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(HB 685)

AN ACT relating to diabetes research.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

As used in Sections 1 to 5 of this Act:

- (1) "Applicant" means the entity within the University of Kentucky or University of Louisville applying for a grant award;
- (2) "Board" means the Kentucky Diabetes Research Board;
- (3) "Grantee" means the entity receiving a grant award;
- (4) "PI" means the principal investigator; and
- (5) "Trust fund" means the Kentucky Diabetes Trust Fund.

SECTION 2. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

- (1) The Kentucky Diabetes Research Board is created for the purpose of the secretary of administering the diabetes research trust fund. The board shall be composed of the secretary of the Cabinet for Health Services or the secretary's designee and seven (7) members appointed by the Governor as follows:
 - (a) Two (2) members representing the University of Kentucky College of Medicine;
 - (b) Two (2) members representing the University of Louisville School of Medicine;
 - (c) One (1) member who has diabetes or who has a family member with diabetes;
 - (d) One (1) member who is a physician with experience with research or treatment of diabetes; and
 - (e) One (1) at-large member who has a health care policy perspective on diabetes issues as a patient, health care provider, consultant, or in business.
- (2) The term of each appointed board member shall be four (4) years. A board member shall be reimbursed for ordinary travel expenses, including meals and lodging, incurred in the performance of his or her duties.
- (3) At the end of a term, a member shall continue to serve until a successor is appointed. A member who is appointed after a term has begun shall serve the rest of the term and until a successor is appointed. A member who serves two (2) consecutive full four (4) year terms shall not be reappointed for four (4) years after completion of those terms.
- (4) A simple majority of the full membership of the board shall constitute a quorum.
- (5) The board shall elect, by a majority vote, a chairperson who shall be the presiding officer of the board, preside at all meetings, and coordinate the functions and activities of the board. The chairperson shall be elected or reelected for each calendar year.
- (6) The board shall meet at least two (2) times each year but may meet more frequently, subject to call by the chairperson or by request of a majority of the board members. Each

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board meeting shall include but not be limited to programs relating to diabetes, research progress reports, authorization of projects, and financial plans.

- (7) No member of the board shall be subject to any personal liability or personal accountability for any loss sustained or damage suffered on account of any action or inaction of the board.
- (8) The board shall be attached to the Cabinet for Health Services for administrative purposes. The Cabinet for Health Services shall provide sufficient staff for the proper administration of the board.
- (9) The Cabinet for Health Services shall promulgate any necessary administrative regulations in accordance with KRS Chapter 13A to implement the provisions of Sections 1 to 5 of this Act.

SECTION 3. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

- (1) The Kentucky Diabetes Research Trust Fund is hereby created. Federal funds or other funds that may be made available to supplement or match state funds for diabetes research programs may be credited to the trust fund.
- (2) Funds deposited to the credit of the diabetes research trust fund shall be used to finance the diabetes research programs and for the operation of the Kentucky Diabetes Research Board. Funds for research shall only be used for diabetes research conducted by the University of Kentucky or the University of Louisville.
- (3) Funds unexpended at the close of a fiscal year shall not lapse but shall be carried forward to the next fiscal year or biennium, and any surplus shall be included in the budget considered and approved by the board for the ensuing period.

SECTION 4. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

- (1) A proposed research project shall be submitted to the board on an application developed by the Cabinet for Health Services in consultation with the board. The submission deadline for the application shall be September 30 of each year.
- (2) The board shall review the project proposal for scientific merit and adherence to the research priority established in this section. After reviewing the project proposal's scientific merit and adherence to the research priority, the board shall determine whether a project proposal shall or shall not be funded. An applicant shall be notified of the board's decision on the application no later than December 31 of each year.
- (3) A project proposal shall be reviewed for scientific merit as follows:
 - (a) Adequacy of prior research and theory in providing a basis for the research;
 - (b) Adequacy of methods;
 - (c) Adequacy of environment, facilities, equipment, available equipment, and research atmosphere;
 - (d) Qualifications and productivity of the PI and key staff;
 - (e) Time commitments of the PI and key staff;
 - (f) Availability of subjects or patients where relevant;

- (g) Adequacy of procedures for assessing the effect of interventions on recovery; and
- (h) Other factors that affect the potential of the applicants to successfully address the research objectives.
- (4) A project shall be reviewed by the board for adherence to research priorities relating to in vivo and in vitro studies on naturally occurring phenomena that may:
 - (a) Predict the development of diabetic vascular, neuronal, or musculo-skeletal complications;
 - (b) Define the response of diabetic vascular, neuronal, or musculo-skeletal complications to existing therapies; or
 - (c) Reverse diabetic vascular, neuronal, or musculo-skeletal complications.

SECTION 5. A NEW SECTION OF KRS CHAPTER 211 IS CREATED TO READ AS FOLLOWS:

- A research contract shall be granted for a one (1) year period, with renewal for two (2) additional years subject to the conditions established by this section. Renewal in years two (2) and three (3) shall depend upon fulfillment of contract terms.
- (2) A grantee shall submit to the board an annual progress report, including a narrative and financial report of any progress.
- (3) The annual progress report shall be due sixty (60) days prior to the effective date of the contract of the following year.
- (4) (a) A grantee shall submit a final narrative progress report thirty (30) days after completion or termination of the contract and a financial report no later than ninety (90) days after completion or termination of the contract.
 - (b) The financial report shall be completed by the contracting institution.
- (5) The PI shall transmit to the board a copy of any document published as a result of the funded research, during and after the period of the contract.
- (6) A grantee shall acknowledge the source of funding from the trust in all publications and presentations.

Approved April 22, 2004