THE SECTION IS
15 CALLED APPORTIONMENT OF DAMAGES WOULD BE GREATLY
16 REDUCED, POTENTIALLY GREATLY REDUCED, UNDER THIS NEW
17 LEGISLATION.

18 AND SO THERE'S BEEN AN ONGOING CONTROVERSY
19 ABOUT A CHANGE IN THE PATENT LAW THAT WOULD NOT
20 ALLOW THE SMALL INNOVATOR, THE SMALL INVENTOR TO
21 ACTUALLY PROTECT WHAT THEY'VE INVENTED; I.E., A
22 MONOPOLY, AS OPPOSED TO, WELL, IF WE INFRINGE YOUR
23 PATENT, FIRST, YOU'RE GOING TO HAVE TO PROVE IT IN
24 COURT. AND THEN IF WE'RE FOUND INFRINGED, THEN A
25 COURT WILL DECIDE WHAT YOUR CONTRIBUTION MIGHT HAVE

BARRISTERS' REPORTING SERVICE

1 BEEN TO THE OVERALL PRODUCT INSTEAD OF BEING ABLE TO
2 STOP THAT COMPETITOR FROM ACTUALLY MARKETING THEIR
3 PRODUCT.

4 SO I'LL STOP WITH THAT ONE, AND WE'LL GO
5 TO THE SECOND ISSUE, WHICH IS NOT DIRECTLY RELATED,
6 BUT IT SORT OF HAS THE SAME THEME. AND THAT DEALS
7 WITH BIOLOGICALS, BIOLOGICAL PRODUCTS, AND HOW TO
8 ALLOW GENERICS TO ENTER THE MARKET. AND THIS IS
9 AGAIN A LONG-STANDING, TEN-PLUS-YEAR DEBATE THAT
10 HENRY WAXMAN, CHAIRMAN WAXMAN, HAS BEEN DRIVING TO
11 CHANGE THE LAW TO MAKE IT VERY EASY FOR COMPETITORS
12 TO COME INTO THE MARKET AFTER THE INNOVATOR'S
13 PATENTS EXPIRE.

14 AND SO THERE'S SOME TECHNICAL SCIENTIFIC
15 QUESTIONS THAT HAVE BEEN AROUND THIS, BUT MOST
16 IMPORTANTLY, IF A SMALL INNOVATIVE COMPANY FINALLY
17 GETS A BRAND-NEW PRODUCT, LET'S TAKE, FOR EXAMPLE, A
18 CELL THERAPEUTIC PRODUCT OR A STEM CELL THERAPEUTIC
19 PRODUCT ONTO THE MARKET, AND THAT TAKES THEM 15
20 YEARS TO GET THERE, AND THEY END UP WITH MAYBE THREE
21 OR FOUR YEARS OF PATENT LIFE, AT THE END OF THAT
22 TIME UNDER THIS NEW BILL, THREE OR FOUR YEARS OF
23 SELLING IN THE MARKET, THEN SOMEBODY COULD COME IN
24 AND ACTUALLY USE THE INNOVATOR'S DATA, RELY ON THEIR
25 DATA, AND SHOW THAT THEY HAVE A, QUOTE, SUBSTANTIAL

BARRISTERS' REPORTING SERVICE

1 EQUIVALENCE IN A VERY NARROW CATEGORY. THEY DON'T
2 HAVE TO DO CLINICAL TRIALS, THEY DON'T HAVE -- OR
3 MAJOR CLINICAL TRIALS. THEY DON'T HAVE TO GO
4 THROUGH ALL THE STEPS.

5 SO THAT BILL WOULD BE VERY HARMFUL, IN MY
6 OPINION AGAIN, AND MANY OTHERS TO SMALL START-UP
7 COMPANIES. AND I KNOW DR. FRIEDMAN HAS SOME
8 COMMENTS ON THAT.

9 CHAIRMAN KLEIN: DUANE, YOU'RE GOING TO
10 ALSO TALK ABOUT JUST PUT ON THE TABLE ANNA ESHOO
11 HAS --

12 MR. ROTH: YEAH. I'M GOING TO THAT. SO
13 THERE'S A COMPETING BILL THAT'S BEEN INTRODUCED BY
14 CONGRESSWOMAN ANNA ESHOO THAT SAYS IF YOU'RE AN
15 INNOVATOR AND YOU PUT A NEW BIOLOGICAL PRODUCT ON
16 THE MARKET, YOU WILL HAVE 12 YEARS OF NOT MARKET
17 EXCLUSIVITY, BUT DATA EXCLUSIVITY. NOBODY CAN TAKE
18 YOUR DATA AND USE IT FOR THE BASIS OF THEIR
19 APPLICATION TO MARKET THE PRODUCT WITH THE FDA. YOU
20 GET PROTECTION FOR 12 YEARS. IF YOU HAVE A NEW
21 INDICATION DURING THAT TIME, YOU CAN GET A TWO-YEAR
22 EXTENSION, SO THAT WOULD TAKE IT TO 14. AND IF YOU
23 DO PEDIATRIC STUDIES, THAT WOULD IT ANOTHER SIX
24 MONTHS.

25 SO 14 AND A HALF YEARS BEFORE SOMEBODY CAN

BARRISTERS' REPORTING SERVICE

1 TAKE YOUR DATA AS THE BASIS FOR THEIR APPLICATION.
2 SO I'M GOING TO STOP THERE.

3 CHAIRMAN KLEIN: OKAY. WITH THAT
4 INTRODUCTION, ED, WOULD YOU FIRST LEAD OFF, PLEASE,
5 ON YOUR PUBLIC COMMENTS?

6 DR. PENHOET: I'LL COMMENT ON THE PATENT
7 SITUATION. YOU KNOW, GOING BACK IN HISTORY,
8 SUBSTANTIAL FLOWS OF CAPITAL ONLY CAME TO THE
9 BIOTECH INDUSTRY AFTER THE FIRST PATENTS WERE ISSUED
10 IN THE LATE '70S THAT ESSENTIALLY PAVED THE WAY FOR
11 PATENTING VARIOUS BIOLOGIC COMPOUNDS. BEFORE THAT
12 IT WAS UNCLEAR WHETHER BIOLOGICS WOULD BE
13 PATENTABLE; BUT WHEN IT BECAME CLEAR IN THE
14 LATE '70S THAT THEY COULD BE PATENTABLE, THAT IS
15 ESSENTIALLY WHAT ALLOWED THE ROBUST GROWTH OF THE
16 BIOTECH INDUSTRY IN THE FIRST PLACE.

17 AND THEN OVER THE YEARS IT'S BECOME
18 INCREASINGLY CLEAR, DUE TO THE HIGH COST OF DRUG
19 DEVELOPMENT AND THE EASE WITH WHICH COMPETITORS CAN
20 ENTER THE MARKET IN THE ABSENCE OF PATENT
21 PROTECTION, THAT ESSENTIALLY, YOU KNOW, A ROBUST,
22 BUT FAIR PATENT SYSTEM IS THE LIFEblood OF THE
23 BIOTECHNOLOGY INDUSTRY. AND I HAVE NO REASON TO
24 BELIEVE IT'S GOING TO BE ANY DIFFERENT FOR AN
25 INDUSTRY WHICH GROWS OUT OF THE STEM CELL WORK THAT

BARRISTERS' REPORTING SERVICE

1 WE'RE TALKING ABOUT. CELLS ARE USED AS
2 THERAPEUTICS. THEY, FOR SURE, ARE BIOLOGICS.

3 GETTING INTO THE NEXT ISSUE, THEY WOULD BE
4 EVEN HARDER TO DUPLICATE PERFECTLY THAN PROTEINS,
5 WHICH IS GENERALLY WHAT THIS DEBATE IS ABOUT TODAY,
6 BUT LOOKING FORWARD TO USING CELLS. I THINK THERE'S
7 NO DOUBT THAT IT WOULD BE DIFFICULT TO MAKE EXACTLY
8 THE SAME CELL GOING FORWARD.

9 AND, OF COURSE, THE OTHER THING DUANE
10 BROUGHT UP IS THE LONG TIMELINES FOR DRUG
11 DEVELOPMENT, WHICH ARE NOW TYPICALLY IN MANY CASES,
12 ONE EXAMPLE I CAN GIVE YOU, WE COMMERCIALIZED THE
13 FIRST DRUG FOR MULTIPLE SCLEROSIS AT CHIRON. IT WAS
14 ALMOST 17 YEARS INVESTMENT BEFORE IT CAME TO THE
15 MARKET. SO VERY LONG TIMELINES IN THE CURRENT
16 PATENT SITUATION OFTENTIMES, YOU KNOW, LEADS YOU TO
17 HAVE PATENTS WHICH ARE ALMOST EXPIRED BY THE TIME
18 YOU COME TO MARKET.

19 SO ON BOTH OF THESE ISSUES, I THINK WE
20 HAVE A VERY STRONG INTEREST AT CIRM IN MAINTAINING
21 THE STATUS QUO ON DRUGS AND ON BIOSIMILARS BECAUSE
22 THE CHANGES WOULD BE VERY NEGATIVE FOR THE
23 BIOTECHNOLOGY INDUSTRY GENERALLY, AND I BELIEVE THAT
24 WOULD INCLUDE THE STEM CELL-BASED COMPANIES WHICH WE
25 HAVE IN CALIFORNIA TODAY, WHICH, FRANKLY, IN THE

BARRISTERS' REPORTING SERVICE

1 CURRENT ENVIRONMENT ARE ALREADY STRUGGLING TO GET
2 ENOUGH CAPITAL TO KEEP GOING IN THEIR BUSINESS.

3 WITH THAT, I'LL TURN IT OVER TO DR.

4 FRIEDMAN -- WELL, I'M NOT GOING TO TURN IT OVER.

5 I'M JUST A PARTY, NOT A MEMBER OF THE COMMITTEE, BUT
6 HOPEFULLY YOU'LL CALL ON DR. FRIEDMAN.

7 CHAIRMAN KLEIN: THANK YOU, ED. I
8 DEFINITELY AM. DR. MICHAEL FRIEDMAN AND AFTER DR.
9 FRIEDMAN WE'LL TAKE ADDITIONAL PUBLIC COMMENT. AND
10 I'D LIKE TO POINT OUT THIS WILL COME BACK TO THIS
11 COMMITTEE WITH A FULL PUBLIC NOTICE AND AN
12 INVITATION FOR FULL PUBLIC COMMENT, SO MAKING
13 CERTAIN WE GET WIDE DISTRIBUTION OF VIEWS ON THE
14 SUBJECT. SO DR. FRIEDMAN. DR. FRIEDMAN IS NOT ON
15 AT THE MOMENT. OKAY.

16 DR. FRIEDMAN: BOB, CAN YOU HEAR ME?

17 CHAIRMAN KLEIN: YES. I CAN HEAR YOU NOW.

18 DR. FRIEDMAN: SORRY. I'M INCOMPETENT AT
19 TURNING THE MUTE BUTTON ON AND OFF. I APOLOGIZE.

20 I HAVE JUST A COUPLE OF COMMENTS TO MAKE,
21 AND MY PERSPECTIVE IS, LIKE THE OTHER SPEAKERS,
22 ASKING WHAT WILL BE BEST FOR THE RESEARCH DONE FOR
23 STEM CELL REGENERATIVE MEDICINE AND WHAT WILL BE
24 BEST FOR THE PATIENTS WHO NEED IT.

25 MY CONCERNS -- I THINK ONE CAN MAKE SOME

BARRISTERS' REPORTING SERVICE

1 VERY GOOD ARGUMENTS FROM AN ECONOMICS AND
2 INTELLECTUAL AND A LEGAL POINT OF VIEW AS TO WHAT
3 THE INTEGRITY OF BOTH THE PATENT SYSTEM AND THE
4 REGULATORY FRAMEWORK FOR JUDGING SAFETY AND EFFICACY
5 BEFORE A PRODUCT IS ALLOWED TO BE MARKETED. AND I
6 THINK THOSE ARE ALL VALID COMMENTS THAT HAVE BEEN
7 MADE.

8 THE ONE COMMENT I WOULD LIKE TO ADD TO THE
9 DISCUSSION IS I AM PERFECTLY WILLING TO HAVE
10 BIOSIMILAR COMPOUNDS TREATED IN A MORE FAVORABLE
11 FASHION IF ONE CAN SOLVE THE SCIENTIFIC ISSUES OF
12 WHAT IS TRULY BIOSIMILAR AND WHAT IS BIODISSIMILAR.

13 AND THE SUBTLETIES OF THE BIOLOGY AND,
14 FRANKLY, THE CHEMISTRY OF THE VARIOUS THINGS THAT
15 WE'RE GOING TO BE LOOKING AT AND HOPEFULLY BRINGING
16 TO PATIENTS IN THE FUTURE, OUR STATE OF KNOWLEDGE IS
17 SO PRIMITIVE, THAT SOMETHING THAT LOOKS SORT OF THE
18 SAME, WE ALL RECOGNIZE, MAY FUNCTION BIOLOGICALLY
19 AND MEDICALLY QUITE DIFFERENT. AND NOT TO TAKE A
20 STRONG INTELLECTUAL POSITION AND SAY, OH, IT SHOULD
21 ALWAYS BE PRECISELY THE SAME, I RECOGNIZE THAT IT
22 MAY BE POSSIBLE TO HAVE A SIMILAR COMPOUND THAT HAS
23 THE SAME MEDICAL IMPACT. BUT THAT AT THIS MOMENT
24 AND FOR A WHILE NOW PEOPLE HAVE BEEN STRUGGLING WITH
25 THIS. WE'RE SIMPLY INCAPABLE OF SAYING WHAT THE

BARRISTERS' REPORTING SERVICE

1 DEGREE OF THOSE SIMILARITIES HAS TO BE.

2 AND FAILING THAT, WE'VE ENDED UP BY SAYING
3 IT HAS TO BE IDENTICAL. AND I MUST SAY THAT MY OWN
4 UNDERSTANDING OF THE FIELD AT THIS MOMENT IS, UNLESS
5 IT'S IDENTICAL, I DON'T KNOW WHETHER IT'S GOING TO
6 HAVE THE SAME SIMILARITIES OF BIOLOGIC FUNCTION AND
7 MEDICAL IMPACT. AND I UNDERSTAND THIS IS A VERY
8 RIGOROUS BAR. THIS IS A VERY FINE DISTINCTION THAT
9 WE'RE DRAWING, BUT LACKING GREATER KNOWLEDGE AND
10 GREATER INSIGHT, THIS IS THE POSITION THAT I'M LEFT
11 WITH.

12 SO I'M CERTAINLY SYMPATHETIC TO
13 REPRESENTATIVE WAXMAN AND OTHERS WHO WANT TO HAVE
14 DRUGS MORE EASILY OR PRODUCTS MORE EASILY AVAILABLE
15 AND LESS EXPENSIVELY. I THINK THAT'S JUST FINE.
16 BUT UNFORTUNATELY I DON'T THINK WE HAVE THE
17 SCIENTIFIC KNOWLEDGE TO BE ABLE TO EFFECTIVELY
18 PROCEED AND PROMOTE THE PUBLIC HEALTH. AND THAT'S
19 REALLY THE CONCERN THAT I BRING.

20 SO LACKING -- IN SHORT, LACKING SOME
21 SCIENTIFIC BREAKTHROUGH THAT HELPS US REALLY
22 UNDERSTAND WHAT MAKES A PRODUCT WORK, I STRUGGLE TO
23 THINK ABOUT HOW TO HAVE A SIMILAR PRODUCT APPROVED.
24 SO I TEND TO TAKE A RELATIVELY SIMPLEMENTED POSITION
25 AND SAY THAT UNTIL WE MAKE THAT DISCOVERY, I THINK

BARRISTERS' REPORTING SERVICE

1 WE NEED TO REALLY MAINTAIN MOST ASPECTS OF THE
2 CURRENT SYSTEM. THANK YOU.

3 CHAIRMAN KLEIN: OKAY. THANK YOU, DR.
4 FRIEDMAN. I'D POINT OUT THAT BEFORE DR. FRIEDMAN
5 BECAME PRESIDENT AND CEO OF CITY OF HOPE, THE GREAT
6 RESEARCH MEDICAL CENTER IN THE LOS ANGELES BASIN, HE
7 WAS ACTING COMMISSIONER IN ONE OF HIS FORMER LIVES,
8 SO HE HAS A GREAT DEAL OF EXPERTISE IN THIS AREA.

9 I'D LIKE TO ASK IS THERE ADDITIONAL PUBLIC
10 COMMENT AT THIS POINT? HEARING NO ADDITIONAL
11 COMMENT, DUANE, WOULD YOU LIKE TO SAY ANY
12 ADDITIONAL -- PROVIDE ANY ADDITIONAL INFORMATION OR
13 GIVE THE PUBLIC ANY SITES WHERE CONTINUING
14 INFORMATION MIGHT BE AVAILABLE ON THIS SUBJECT PRIOR
15 TO OUR NEXT MEETING?

16 MR. ROTH: SO I THINK IT'S BEEN SUMMARIZED
17 VERY WELL BY THE THREE OF US. I THINK WE ALL COME
18 AT IT FROM A BIT OF A DIFFERENT POSITION AND
19 EXPERIENCE, AND WE I THINK ARE IN AGREEMENT FOR MANY
20 REASONS. THIS WAXMAN BILL WOULD BE HARMFUL TO STEM
21 CELL INVESTMENT AND RESEARCH ADVANCEMENT. SO I
22 THINK FOR THE PRESENT TIME, THERE ARE A COUPLE OF,
23 YOU KNOW, ANALYSES THAT ARE OUT THERE THAT HAVE BEEN
24 DONE ON THESE VARIOUS BILLS, AND WE COULD CERTAINLY
25 POINT PEOPLE TOWARDS THEM. I THINK CALIFORNIA

BARRISTERS' REPORTING SERVICE

1 HEALTHCARE INSTITUTE HAS A POSITION THAT THEY' VE
2 TAKEN ON IT. BIOCOM, BAY BIO, AND OTHERS ARE
3 WORKING ON IT AS WELL.

4 CHAIRMAN KLEIN: OKAY.

5 DR. PRIETO: I HAVE A QUESTION, DUANE, OR
6 ANYONE ELSE WHO CAN ANSWER THIS. DO WE HAVE BILL
7 NUMBERS FOR THE LEAHY BILL, THE WAXMAN BILL, AND THE
8 ANNA ESHOO BILL?

9 MR. ROTH: YEAH. WE DO. IT'S HR 1427.

10 DR. PRIETO: WHICH ONE IS THAT?

11 MR. ROTH: THAT'S, I THINK, THE WAXMAN
12 BILL. AND THAT IS WAXMAN INTRODUCED THE BILL. AND
13 LET ME SEE IF I CAN QUICKLY FIND YOU --

14 CHAIRMAN KLEIN: THE --

15 MR. GIBBONS: ESHOO IS 1548.

16 MS. KING: HR 1548 IS THE ESHOO BILL.

17 DR. PRIETO: AND THE LEAHY BILL ON IP
18 REFORM.

19 MR. ROTH: AND I HAVE TO FIND THAT FOR
20 YOU.

21 CHAIRMAN KLEIN: IS THAT BILL THE
22 BIOLOGICS PRICE COMPETITION?

23 MR. ROTH: JUST ONE THING I COULD ADD ON
24 THE WAXMAN BILL, THAT WAS INTRODUCED BY SENATOR
25 SCHUMER IN THE SENATE AS WELL, WHICH IS VIRTUALLY

BARRISTERS' REPORTING SERVICE

1 IDENTICAL.

2 DR. PRIETO: OKAY.

3 MR. ROTH: AND THE LEAHY BILL, I CANNOT
4 PUT MY FINGER ON IT RIGHT NOW, BUT LET ME LOOK AND
5 MAYBE I CAN TELL YOU DURING OUR CALL.

6 DR. PRIETO: OKAY.

7 CHAIRMAN KLEIN: OKAY.

8 MS. KING: IF NOT, DUANE, I CAN SEND THAT
9 OUT TO THE SUBCOMMITTEE. WE CAN FOLLOW UP
10 AFTERWARDS.

11 DR. PRIETO: THAT WOULD BE GREAT. THANK
12 YOU.

13 CHAIRMAN KLEIN: OKAY. AND IT WOULD BE
14 GOOD TO POST ALL THOSE ON THE SITE FOR THE PUBLIC AS
15 WELL, MELISSA.

16 MS. KING: ABSOLUTELY. WE'LL LINK TO THE
17 BILLS AS THEY ARE POSTED.

18 CHAIRMAN KLEIN: OKAY. THANK YOU VERY
19 MUCH. SO, MELISSA, AT THIS POINT, BECAUSE WE'RE
20 GOING TO GO INTO A SESSION WHERE WE MIGHT CONSIDER
21 ACCESS, I'D LIKE TO HAVE A ROLL CALL, PLEASE.

22 MS. KING: SURE. I'M GOING TO GO THROUGH
23 THE ENTIRE FORMAL ROLL CALL AGAIN. SUSAN BRYANT.

24 CHAIRMAN KLEIN: SO THAT THOSE WHO ADDED
25 ON.

BARRISTERS' REPORTING SERVICE

1 MS. KING: I UNDERSTAND. JUST FOR THE
2 RECORD, I'M GOING TO GO THROUGH THE ENTIRE FORMAL
3 ROLL CALL EVEN CALLING PEOPLE WHO I KNOW CAN'T JOIN
4 THE CALL.

5 SUSAN BRYANT. MICHAEL GOLDBERG.

6 MR. GOLDBERG: HERE.

7 MS. KING: BOB KLEIN.

8 CHAIRMAN KLEIN: HERE.

9 MS. KING: CLAIRE POMEROY.

10 DR. POMEROY: HERE.

11 MS. KING: FRANCISCO PRIETO.

12 DR. PRIETO: HERE.

13 MS. KING: JOHN REED. DUANE ROTH.

14 MR. ROTH: HERE.

15 MS. KING: JOAN SAMUELSON. JEFF SHEEHY.

16 MR. SHEEHY: HERE.

17 MS. KING: ART TORRES. ART, ARE YOU
18 THERE? I KNOW ART WAS ON THE LINE JUST A SHORT
19 WHILE AGO. HE MAY HAVE MUTED HIS PHONE.

20 CHAIRMAN KLEIN: OKAY. AND THEN JOAN HAD
21 SOMEONE WHO RANG IN FOR HER, AND I'M TRYING TO
22 UNDERSTAND IF SHE IS ON THE LINE.

23 MS. WERNETT: YES, I AM.

24 CHAIRMAN KLEIN: OKAY. GREAT. THANK YOU,
25 JOAN.

BARRISTERS' REPORTING SERVICE

1 MS. KING: BOB, I'M SORRY. JOAN IS NOT ON
2 THE LINE, TO BE CORRECT.

3 MS. WERNETT: JOAN IS NOT. I'M ON FOR
4 HER, MARI JAYNE WERNETT.

5 CHAIRMAN KLEIN: OKAY. GREAT. THANK YOU
6 FOR THE CLARIFICATION. ALL RIGHT.

7 SO AT THIS POINT --

8 MR. TORRES: WE HAD A PROBLEM WITH THE
9 PHONE HERE. TORRES IS HERE.

10 MS. KING: GREAT. THANK YOU, ART.

11 CHAIRMAN KLEIN: THANK YOU. APPRECIATE
12 RECONFIRMING THE ACTIVE PARTICIPANTS. AT THIS POINT
13 I'D LIKE TO GO INTO ITEM NO. 3, UPDATE REGARDING
14 STATE LEGISLATION, INCLUDING BUT NOT LIMITED TO SB
15 471 AND SB 343.

16 DR. FRIEDMAN: AND, BOB, THIS IS MIKE
17 FRIEDMAN. I NEED TO LEAVE NOW. THANK YOU VERY MUCH
18 FOR INVITING ME. AND IF I CAN BE OF HELP TO YOU,
19 JUST LET ME KNOW.

20 CHAIRMAN KLEIN: THANK YOU. AND I THINK
21 DR. PENHOET, ANOTHER MEMBER OF THE PUBLIC WHO
22 PARTICIPATED, ALSO HAD A TIME LIMITATION AS WELL.
23 THANK YOU, DR. FRIEDMAN.

24 DR. FRIEDMAN: THANK YOU. BYE-BYE.

25 CHAIRMAN KLEIN: DON GIBBONS.

BARRISTERS' REPORTING SERVICE

1 MR. GIBBONS: YES.

2 CHAIRMAN KLEIN: ARE YOU PREPARED TO
3 INTRODUCE ONE OF THESE TWO BILLS IN SUMMARY?

4 MR. GIBBONS: YES, I AM, MR. CHAIRMAN.

5 CHAIRMAN KLEIN: OKAY.

6 MR. GIBBONS: SO SENATE BILL 471 CAME
7 ABOUT THROUGH SOME EARLY DISCUSSIONS THAT I HAD WITH
8 STAFF FROM SENATE PRO TEM PRESIDENT STEINBERG AND
9 SENATOR ROMERO. THEY CALLED ME BACK IN JANUARY WITH
10 REAL CONCERN THAT IN THE BUDGET CYCLE, UNLESS WE
11 COULD REALLY TIE EDUCATION VERY CLOSELY WITH THE
12 EMERGING ECONOMY OF CALIFORNIA, IT WOULDN'T BE TAKEN
13 SERIOUSLY. AND THEY WANTED TO KNOW IF WE HAD ANY
14 PROGRAMS. I MENTIONED THE BRIDGES PROGRAM, WHICH
15 THEY IMMEDIATELY SAW THE VALUE OF AND MY INITIATIVE
16 THAT GREW OUT OF MY READING OF THE 2006 STRATEGIC
17 PLAN THAT CALLED FOR SUBSTANTIAL INVESTMENT BY CIRM
18 IN PUBLIC EDUCATION AND CURRICULUM DEVELOPMENT IN
19 PARTICULAR, AND MY PLANS TO CONTRACT WITH SOMEONE
20 WHO HAD BEEN INVOLVED IN THE FIELD TO DO SOME
21 EXPLORATORY WORK TO SEE IF THE STEM CELL CURRICULUM
22 MADE SENSE FOR THE SCHOOLS IN CALIFORNIA, HOW IT
23 MIGHT FIT IN, AND MORE IMPORTANTLY, HOW COULD WE
24 WORK WITHIN THE SYSTEM TO MAKE IT A WELCOME ADDITION
25 TO THE CURRICULUM THAT PEOPLE WANTED RATHER THAN

BARRISTERS' REPORTING SERVICE

1 ACCEPTED.

2 AND THEY INVITED ME TO COME UP AND CHAT.
3 WE DID TALK. THEY EMBRACED BOTH IDEAS, AND SHORTLY
4 AFTER THAT THE TWO OF THEM INTRODUCED SB 471. IT'S
5 AT THIS POINT LARGELY A PLACEHOLDER BILL TO
6 ENCOURAGE THE PUBLIC SCHOOLS, PRIVATE SCHOOLS,
7 CHARTER SCHOOLS, THE CURRICULUM COMMISSION, THE
8 BOARD OF ED, ANYBODY INVOLVED TO BE COLLABORATIVE AS
9 POSSIBLE.

10 HOW WE ARE GOING TO WORK THAT OUT IN FINAL
11 LEGISLATION, IF WE INDEED NEED FINAL LEGISLATION OR
12 NOT, VICE CHAIRMAN TORRES IS WORKING OUT WITH
13 STAFFERS FROM THE TWO LEGISLATIVE LEADERS AS WE
14 SPEAK. BUT THE INTENT IS OBVIOUSLY GOOD, AND WE
15 HAVE GOTTEN KIND OF HALF OF OUR GOAL ACHIEVED
16 ALREADY.

17 THE DAY BEFORE OUR LAST BOARD MEETING IN
18 SACRAMENTO ON MARCH 11TH, SENATOR ROMERO AND I BOTH
19 TESTIFIED BEFORE THE BOARD OF EDUCATION AS THEY WERE
20 GETTING READY TO PASS THE FINAL FRAMEWORK FOR
21 SCIENCE CURRICULUM IN THE STATE. THIS IS SOMETHING
22 THEY DO FOR EACH AREA OF THE CURRICULUM ONCE EVERY
23 SIX YEARS. SO THIS WAS THE LAST OPPORTUNITY TO GET
24 A CHANGE FOR ANOTHER SIX YEARS. AND AT THAT MEETING
25 THEY DID UNANIMOUSLY VOTE FOR AN AMENDMENT THAT

BARRISTERS' REPORTING SERVICE

1 ADDED A MANDATE FOR STEM CELL SCIENCE IN THE
2 CURRICULUM. NOW WE'VE GOT TO JUST WORK ON THE
3 DETAILS OF HOW TO MAKE THAT HAPPEN.

4 CHAIRMAN KLEIN: ALL RIGHT. WELL, I THINK
5 WE CERTAINLY SHOULD PASS ON OUR THANKS FOR THE
6 LEADERSHIP OF SENATOR ROMERO IN MAKING CERTAIN THAT
7 THE BIOLOGY EDUCATION IN THIS STATE INCLUDES COURSES
8 ON STEM CELL RESEARCH AS A PART OF THAT CURRICULUM
9 SO THAT IT IS UNDERSTOOD INTELLECTUALLY BY THIS
10 WHOLE NEW GENERATION THAT WILL BE INVOLVED IN THIS
11 FIELD IN THE NEXT 20 AND 30 YEARS.

12 IS THERE A MEMBER OF THE SENATOR'S STAFF
13 THAT IS ON THAT WOULD LIKE TO COMMENT?

14 MS. KINNEY: THIS IS JACKIE KINNEY WITH
15 SENATOR ROMERO'S STAFF.

16 CHAIRMAN KLEIN: YES. WOULD YOU LIKE TO
17 COMMENT AT THIS POINT?

18 MS. KINNEY: YEAH. I JUST WOULD LIKE TO
19 FOLLOW UP A LITTLE BIT ON DON'S COMMENTS. IT HAS
20 BEEN A COLLABORATIVE, COOPERATIVE RELATIONSHIP, AND
21 WE'RE HAPPY TO BE WORKING WITH CIRM. AND WE'VE
22 GOTTEN A LOT OF INTEREST THAT HAS BEEN EXPRESSED TO
23 OUR OFFICE AS A RESULT OF THIS BILL, EVEN THOUGH AT
24 THIS TIME, LIKE DON SAID, IT'S LARGELY A BILL THAT
25 SORT OF SETS OUT THE ISSUE AND MAKES A GENERAL CALL

BARRISTERS' REPORTING SERVICE

1 FOR COLLABORATION.

2 WE HAVE FOUND THAT SENATOR ROMERO'S
3 LEADERSHIP POSITION AS CHAIR OF SENATE ED AND HER
4 ROLE IN THE CURRICULUM COMMISSION HAVE ENABLED HER
5 TO SORT OF PUSH THIS ISSUE THROUGH AVENUES OTHER
6 THAN JUST THIS SPECIFIC LANGUAGE OF THE BILL BECAUSE
7 BY HIGHLIGHTING THE ISSUE WITH THE BILL AND THEN
8 GOING BEFORE THE STATE BOARD AND IN OTHER EFFORTS
9 THAT WE'RE PURSUING THIS WEEK IN SOME MEETINGS WITH
10 THE DEPARTMENT OF EDUCATION, WE'RE ABLE TO PUSH THE
11 ISSUE OF NOT JUST THE CURRICULUM, BUT ALSO CAREER
12 AWARENESS FOR STUDENTS IN THESE FIELDS.

13 I JUST WANT TO MAKE ONE SPECIFIC COMMENT
14 ABOUT WHAT HAPPENED AT THE STATE BOARD OF EDUCATION.
15 IT WAS UNFORTUNATELY, DON, IT WAS NOT EXACTLY THE
16 FINAL STEP. IT WAS A LITTLE MORE AT THE BEGINNING
17 OF THE REVISION OF THE SCIENCE FRAMEWORK. IT WAS A
18 CRITICAL DECISION BECAUSE WHAT THE STATE BOARD
19 ADOPTED WERE THE GUIDELINES THAT DIRECT THE REVISION
20 OF THE SCIENCE FRAMEWORK. SO IT WAS VERY IMPORTANT
21 THAT WE GOT STEM CELL BIOLOGY INTO THOSE GUIDELINES,
22 BUT THE CURRICULUM COMMISSION AND THE SUBCOMMITTEE
23 WORKING ON THE SCIENCE FRAMEWORK WILL HAVE ONGOING
24 PROCEEDINGS OVER THE NEXT YEAR BEFORE IT COMES BACK
25 FOR A FINAL VOTE TO THE STATE BOARD, FIRST TO THE

BARRISTERS' REPORTING SERVICE

1 CURRICULUM COMMISSION, WHICH SENATOR ROMERO SERVES
2 ON, AND THEN BACK TO THE STATE BOARD.

3 THERE WILL BE OPPORTUNITIES ALONG THE WAY
4 TO KEEP REEMPHASIZING THE IMPORTANCE OF STEM CELL
5 BIOLOGY, SO I THINK WE NEED TO KEEP MONITORING THAT;
6 AND CERTAINLY WITH HER INVOLVEMENT IN THE CURRICULUM
7 COMMISSION, WE'LL BE DOING THAT FROM THIS END. SO,
8 AGAIN, AT THIS POINT WE JUST WANT TO KEEP THE BILL
9 OUT THERE, KEEP ALL OPTIONS OPEN IN TERMS OF WHAT
10 ANY ADDITIONAL LANGUAGE MIGHT BE AS THIS ISSUE KEEPS
11 EVOLVING.

12 CHAIRMAN KLEIN: ALL RIGHT. AND, ART, DID
13 YOU HAVE COMMENTS THAT YOU WANTED TO MAKE THIS ON
14 BILL?

15 MR. TORRES: NO. THEY'VE SUMMARIZED THE
16 COMMENTS AND WHAT I'VE BEEN REVIEWING VERY WELL.
17 THANK YOU.

18 CHAIRMAN KLEIN: OKAY.

19 DR. PRIETO: BOB, I GUESS ACTUALLY THIS
20 MAY BE FOR MS. KINNEY, TO GET A CLEAR IDEA OF THE
21 TIMELINE.

22 CHAIRMAN KLEIN: AND, DR. PRIETO, FOR THE
23 RECORD, IF YOU JUST WOULD STATE YOUR NAME AS YOU
24 BEGIN TO SPEAK, THAT WILL HELP.

25 DR. PRIETO: THIS IS FRANCISCO PRIETO.

BARRISTERS' REPORTING SERVICE

1 I'M JUST WONDERING ABOUT THE TIMELINE AND WHAT
2 OPPORTUNITIES THERE ARE GOING TO BE FOR US AND
3 MEMBERS OF THE PUBLIC TO WEIGH IN AS CURRICULUM
4 GUIDELINES ACTUALLY GET, YOU KNOW, FINALIZED OR
5 BROUGHT INTO THEIR FORMAL FORM.

6 MS. KINNEY: WHAT I CAN DO, I WILL SEND TO
7 DON THE EXACT TIMELINE. THERE'S A PERIOD RIGHT NOW
8 OF ABOUT FOUR MONTHS WHERE THE SUBCOMMITTEE THAT
9 ACTUALLY DOES THE REAL DRAFTING TO REVISE THE
10 SCIENCE FRAMEWORK WHERE THEY GET THE WORDS ON PAPER
11 AND TAKE THE EXISTING FRAMEWORK AND REVISE IT, AND
12 THEN THAT'S FOLLOWED BY ADDITIONAL PUBLIC HEARINGS.
13 THERE'S JUST A WHOLE SERIES OF STEPS THAT THE
14 SUBCOMMITTEE, THE SCIENCE SUBCOMMITTEE DOES, AND
15 THEN IT GOES BACK TO THE CURRICULUM COMMISSION AS A
16 FULL BODY. AND THEN IT CULMINATES NEXT EITHER
17 AUGUST OR SEPTEMBER OF 2010 WITH FINAL
18 RECOMMENDATIONS OF THE CURRICULUM COMMISSION BACK TO
19 THE STATE BOARD OF EDUCATION.

20 DR. PRIETO: WHO'S ON THAT SUBCOMMITTEE?

21 MS. KINNEY: IT'S A NUMBER OF SCIENCE
22 TEACHERS. I HAVE THAT LIST TOO. AND THE
23 SUBCOMMITTEE OF THE CURRICULUM COMMISSION, WHICH IS,
24 YOU KNOW, YET ANOTHER ENTITY, THE COMMITTEE THAT
25 DOES THE REVISION IS A GROUP OF SCIENCE TEACHERS,

BARRISTERS' REPORTING SERVICE

1 HIGH SCHOOL AND SOME ELEMENTARY TEACHERS. THE
2 MEMBERS OF THE CURRICULUM COMMISSION WHO ARE THE
3 SCIENCE FRAMEWORK SUBCOMMITTEE, THAT INCLUDES,
4 AGAIN, JUST MEMBERS OF THE COMMISSION AS A WHOLE.
5 AND WE CAN IDENTIFY ALL OF THOSE INDIVIDUALS, AND
6 WE'VE BEEN WORKING WITH DON TO GET HIM ALL THE
7 TIMELINES AND THE CONTACT INFORMATION FOR THOSE AS
8 WELL AS THE DEPARTMENT OF EDUCATION PEOPLE THAT ARE
9 THE SUPPORT STAFF FOR THAT COMMISSION.

10 DR. PRIETO: OKAY. THANK YOU.

11 CHAIRMAN KLEIN: OKAY. THANK YOU VERY
12 MUCH. ANY ADDITIONAL BOARD COMMENT?

13 DR. POMEROY: BOB, THIS IS CLAIRE POMEROY.
14 I'M VERY MUCH IN SUPPORT OF THIS, BUT I WANT TO
15 CAUTION THAT, AS HAS BEEN POINTED OUT, THIS IS A
16 PRELIMINARY VERSION OF THIS BILL. AND IT WILL
17 CHANGE, AND SO ANY ENDORSEMENT WE MAKE OF IT HAS TO
18 UNDERSTAND THAT WE SHOULD PROBABLY SEE IT AGAIN
19 BEFORE IT ACTUALLY COMES UP FOR A VOTE.

20 ONE OF THE THINGS I'M CONCERNED ABOUT IS
21 THAT IT NOT CONTAIN UNFUNDED MANDATES ON
22 INSTITUTIONS OF HIGHER EDUCATION. FOR EXAMPLE, I
23 NOTICE THAT IT TALKS ABOUT OUTREACH FROM HIGHER
24 EDUCATION TO HIGH SCHOOLS, ETC. AND WHILE WE'RE IN
25 SUPPORT OF THAT, IF THIS BECOMES LAW AND THEN

BARRISTERS' REPORTING SERVICE

1 THERE'S AN EXPECTATION THAT PEOPLE DO IT WITHOUT ANY
2 MONEY, THAT WOULD BE UNFORTUNATE. SO THE WORDING
3 WILL BE -- THE FINAL WORDING WILL BE VERY IMPORTANT
4 BEFORE WE WANT TO GIVE IT A FINAL OFFICIAL
5 ENDORSEMENT.

6 CHAIRMAN KLEIN: CERTAINLY. DR. POMEROY,
7 I THINK, SO OUR INTENT TODAY WAS TO BECOME WELL
8 INFORMED ON IT; BUT, IN FACT, NOT TO TAKE ACTION,
9 ANTICIPATING, AS YOU STATE, THAT THERE WILL BE
10 POTENTIALLY QUITE A TRANSITION TO ITS FINAL STATE.
11 IN FACT, SENATOR ROMERO IN A DISCUSSION I WAS IN WAS
12 VERY SPECIFIC. SHE WAS GOING TO SEEK SOME METHOD
13 OTHER THAN DEALING WITH THE PROP 71 LEGISLATION,
14 MAYBE WITH THE EDUCATION CODE OR MAYBE A FORM OF
15 JOINT RESOLUTION TO DEAL WITH EXPRESSING THIS INTENT
16 AND SUPPORT. BUT THIS BILL IN ITS CURRENT FORM IS
17 NOT HER INTENT IS MY UNDERSTANDING. IT IS, IN FACT,
18 AS HER STAFF MEMBER HAS INDICATED, TO REALLY GEL THE
19 INTEREST AND FOCUS ON THE ISSUE, BUT THE STEPS
20 THEY'VE TAKEN WITH STATE BOARD OF EDUCATION, I
21 THINK, ARE THE MOST IMPORTANT STEPS, AND THEY DO NOT
22 CONTAIN THE KIND OF PROVISION THAT YOU'RE CONCERNED
23 WITH AT THIS TIME.

24 DR. POMEROY: THANK YOU.

25 CHAIRMAN KLEIN: SO WITH THAT, ANY OTHER

BARRISTERS' REPORTING SERVICE

1 BOARD COMMENT? ANY PUBLIC COMMENT.

2 MS. KING: WE DO HAVE ONE HERE IN SAN
3 FRANCISCO.

4 MR. REED: DON REED, MEMBER OF THE PUBLIC.
5 THIS IS FOR SENATOR ROMERO'S AIDE, MS. KINNEY, I
6 THINK IT WAS. DO YOU ANTICIPATE OPPOSITION TO YOUR
7 BILL? AND WILL YOU BE WANTING PATIENT ADVOCATE
8 SUPPORT FOR IT?

9 MS. KINNEY: WELL, WE DEFINITELY WANT
10 SUPPORT. AND I HAVE YOUR E-MAIL HERE TO BE SENDING
11 YOU SOME INFORMATION. WE DON'T ANTICIPATE
12 OPPOSITION TO THE BILL BECAUSE AT THIS TIME WE DON'T
13 HAVE ANY LANGUAGE WHERE WE ARE SPECIFICALLY
14 REQUIRING OR DIRECTING ANYTHING.

15 WE WILL BE AMENDING THE BILL TO GET IT OUT
16 OF THE COMMITTEE. THE FOCUS WE'RE TAKING FOR THAT
17 AMENDMENT -- OR TO GET IT OUT OF THE RULES
18 COMMITTEE, I SHOULD SAY, IS TO GET IT REFERRED TO
19 SENATE ED. AND THE FOCUS OF THAT IS VERY BROAD.
20 WE'RE JUST MAKING A SLIGHT CHANGE TO SOME ED CODE
21 PROVISIONS THAT RELATE TO THE CURRICULUM COMMISSION
22 TO SORT OF BROADEN THEIR MISSION TO HAVE THEIR
23 POLICY RECOMMENDATIONS INCLUDE WORKFORCE DEVELOPMENT
24 AND STUDENT AWARENESS OF CAREER PATHS.

25 AND WE ALSO HAVE BEEN GETTING JUST A LOT

BARRISTERS' REPORTING SERVICE

1 OF FEEDBACK FROM DIFFERENT ORGANIZATIONS, A LOT OF
2 BIOTECH, CALIFORNIA BIOTECH FOUNDATIONS. WE'RE
3 WORKING WITH THEM. THIS WEEK WE HAVE A MEETING WITH
4 THE DEPARTMENT RELATED TO A PROJECT THAT THEY HAVE
5 THAT HIGHLIGHTS ALL OF THE EXISTING EDUCATION
6 PROGRAMS WITH DIFFERENT BIOTECH COMPANIES, YOU KNOW,
7 PRIVATE COMPANIES, WITH SCHOOLS RELATED TO
8 CURRICULUM, INTERNSHIPS, SUMMER PROGRAMS, SPEAKERS
9 BUREAUS, ALL SORT OF CAREER AWARENESS AND CURRICULUM
10 SORT OF THINGS.

11 SO AT THIS POINT WE REALLY ARE NOT TRYING
12 TO GET LOCKED INTO ANY SPECIFIC LANGUAGE, BUT WE
13 REALLY HAVE FOUND THAT THE AWARENESS THAT'S COME TO
14 THIS ISSUE BECAUSE OF THE BILL HAS OPENED UP AVENUES
15 OF COMMUNICATION WITH THE DEPARTMENT, WITH THE
16 CURRICULUM COMMISSION, WITH ALL DIFFERENT KINDS OF
17 INSTITUTIONS OF EDUCATION TO JUST HIGHLIGHT THIS
18 ISSUE. AND I CAN ASSURE YOU THAT ANY LANGUAGE WE'LL
19 BE SENDING TO DON AND WE'LL BE IN FULL COMMUNICATION
20 WITH YOU.

21 AND JUST IN TERMS OF THE COMMENT ABOUT
22 UNFUNDED MANDATES, I CAN ASSURE YOU THAT THE
23 APPROPRIATIONS COMMITTEES OF THE LEGISLATURE WILL
24 NOT BE LETTING ANY BILLS GO ANYWHERE THIS YEAR IF
25 THEY HAVE UNFUNDED MANDATES.

BARRISTERS' REPORTING SERVICE

1 MR. REED: IT'S AN EXTREMELY IMPORTANT
2 BILL AND DESERVES SUPPORT.

3 MS. KINNEY: JUST ANOTHER ASIDE. WE HAD
4 CALLS FROM CTA. THEY'RE VERY INTERESTED IN WANTING
5 TO WORK WITH US AND SEE WHAT CAN POSSIBLY BE DONE TO
6 TRY TO PROMOTE THIS KIND OF CURRICULUM. SO THE
7 FEEDBACK HAS ALL BEEN VERY POSITIVE.

8 CHAIRMAN KLEIN: AND PLEASE COMMUNICATE AS
9 WELL TO SENATOR ROMERO AND SENATOR STEINBERG OUR
10 THANKS FOR THEIR SUPPORT ON OUR BRIDGES PROGRAM,
11 WHICH IS OBVIOUSLY CREATING ANOTHER FORM OF OUTREACH
12 BETWEEN THE COMMUNITY COLLEGES, THE STATE
13 UNIVERSITIES, AND THE UNIVERSITY SYSTEM, AS WELL AS
14 THE RESEARCH INSTITUTIONS IN CALIFORNIA, BUT WE
15 CERTAINLY APPRECIATE THAT SUPPORT.

16 MS. KINNEY: I WILL DO THAT.

17 CHAIRMAN KLEIN: OKAY. IF WE CAN AT THIS
18 POINT THEN MOVE TO BILL NO. 343 FROM SENATOR
19 ALQUIST. AND GENE ERBIN, ARE YOU ON?

20 MR. ERBIN: YES.

21 CHAIRMAN KLEIN: COULD YOU QUICKLY
22 SUMMARIZE THE COMPARISON OF THIS BILL TO THE SIMILAR
23 BILL FROM LAST YEAR?

24 MR. ERBIN: THE KUEHL-RUNNER LEGISLATION,
25 WELL, THIS BILL HAS ONLY THE INTELLECTUAL PROPERTY

BARRISTERS' REPORTING SERVICE

1 PROVISIONS FROM LAST YEAR RELATING, I GUESS YOU
2 COULD SAY, TO PRICING AND ACCESS. IT DOES NOT HAVE
3 WHAT COULD BE CHARACTERIZED AS THE MORE
4 CONTROVERSIAL PROVISION FROM LAST YEAR'S BILL, A
5 PROVISION THAT CHANGED -- DELETED THE TWO-THIRDS
6 VOTE REQUIREMENT OF THE, I THINK IT WAS, THE MEDICAL
7 WORKING GROUP.

8 CHAIRMAN KLEIN: THE GRANTS WORKING GROUP
9 ON MOVING EMBRYONIC STEM CELL PROPOSALS TO THE BOARD
10 AS RECOMMENDED FOR APPROVAL.

11 MR. ERBIN: CORRECT. THAT PROVISION IS
12 NOT IN THE BILL THIS YEAR. SENATOR ALQUIST HAS
13 INDICATED THAT SHE'S NOT INTERESTED IN THAT
14 PROVISION AND IS INTERESTED ONLY IN WHAT I
15 CHARACTERIZE AS THE PRICING AND/OR -- AND THE ACCESS
16 ISSUE.

17 CHAIRMAN KLEIN: AND I WOULD SAY THAT
18 DUANE ROTH AND I BOTH MET WITH SENATOR ALQUIST. SHE
19 WAS VERY CLEAR IN HER DESIRE TO HAVE A MEANINGFUL
20 DISCUSSION. I THINK SHE UNDERSTANDS THAT WE HAVE
21 SOME IMPORTANT RESERVATIONS ABOUT THIS TOO BECAUSE
22 OF OUR DESIRE TO MAKE SURE WE CAN RESPOND TO THE
23 NEEDS OF EACH SPECIFIC THERAPY AND THE FACT PATTERN
24 THAT SURROUNDS IT.

25 WE PREVIOUSLY LAST YEAR DEVELOPED SOME

BARRISTERS' REPORTING SERVICE

1 POSITION PAPERS EXPLAINING HOW WE WOULD NEED
2 FLEXIBILITY IN RESPONDING TO REALLY PROVIDING ACCESS
3 AND AFFORDABILITY. WITH ALZHEIMER'S WE POINTED OUT
4 THAT MOST OF THE INDIVIDUALS WITH ALZHEIMER'S WOULD
5 BE LATE ONSET; AND, THEREFORE, THEY WOULD BE COVERED
6 BY MEDICARE AS COVERAGE OF LAST RESORT OR BASIC
7 COVERAGE, AND THAT THE EARLY ONSET ALZHEIMER'S
8 PATIENTS, WHO FOR TWO YEARS CAN'T QUALIFY EVEN ON A
9 DISABLED CATEGORY FOR MEDICARE OR OTHER COVERAGE
10 SIMILAR TO THAT, MAY NEED SOME VERY, VERY URGENT
11 ASSISTANCE TO MAKE CERTAIN THEIR CONDITION DOESN'T
12 PROGRESS FURTHER.

13 SO THERE ARE SUBCLASSES THAT MAY NEED SOME
14 FOCUSED ASSISTANCE. JAMES HARRISON, YOU ARE ON; IS
15 THAT CORRECT?

16 MR. HARRISON: YES.

17 CHAIRMAN KLEIN: AND WE'LL MAKE AVAILABLE
18 AGAIN TO THE COMMITTEE AND TO THE PUBLIC THE
19 POSITION WE TOOK LAST YEAR AS TO THESE ISSUES AS A
20 STARTING POINT SO WE HAVE SUBSTANTIVE AND MEANINGFUL
21 DIALOGUE HERE. BUT MY UNDERSTANDING IS THAT WE HAVE
22 A KNOWN POSITION ON THIS BILL BASED UPON THE
23 CONTINUATION OF PROVISIONS FROM LAST YEAR; BUT OUT
24 OF RESPECT FOR THE DIALOGUE THAT WE ANTICIPATE WITH
25 SENATOR ALQUIST, WE ARE NOT SUGGESTING ANY ACTION

BARRISTERS' REPORTING SERVICE

1 TODAY ON THIS BILL.

2 ART TORRES, WOULD YOU AGREE WITH THAT
3 STATEMENT?

4 MR. TORRES: YES, I WOULD. I THINK WE
5 NEED TO HAVE A CONVERSATION WITH THE SENATOR IN
6 RESPECT TO HER LEGISLATION AND HER INTENT. AND SHE
7 IS THE CHAIR OF THE HEALTH COMMITTEE, SO WE HAVE TO
8 COORDINATE WITH HER.

9 MR. SHEEHY: BOB, THIS IS JEFF SHEEHY.
10 I'M A LITTLE CONCERNED ABOUT THE STATEMENT THAT WE
11 HAVE A KNOWN POSITION ON THIS BILL.

12 CHAIRMAN KLEIN: WE HAVE A KNOWN POSITION
13 FROM LAST YEAR ON THE PROVISIONS IN THIS BILL THAT
14 ARE CARRIED OVER FROM LAST YEAR.

15 MR. SHEEHY: I REALLY THINK THAT THE -- AT
16 LEAST FOR MYSELF, MY MAIN OPPOSITION TO THE BOARD
17 LAST TIME WAS DUE TO THE RUNNER AMENDMENT. SO
18 BEFORE WE SAY THAT WE HAVE A KNOWN POSITION TO ANY
19 PROVISION, I THINK WE SHOULD AT LEAST GO THROUGH THE
20 SUBCOMMITTEE AND THE BOARD.

21 CHAIRMAN KLEIN: OKAY. WELL, JEFF --

22 MR. SHEEHY: I MEAN I'M VERY COMFORTABLE
23 WITH THE BILL AS IT STANDS.

24 CHAIRMAN KLEIN: WE DID HAVE A DISCUSSION
25 AT THE BOARD LAST YEAR, JEFF, OF THE ISSUES THAT

BARRISTERS' REPORTING SERVICE

1 DEALT WITH THE AFFORDABILITY AND THE PRICING THROUGH
2 LEGISLATION INSTEAD OF REGULATION. AND THERE WAS A
3 VERY DOMINANT VOTE TO TRY AND MAINTAIN A REGULATORY
4 APPROACH SO THAT WE COULD RESPOND TO THE INDIVIDUAL
5 NEEDS OF THERAPIES TO ENSURE EFFECTIVE ACCESS AND
6 EFFECTIVE AFFORDABILITY.

7 MR. SHEEHY: I DON'T KNOW THAT I AGREE
8 THAT -- THAT'S NOT MY RECOLLECTION OF THAT VOTE. I
9 THINK THERE WAS SIGNIFICANT OPPOSITION TO THE RUNNER
10 PIECE, BUT I'M -- YOU KNOW, I DON'T KNOW IT'S FAIR
11 TO CHARACTERIZE THAT AS THE VIEW OF THE ENTIRE
12 BOARD. YOU CAN'T REALLY PARSE OUT OPPOSITION TO A
13 PARTICULAR BILL WHEN A MAJOR COMPONENT THAT MANY
14 MEMBERS WERE OPPOSED TO HAS BEEN DELETED.

15 CHAIRMAN KLEIN: WELL, FAIRLY STATED,
16 JEFF. I THINK WE HAVE AN ACTIVE DISCUSSION, AND
17 WHAT I'D LIKE TO DO IS INVOLVE YOU IN A DISCUSSION,
18 WITH THE ONGOING DISCUSSION WITH SENATOR ALQUIST THE
19 EVOLUTION OF THIS BILL, BUT VERY SPECIFICALLY I WILL
20 ASK THAT ESSENTIALLY DR. PENHOET AND YOU HAVE A
21 DISCUSSION ABOUT THE AFFORDABILITY ISSUES AND THE
22 REGULATORY APPROACH VERSUS THE LEGISLATIVE APPROACH.
23 AND MAYBE BETWEEN THE TWO OF YOU WE CAN COME UP WITH
24 SOME CONSTRUCTIVE SUGGESTIONS ON HOW TO RECONCILE
25 THOSE POSITIONS.

BARRISTERS' REPORTING SERVICE

1 MR. ROTH: JEFF, IT'S DUANE ROTH. I WOULD
2 LIKE TO MAKE SURE WE HAVE THAT DISCUSSION TOO
3 BECAUSE WHILE IN PRINCIPLE THIS FOLLOWS THE IP
4 GUIDELINES, THE WORDING OF IT, I THINK, HAS SOME
5 REAL CHALLENGES. AND THAT'S WHAT WE'D HAVE TO HAVE
6 A DISCUSSION WITH THE SENATOR ABOUT.

7 MR. SHEEHY: I'D BE VERY HAPPY TO HELP IN
8 ANY WAY BECAUSE I DON'T WANT -- YOU KNOW, I DON'T
9 WANT TO LOSE SIGHT OF THE PRINCIPLES.

10 MR. ROTH: WELL, THE PRINCIPLES --

11 MR. SHEEHY: OBVIOUSLY I DON'T WANT US TO
12 BE HANDCUFFED, BUT I ALSO DON'T PERSONALLY OBJECT TO
13 HAVING THOSE PRINCIPLES ENSHRINED IN AN APPROPRIATE
14 WAY IN LEGISLATION.

15 MR. ROTH: SO JUST VERY QUICKLY, WHAT WE
16 HAD ADVOCATED FOR IN THE POLICY WHICH YOU HELPED
17 WORK WAS AN INDUSTRY STANDARD ACCESS PLAN. THIS
18 CHANGES IT TO "WILL." IT SAYS THE GRANTEE SUBMIT A
19 PLAN TO THE CALIFORNIA INSTITUTE FOR REGENERATIVE
20 MEDICINE THAT WILL AFFORD UNINSURED CALIFORNIANS
21 ACCESS TO ANY DRUG THAT IS IN WHOLE OR PART. SO NOW
22 IT'S NOT AN INDUSTRY STANDARD ACCESS PROGRAM. IT IS
23 ANY CALIFORNIAN. AND SO IT'S THE LEGAL STUFF THAT
24 WE HAVE TO GO THROUGH.

25 DR. POMEROY: BOB.

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: I'M AGAIN HAPPY TO WORK WITH
2 YOU.

3 CHAIRMAN KLEIN: THIS IS THE KIND OF THAT
4 DISCUSSION WE NEED TO HAVE ON A SUBSTANTIVE LEVEL,
5 AND I WELCOME THIS DISCUSSION PARTICULARLY AT AN
6 EARLY DATE SO THAT WE CAN BE WELL INFORMED WHEN WE
7 TALK WITH SENATOR ALQUIST AND REALLY GIVE HER A VIEW
8 OF ANY DIFFERENCES OF OPINION ON THE BOARD AS WELL.
9 DR. POMEROY.

10 DR. POMEROY: SO THIS IS, AGAIN, YOU KNOW,
11 A BILL THAT'S IN ITS EARLY STAGE, BUT IT WOULD BE
12 VERY HELPFUL FOR, I THINK, THE COMMITTEE IF SOMEONE
13 COULD PREPARE A JUST SIDE-BY-SIDE COMPARISON OF
14 WHAT'S DIFFERENT IN THIS BILL THAN IS IN OUR POLICY
15 BECAUSE I WOULD HAVE TO SUPPORT JEFF'S POSITION THAT
16 I THINK THAT IT IS APPROPRIATE FOR US TO HAVE A
17 DISCUSSION ABOUT OUR SUPPORT OR LACK OF SUPPORT
18 ABOUT THIS VERSION OF THIS NEW BILL. AND WE
19 PROBABLY SHOULDN'T PURPORT TO HAVE AN ICOC OR CIRM
20 POSITION ON THIS BILL AT THIS POINT, BUT THAT
21 SIDE-BY-SIDE COMPARISON OF WHAT'S IN THE REGULATIONS
22 VERSUS WHAT'S PROPOSED IN THIS BILL WOULD BE VERY
23 HELPFUL.

24 CHAIRMAN KLEIN: ALL RIGHT. SO JAMES
25 HARRISON, COULD YOU PREPARE THIS COMPARISON?

BARRISTERS' REPORTING SERVICE

1 MR. HARRISON: YES.

2 CHAIRMAN KLEIN: OKAY. WAS THERE
3 ADDITIONAL COMMENT FROM THE BOARD MEMBERS?

4 DR. PRIETO: FRANCISCO PRIETO. I JUST --
5 THAT WAS KIND OF EXACTLY MY THOUGHT. I WAS GOING TO
6 ASK JAMES IF HE COULD GO THROUGH, AND I GUESS IT
7 WOULD BE PROBABLY BE MORE EFFICIENT TO HAVE HIM
8 PREPARE SOMETHING LIKE THIS GIVING US A SIDE-BY-SIDE
9 COMPARISON BECAUSE IT SEEMS TO ME THAT THE LANGUAGE
10 DOES NOT DIFFER THAT MUCH FROM OUR IP POLICY. AND
11 IF WE COULD ENGAGE THE SENATOR IN DISCUSSION ABOUT
12 LANGUAGE THAT WE WOULD ALL BE COMFORTABLE WITH AND
13 THE WAIVER PROVISION THAT'S INCLUDED IN THE BILL,
14 THEN IF IT SURVIVES IN THAT FORM, I REALLY WOULDN'T
15 HAVE ANY PARTICULAR PROBLEMS WITH IT.

16 CHAIRMAN KLEIN: I THINK THAT ONE OF THE
17 FUNDAMENTAL ISSUES THAT WAS RAISED, AND, DUANE,
18 CORRECT ME IF YOU THINK THERE'S A DIFFERENT
19 POSITION, WAS THAT ON A REGULATORY BASIS, IF WE
20 NEEDED TO RESPOND TO A SPECIFIC FACT SITUATION AND
21 DEAL WITH SOMETHING LIKE A SUBCLASS OF ALZHEIMER'S
22 THAT NEEDED SPECIAL ASSISTANCE, WE COULD RESPOND
23 QUICKLY. WHEREAS, LEGISLATIVE BASIS IT WOULD TAKE A
24 70-PERCENT VOTE AND THE SIGNATURE OF THE GOVERNOR.
25 AND TRYING TO GET THAT VOTE ON A QUICK BASIS,

BARRISTERS' REPORTING SERVICE

1 PARTICULARLY DEALING WITH AN EMBRYONIC STEM CELL
2 THERAPY, MIGHT BE MET WITH A LOT OF OPPOSITION. SO
3 THAT THE PROBLEM WAS THAT -- ONE OF THE PROBLEMS
4 BESIDES THE WORDING DIFFERENCES WAS THE RIGIDITY OF
5 A STATUTORY PROGRAM.

6 AS TO PRESERVING THE CONCEPTS, I THINK WE
7 HAVE BROAD AGREEMENT ON THE CONCEPTS. IT WAS
8 WHETHER OR NOT WE HAVE THE REGULATORY FLEXIBILITY IN
9 RESPONDING. AND WE ALL HAVE ROOM IN HERE FOR A
10 HEALTHY DISCUSSION ON THAT TOPIC.

11 DR. PRIETO: THAT'S ONE OF THE REASONS WHY
12 I THOUGHT THE WAIVER PROVISION WAS PRETTY ESSENTIAL.
13 BUT AS LONG AS THAT PROCESS IS REASONABLE AND COULD
14 BE DONE EXPEDITIOUSLY BY THE ICOC, THEN I THINK WE
15 COULD LIVE WITH HAVING IT IN STATUTE.

16 CHAIRMAN KLEIN: YOU'RE SAYING CURRENTLY
17 THE WAIVER PROVISION DEALS WITH ORPHAN DRUGS ONLY,
18 ORPHAN DISEASE ONLY, AND YOU'RE SAYING --

19 DR. PRIETO: WELL, I GUESS MAYBE I NEED TO
20 REREAD THAT THEN BECAUSE, IN MY OPINION, IT
21 SHOULDN'T -- I MEAN THERE SHOULD BE A BROADER WAIVER
22 PROVISION.

23 CHAIRMAN KLEIN: RIGHT. CERTAINLY I WANT
24 TO EXPRESS WE HAD A VERY GOOD DISCUSSION WITH
25 SENATOR ALQUIST, AND THE POSITION WAS THAT WE WERE

BARRISTERS' REPORTING SERVICE

1 GOING TO SIT DOWN AND HAVE SUBSTANTIVE DISCUSSIONS.
2 IT WAS NOT A POSITION THAT WE HAD MOVED HERE TO
3 CAPTURE THIS CONCEPT. IT WAS AS THE LANGUAGE SAID,
4 THERE WERE ISSUES THAT HAD BEEN RAISED BEFORE.

5 MR. TORRES: ART TORRES HERE. WE JUST
6 NEED TO KEEP IN MIND THAT THIS IS TOTALLY IN FLUX AT
7 THIS POINT. THE BILL HASN'T EVEN BEEN ANALYZED BY
8 THE SENATE COMMITTEE. SO WE HAVE A GOOD OPPORTUNITY
9 AFTER WE SEE JAMES' COMPARATIVE TO THEN SIT DOWN
10 WITH SENATOR ALQUIST AND HAVE A DISCUSSION BECAUSE
11 IT'S VERY EARLY IN THE STAGE AT THIS POINT.

12 MR. ROTH: SO THERE ARE REALLY TWO THINGS
13 GOING ON HERE. ONE IS BOB'S POINT ABOUT REGULATORY
14 FLEXIBILITY VERSUS SOMETHING THAT'S IN THE STATUTE.
15 AND I THINK WE -- SINCE WE DON'T KNOW WHAT THE
16 FUTURE HOLDS, IT WOULD BE NICE TO ALLOW THE FUTURE
17 BOARD TO NOT HAVE THEIR HANDS TIED. THAT'S ONE
18 BECAUSE THESE PRODUCTS ARE GOING TO BE APPROVED LONG
19 AFTER MOST OF US ARE GONE. AND SO WE NEED TO THINK
20 ABOUT THAT.

21 AND THEN NO. 2, IT'S THE WORDING THAT IS
22 MORE TROUBLING THAN THE INTENT. AND THAT'S WHY,
23 JAMES, IN ADDITION TO JUST COMPARING SIDE BY SIDE,
24 WE NEED SOME INTERPRETATION OF THE MEANING OR WHAT
25 COULD BE CONSTRUED FROM THAT LANGUAGE. AND MY FEAR,

BARRISTERS' REPORTING SERVICE

1 JUST SO YOU ALL KNOW, IS THAT LAWYERS ARE GOING TO
2 LOOK AT THIS AND ADVISE THEIR CLIENTS NOT TO TAKE
3 ANY CIRM MONEY BECAUSE OF THESE WORDS, WHICH COULD
4 BE INTERPRETED TEN, FIFTEEN YEARS FROM NOW IN A WAY
5 THAT WE DID NOT INTEND.

6 CHAIRMAN KLEIN: IN FACT, WE HAVE HAD
7 VARIOUS COMPANIES, VERY SPECIFIC COMPANIES AND THEIR
8 LAWYERS, COMPANIES WHO WERE FORMED BY ACADEMIC
9 RESEARCHERS WHO HAD AN INTENT TO SERVE -- IN FACT,
10 WHO WERE REALLY INTENDING TO JUST SERVE THERAPEUTIC
11 AIMS WHOSE LAWYERS TOLD THEM THAT THEY, IN FACT,
12 WOULD BE SHUT OUT OF ANY MONEY BASED UPON THE
13 WORDING. SO WE HAVE SOME INFORMATION. WE HAVE SOME
14 VERY GOOD SOURCES FOR SOME INFORMED DISCUSSION, BUT
15 THERE WAS NOT AN INTENT TO TAKE ACTION ON THIS
16 TODAY, BUT, IN FACT, PUT IT BACK ON THE WINDSHIELD
17 SO THAT WE COULD START MOVING FORWARD WITH THE
18 PROCESS.

19 AND I TAKE IT THAT BY PUTTING IT INTO A
20 HEARING BEFORE WE HAD DISCUSSIONS WITH THE SENATORS,
21 WE'VE PROBABLY DONE THE RIGHT THING BECAUSE WE'VE
22 SOLICITED A GREATER DIFFERENCE OF OPINION THAN I WAS
23 AWARE OF. AND THAT'S VERY HELPFUL AND PART OF THE
24 PROCESS THAT WE HAVE FULL BOARD PARTICIPATION IN
25 THIS PROCESS.

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: AND, AGAIN, THIS IS JEFF
2 SHEEHY. I'D JUST LIKE TO MAKE THE POINT THAT UNDER
3 OUR CURRENT RULES, WE HAVE COMPANIES THAT ARE VERY
4 WILLING TO COMPETE FOR OUR GRANTS AND ACCEPT OUR
5 MONEY. SO I REALLY THINK, YOU KNOW, THE TWO KEY
6 POINTS WE SHOULD FOCUS ON ARE CONSISTENCY WITH OUR
7 EXISTING RULES AND THAT THERE'S NOT DEVIATION SUCH
8 AS DUANE HAS IDENTIFIED THAT CHANGES OUR STANDARD.
9 AND THE SECOND IS MAINTAINING SOME SORT OF
10 REGULATORY FLEXIBILITY, YOU KNOW, BECAUSE WE CAN'T
11 FORESEE THE FUTURE, BUT WE ARE GETTING COMPANIES
12 THAT ARE WILLING TO TAKE OUR GRANTS NOW UNDER THE
13 EXISTING RULES.

14 SO I DON'T THINK OUR EXISTING RULES ARE SO
15 ONEROUS THAT THEY COULD NOT BE PUT INTO LEGISLATION
16 IF IT'S DRAFTED CAREFULLY.

17 CHAIRMAN KLEIN: OKAY.

18 DR. PRIETO: JEFF, THIS IS FRANCISCO
19 PRIETO AGAIN. I AGREE WITH YOU. I POINT OUT THAT,
20 OF COURSE, WE DON'T HAVE THIS LEGISLATIVE LANGUAGE
21 IN PLACE RIGHT NOW. SO I UNDERSTAND THE OTHER POINT
22 OF VIEW AS WELL, AND THERE'S ALWAYS THE DEVIL'S IN
23 THE DETAILS AND THE WORDING.

24 CHAIRMAN KLEIN: OKAY. WELL, I THANK YOU.
25 I'D LIKE TO SEE IF THERE'S OTHER PUBLIC COMMENT.

BARRISTERS' REPORTING SERVICE

1 MS. KING: I DO HAVE ONE HERE IN SAN
2 FRANCISCO.

3 MR. REED: THIS IS DON REED. ANYONE WHO
4 HAS ANY FRIENDS IN TEXAS, THIS WOULD BE A GOOD TIME
5 TO GET IN TOUCH WITH THEM. THERE'S A HEARING
6 TOMORROW ON THE TEXAS BUDGET WHICH CONTAINS A
7 24-WORD RIDER WHICH WOULD PROHIBIT ALL FORMS OF
8 EMBRYONIC STEM CELL RESEARCH FUNDED BY THE STATE,
9 WHICH IS VERY NEGATIVE. IT'S FOLLOWED UP WITH
10 ACCOMPANYING LEGISLATION, S 1695, WHICH, AGAIN,
11 REPEATS THAT THERE WILL BE NO FUNDING OF EMBRYONIC
12 STEM CELL RESEARCH BY THE STATE.

13 AS YOU KNOW, IT IS A HUGE CACHE OF FUNDING
14 WITH \$3 BILLION AND THE PEOPLE DOWN IN TEXAS WERE
15 ABLE TO KEEP ANY RESTRICTIONS OUT OF THERE, SO THAT
16 MONEY IS THERE. WITH THE RIGHT PEOPLE IN OFFICE,
17 THAT MONEY WILL BE ELIGIBLE FOR A LOT OF STEM CELL
18 RESEARCH, BUT NOT IF THIS RIDER GOES THROUGH AND NOT
19 IF THIS BILL GOES THROUGH. SO ANYBODY HAS ANY
20 CONTACTS IN TEXAS, THIS IS A GOOD TIME TO CONTACT
21 THEM.

22 DR. PRIETO: DON, FRANCISCO PRIETO AGAIN.
23 WHAT WAS THAT BILL NUMBER?

24 MR. REED: S 1695 AND THE BUDGET ONE,
25 WHICH IS BEING HEARD TOMORROW, IS S1.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN KLEIN: OKAY.

2 DR. PRIETO: AND 1695 IS A RIDER TO S1?

3 MR. REED: NO. 1695 IS A SPECIFIC
4 LEGISLATION, SPECIFIC LAW. S1 IS THE NAME OF THE
5 BUDGET WHICH CONTAINS THE 24-WORD RIDER.

6 CHAIRMAN KLEIN: SO SPECIFICALLY, DR.
7 PRIETO, I BELIEVE THE S1, THE BUDGET RIDER THAT'S
8 UP, IMPLEMENTS THIS POSITION, AND THEN THE OTHER
9 BILL IS FOLLOW-ON LEGISLATION TO BE HEARD LATER THAT
10 WOULD, IN FACT, CREATE A LARGER FENCE THAT'S MORE
11 PERMANENT THAN THE BUDGET BILL.

12 DR. PRIETO: OKAY.

13 CHAIRMAN KLEIN: OKAY. ADDITIONAL PUBLIC
14 COMMENT? I THANK YOU VERY MUCH. WE WILL STAND
15 ADJOURNED. AND I THINK WE'VE LEARNED A LOT DURING
16 THIS PARTICULAR MEETING, SO I THANK EVERYONE FOR
17 ATTENDING. AND, ART, IF YOU HAVE A CHANCE, IF YOU
18 COULD CALL ME AT MY PERSONAL OFFICE, THAT WOULD BE
19 GREAT.

20 MR. TORRES: GREAT. JUST ONE FINAL WORD.
21 IN TALKING TO CONGRESSWOMAN ESHOO YESTERDAY, HER
22 COUNTERPART WILL BE THE KENNEDY-HATCH BILL THAT WAS
23 INTRODUCED LAST YEAR.

24 CHAIRMAN KLEIN: OKAY. THANK YOU VERY
25 MUCH. WE STAND ADJOURNED.

BARRISTERS' REPORTING SERVICE

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

(THE MEETING WAS THEN CONCLUDED AT

9: 38 A. M.)

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 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 MARCH 31, 2009, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE TRANSCRIBED STENOGRAPHICALLY BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.



BETH C. DRAIN, CSR 7152
BARRISTER' S REPORTING SERVICE
1072 BRISTOL STREET
SUITE 100
COSTA MESA, CALIFORNIA
(714) 444-4100