

CHAPTER 117

AN ACT authorizing the creation of a debt of the State of New Jersey by the issuance of bonds of the State in the aggregate principal amount of \$450 million for the purpose of financing stem cell research grants, and the costs thereof, for institutions of higher education and other entities in the State conducting scientific and medical research; providing the ways and means to pay and discharge the principal of and interest on the bonds; providing for the submission of this act to the people at a general election; and making an appropriation therefor.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. This act shall be known and may be cited as the "New Jersey Stem Cell Research Bond Act."

2. The Legislature finds and declares that:

a. Millions of people suffer from currently chronic, debilitating and often incurable diseases and conditions, including cancer, diabetes, heart disease, Alzheimer's disease, Huntington's disease, Parkinson's disease, Lou Gehrig's disease, HIV/AIDS, sickle cell anemia and multiple sclerosis, as well as irreversible injuries;

b. New regenerative medical therapies, such as those that include the use of human stem cells, offer immense promise for the development of cures and more effective treatments for many of these devastating diseases and irreversible injuries;

c. It is the policy of this State, as established by P.L.2003, c.203, that stem cell research that is conducted ethically and in accordance with the highest scientific standards shall be permitted;

d. The development of new cures and more effective treatments resulting from stem cell research has the potential to improve the quality of life for New Jersey residents, reduce long-term health care costs and benefit the New Jersey economy;

e. New Jersey, as home to many of the leading corporations and institutions engaged in life sciences, biotechnology and pharmaceutical research, should preserve its leading role in attracting investment in cutting-edge research;

f. The New Jersey Commission on Science and Technology is the most appropriate body to effectively and efficiently allocate research grants among a diverse community of research entities in a manner consistent with the highest level of scientific rigor and quality;

g. Financing these grants will further the public interest by facilitating the transition of basic research into lifesaving clinical applications for New Jersey residents and can most economically be accomplished through a general obligation bond issuance duly approved by the voters of this State ;and

h. In accordance with principles of fiscal responsibility and sound financing practices, new State debt should not be issued unless sufficient recurring revenues of the State have been identified to account for the annual debt service obligations related to such bonds.

3. As used in this act:

"Approved research project" means a stem cell research project proposed by an eligible research institution that has been approved by the commission, the independent research review panel and the independent ethics review panel, pursuant to section 5 of this act;

"Bonds" mean the bonds authorized to be issued, or issued, under this act;

"Commission" means the New Jersey Commission on Science and Technology as established by section 3 of P.L.1985, c.102 (C.52:9X-3);

"Cost" means the expenses incurred in connection with: the procurement of legal, financial, or other professional services, including the services of a bond registrar or an authenticating agent; the issuance of bonds, or any interest or discount thereon; the establishment of a reserve fund or funds for the payment or security of principal or interest on bonds, as the Director of the Division of Budget and Accounting in the Department of the Treasury may determine; the reimbursement to any fund of the State of moneys which may have been transferred or advanced therefrom to any fund created by this act, or of any moneys which may have been expended therefrom for, or in connection with, any approved research project authorized by this act; or any other expenses incurred in connection with the

administrative, organizational or operating expenses incident to the financing, completing and placing into service of any stem cell research grant authorized by this act , including the empanelment of qualified experts as required by this act;

"Eligible research institution" means an institution of higher education in the State, State or local government agency, or other public or private entity which has a substantial business presence in the State and conducts scientific and medical research in the State. An eligible research institution shall be approved by the commission, the independent research review panel and the independent ethics review panel, as provided by this act. A for profit entity shall enter into a collaborative agreement with a New Jersey-based nonprofit entity in order to be eligible to receive a stem cell research grant pursuant to this act;

"Government securities" means any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any federal agency, to the extent those obligations are unconditionally guaranteed by the United States of America, and any certificates or any other evidences of an ownership interest in those obligations of, or unconditionally guaranteed by, the United States of America or in specified portions which may consist of the principal of, or the interest on, those obligations;

"Human cloning" means human asexual reproduction accomplished by introducing nuclear material from one or more human cells into a fertilized or unfertilized oocyte whose nuclear material has been removed or inactivated so as to produce a human fetus that is substantially genetically identical to a previously born human being;

"Independent ethics review panel" means an independent panel established by the commission in order to effectuate the provisions of section 5 of this act. The panel shall include, but need not be limited to, the following: recognized bioethicists, members of academic and religious communities, and at least one member who currently serves on an institutional review board;

"Independent research review panel" means an independent panel established by the commission in accordance with subsection c. of section 5 of this act in order to effectuate the provisions of section 5 of this act ;

"Stem cell" means any unspecialized or undifferentiated cell that can self-replicate and has the potential to differentiate into a specialized cell type , including but not limited to the stem cells generally referred to as adult stem cells and embryonic stem cells;

"Stem cell research grant" means a grant awarded to an eligible research institution pursuant to this act to fund any expenses incurred in connection with a stem cell research project;

"Stem cell research project" means scientific and medical research conducted in the State, including, but not limited to: basic stem cell biology using human or non-human adult or embryonic stem cells; recovery and collection of biomaterials; translational and clinical work; the development of tools and processes including, but not limited to, diagnostic tools and processes; training programs; the development of capacity for additional stem cell research in the State; regenerative therapy development; and the development of pharmacologies and treatments through clinical trials that will result in the cure for or substantial mitigation of major diseases, injuries, or orphan diseases.

4. The commission shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968 c.410 (C.52:14B-1 et seq.), rules and regulations necessary to implement the provisions of this act.

5. a. Bonds of the State of New Jersey are authorized to be issued in the aggregate principal amount of \$450 million for the purpose of financing stem cell research grants, and the costs thereof, at eligible research institutions. Provided however, that no bonds shall be issued pursuant to this act unless the State Treasurer first certifies that recurring revenues of the State would be available annually in an amount equal to the sum necessary to satisfy the annual debt service obligations related to such bonds. Nothing contained in this section shall be construed to limit, impair, or affect in any way the pledge of the full faith and credit of the State for the payment of the interest and redemption premium thereon, if any, when due, and

for the payment of the principal thereof at maturity or earlier redemption date, for any bonds issued pursuant to this act. Stem cell research grants funded by bond monies shall be distributed annually and shall not exceed \$45 million per year, except that any unused grant capacity shall carry over to subsequent years. Funds to support stem cell research grants shall be subject to appropriation pursuant to the provisions of section 15 of this act. In the event that the "Stem Cell Research Fund" established pursuant to section 14 of this act is supplemented or replenished as provided in subsection f. of this section or subsection c. of section 15 of this act, the stem cell research grant program shall remain in effect until all supplementing or replenishing funds are disbursed as grants pursuant to this act.

b. The commission shall establish, by regulation, reasonable limitations on the proportion of stem cell research grant funding awarded to an eligible research institution pursuant to this act that may be used for the administrative costs of the eligible research institution. In exercising its discretion to establish appropriate limitations on the use of grant funding for administrative costs, the commission shall take into consideration the restrictions and limitations established by other states and government entities that provide funding for stem cell research, in order to promote and maintain the State's competitive position in this field while, at the same time, ensuring that potential applicants are not inappropriately deterred from applying for stem cell research grants pursuant to this act. The commission shall include, as part of the annual plan called for under section 25 of this act, a description and explanation of any limitations established pursuant to this subsection, as well as current information concerning the actual use of stem cell research grant funding awarded pursuant to this act for administrative costs by eligible research institutions .

c. The commission shall administer the stem cell research grant program and solicit and evaluate stem cell research grant applications. The commission shall designate an independent research review panel composed of nationally recognized experts , which shall consist of individuals with relevant experience , which may include, but shall not be limited to, experience in the following areas: basic science; collecting, culturing, and growing stem cells; transplant immunology; clinical specialties in neurology, cardiology, pulmonary, oncology, or hematology; diabetes; liver disease; stem cell transplantation; recovery and collection of cells from biomaterial sources; biotechnology involving stem cell research; engineering; business marketing; and intellectual property, to review stem cell research grant applications. The commission shall also designate an independent ethics review panel to ensure that stem cell research conducted pursuant to this act will be carried out in a scientifically sound and ethical manner.

d. The independent research review panel shall conduct a scientific review , in accordance with this act, of the research proposed in each grant application and analyze and make recommendations with respect to each grant application.

The commission, after receiving the analysis and recommendations from the independent research review panel, shall review such analysis and recommendations and prepare a list of eligible projects which:

- (1) are likely to result in research that can be applied to therapies to treat chronic, debilitating or often incurable diseases or irreversible injuries; and
- (2) will be conducted in a scientifically sound and ethical manner.

The list shall be submitted to the independent ethics review panel for final approval.

A stem cell research grant awarded to an eligible research institution shall be contingent upon approval by the independent ethics review panel and approval by the eligible research institution's institutional review board operating in accordance with applicable law.

The commission shall consult with the authority concerning the commercial viability of the eligible projects. The authority shall assist the State Treasurer in structuring the payment terms and conditions on the State's return on investment.

e. Funds appropriated by the Legislature to support stem cell research grants shall be disbursed by the commission only in accordance with the list approved by the independent ethics review panel. A directory of the eligible research institutions receiving stem cell research grants and the amount of each grant award shall be made available to the public on an annual basis. No funds authorized for, or made available to, an eligible research institution pursuant to this act shall be used for the purpose of human cloning.

f. The State Treasurer shall require an eligible research institution to make payments to the State in an amount representing a reasonable return on the investment made pursuant to this act if the eligible research institution realizes a financial gain or benefit directly associated with an approved research project funded pursuant to this act.

The payments shall be subject to such terms and conditions as the State Treasurer may require. In exercising the Treasurer's discretion to establish appropriate payment terms and conditions, the Treasurer shall consult with the authority and shall take into consideration the payment terms and conditions established by other states and government entities that provide funding for stem cell research, in order to promote and maintain the State's competitive position in this field while, at the same time, ensuring that potential applicants are not inappropriately deterred from applying for stem cell research grants pursuant to this act. Payments pursuant to this section shall be paid into the "Stem Cell Research Fund" established pursuant to section 14 of this act for the purpose of replenishing the fund.

g. An eligible research institution shall indemnify or insure and hold the State harmless against any and all losses, claims, damages, expenses or liabilities, including attorney fees, arising from the research it conducts pursuant to a stem cell research grant awarded pursuant to this act. In the alternative, an eligible research institution shall name the State as an additional insured and submit proof of such insurance.

Notwithstanding any other provision of law to the contrary, the State of New Jersey and its officers, employees and agents shall not be liable for damages in any civil action resulting, directly or indirectly, from the State's funding of stem cell research pursuant to this act. For the purposes of this section, the "funding of stem cell research" shall include, but not be limited to, the administration of the stem cell research grant application process established pursuant to this act, the selection of approved research projects, the disbursement of stem cell research grants and any other activities authorized or required by this act.

h. Members of the commission, as well as members of the independent ethics review panel and the independent research review panel established pursuant to this act, shall comply with the provisions of the "New Jersey Conflicts of Interest Law," P.L.1971, c.182 (C.52:13D-12 et seq.) and the provisions of the Code of Ethics adopted by the commission. The commission members and the members of the panels shall also comply with any financial disclosure requirements imposed by the Governor by Executive Order. In addition, members of the panels shall be subject to such confidentiality, non-disclosure, and non-competition agreements as shall be required by the commission.

6. The bonds authorized under this act shall be serial bonds, term bonds, or a combination thereof, and shall be known as "Stem Cell Research Bonds." They shall be issued from time to time as the issuing officials herein named shall determine and may be issued in coupon form, fully-registered form or book-entry form. The bonds may be subject to redemption prior to maturity and shall mature and be paid not later than 35 years from the respective dates of their issuance.

7. The Governor, the State Treasurer and the Director of the Division of Budget and Accounting in the Department of the Treasury, or any two of these officials, herein referred to as "the issuing officials," are authorized to carry out the provisions of this act relating to the issuance of bonds, and shall determine all matters in connection therewith, subject to the provisions of this act. If an issuing official is absent from the State or incapable of acting for any reason, the powers and duties of that issuing official shall be exercised and performed by the person authorized by law to act in an official capacity in the place of that issuing official.

8. Bonds issued in accordance with the provisions of this act shall be a direct obligation of the State of New Jersey, and the faith and credit of the State are pledged for the payment of the interest and redemption premium thereon, if any, when due, and for the payment of the principal thereof at maturity or earlier redemption date. The principal of and interest on the bonds shall be exempt from taxation by the State or by any county, municipality or other taxing district of the State.

9. The bonds shall be signed in the name of the State by means of the manual or facsimile signature of the Governor under the Great Seal of the State, which seal may be by facsimile or by way of any other form of reproduction on the bonds, and attested by the manual or facsimile signature of the Secretary of State, or an Assistant Secretary of State, and shall be countersigned by the facsimile signature of the Director of the Division of Budget and Accounting in the Department of the Treasury and may be manually authenticated by an authenticating agent or bond registrar, as the issuing official shall determine. Interest coupons, if any, attached to the bonds shall be signed by the facsimile signature of the Director of the Division of Budget and Accounting in the Department of the Treasury. The bonds may be issued notwithstanding that an official signing them or whose manual or facsimile signature appears on the bonds or coupons has ceased to hold office at the time of issuance, or at the time of the delivery of the bonds to the purchaser thereof.

10. a. The bonds shall recite that they are issued for the purposes set forth in section 5 of this act, that they are issued pursuant to this act, that this act was submitted to the people of the State at the next general election held at least 70 days after enactment as specified in section 23 of this act, and that this act was approved by a majority of the legally qualified voters of the State voting thereon at the election. This recital shall be conclusive evidence of the authority of the State to issue the bonds and their validity. Any bonds containing this recital shall, in any suit, action or proceeding involving their validity, be conclusively deemed to be fully authorized by this act and to have been issued, sold, executed and delivered in conformity herewith and with all other provisions of laws applicable hereto, and shall be incontestable for any cause.

b. The bonds shall be issued in those denominations and in the form or forms, whether coupon, fully-registered or book-entry, and with or without provisions for interchangeability thereof, as may be determined by the issuing officials.

11. When the bonds are issued from time to time, the bonds of each issue shall constitute a separate series to be designated by the issuing officials. Each series of bonds shall bear such rate or rates of interest as may be determined by the issuing officials, which interest shall be payable semiannually; except that the first and last interest periods may be longer or shorter, in order that intervening semiannual payments may be at convenient dates.

12. The bonds shall be issued and sold at the price or prices and under the terms, conditions and regulations as the issuing officials may prescribe, after notice of the sale, published at least once in at least three newspapers published in this State, and at least once in a publication carrying municipal bond notices and devoted primarily to financial news, published in this State or in the city of New York, the first notice to appear at least five days prior to the day of bidding. The notice of sale may contain a provision to the effect that any bid in pursuance thereof may be rejected. In the event of rejection or failure to receive any acceptable bid, the issuing officials, at any time within 60 days from the date of the advertised sale, may sell the bonds at a private sale at such price or prices under the terms and conditions as the issuing officials may prescribe. The issuing officials may sell all or part of the bonds of any series as issued to any State fund or to the federal government or any agency thereof, at a private sale, without advertisement.

13. Until permanent bonds are prepared, the issuing officials may issue temporary bonds in the form and with those privileges as to their registration and exchange for permanent bonds as may be determined by the issuing officials.

14. The proceeds from the sale of bonds used to finance stem cell research grants to eligible research institutions for approved research projects, and the costs thereof, shall be paid to the State Treasurer and be held by the State Treasurer in a separate fund, and be deposited in such depositories as may be selected by the State Treasurer to the credit of the fund, which fund shall be known as the "Stem Cell Research Fund."

15. a. The moneys in the "Stem Cell Research Fund" are specifically dedicated and shall be applied to the purpose of financing stem cell research grants and the costs thereof as set forth in section 5 of this act. However, no moneys in the fund shall be expended for those purposes, except as otherwise authorized by this act, without the specific appropriation thereof by the Legislature, but bonds may be issued as herein provided, notwithstanding that the Legislature shall not have then adopted an act making a specific appropriation of any of the moneys.

b. At any time prior to the issuance and sale of bonds under this act, the State Treasurer is authorized to transfer from any available moneys in any fund of the treasury of the State to the credit of the "Stem Cell Research Fund" those sums as the State Treasurer may deem necessary. The sums so transferred shall be returned to the same fund of the treasury of the State by the State Treasurer from the proceeds of the sale of the first issue of bonds.

c. Pending their application to the purposes provided in this act, the moneys in the "Stem Cell Research Fund" may be invested and reinvested as are other trust funds in the custody of the State Treasurer, in the manner provided by law. Net earnings received from the investment or deposit of moneys in the "Stem Cell Research Fund" shall be paid into the "Stem Cell Research Fund" for the purpose of supplementing or replenishing the fund.

16. If any coupon bond, coupon or registered bond is lost, mutilated or destroyed, a new bond or coupon shall be executed and delivered of like tenor, in substitution for the lost, mutilated or destroyed bond or coupon, upon the owner furnishing to the issuing officials evidence satisfactory to them of the loss, mutilation or destruction of the bond or coupon, the ownership thereof, and security, indemnity and reimbursement for expenses connected therewith, as the issuing officials may require.

17. The accrued interest, if any, received upon the sale of the bonds shall be applied to the discharge of a like amount of interest upon the bonds when due. Any expense incurred by the issuing officials for advertising, engraving, printing, clerical, authenticating, registering, legal or other services necessary to carry out the duties imposed upon them by the provisions of this act shall be paid from the proceeds of the sale of the bonds by the State Treasurer, upon the warrant of the Director of the Division of Budget and Accounting in the Department of the Treasury, in the same manner as other obligations of the State are paid.

18. Bonds of each series issued hereunder shall mature, including any sinking fund redemptions, not later than the 35th year from the date of issue of that series, and in amounts as shall be determined by the issuing officials. The issuing officials may reserve to the State by appropriate provision in the bonds of any series the power to redeem any of the bonds prior to maturity at the price or prices and upon the terms and conditions as may be provided in the bonds.

19. Any bond or bonds issued hereunder which are subject to refinancing pursuant to the "Refunding Bond Act of 1985," P.L.1985, c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.), shall no longer be deemed to be outstanding, shall no longer constitute a direct obligation of the State of New Jersey, and the faith and credit of the State shall no longer be pledged to the payment of the principal of, redemption premium, if any, and interest on the bonds, and the bonds shall be secured solely by and payable solely from moneys and government securities deposited in trust with one or more trustees or escrow agents, which trustees and escrow agents shall be trust companies or national or state banks having powers of a trust company, located either within or without the State, as provided herein, whenever there shall be deposited in trust with the trustees or escrow agents, as provided herein, either moneys or government securities, including government securities issued or held in book-entry form on the books of the Department of Treasury of the United States, the principal of and interest on which when due will provide money which, together with the moneys, if any, deposited with the trustees or escrow agents at the same time, shall be sufficient to pay when due the principal of, redemption premium, if any, and interest due and to become due on the bonds on or prior to the redemption date or maturity date thereof, as the case may be; provided the government securities shall not be subject to redemption prior to their maturity

other than at the option of the holder thereof. The State of New Jersey hereby covenants with the holders of any bonds for which government securities or moneys shall have been deposited in trust with the trustees or escrow agents as provided in this section that, except as otherwise provided in this section, neither the government securities nor moneys so deposited with the trustees or escrow agents shall be withdrawn or used by the State for any purpose other than, and shall be held in trust for, the payment of the principal of, redemption premium, if any, and interest to become due on the bonds; provided that any cash received from the principal or interest payments on the government securities deposited with the trustees or escrow agents, to the extent the cash will not be required at any time for that purpose, shall be paid over to the State, as received by the trustees or escrow agents, free and clear of any trust, lien, pledge or assignment securing the bonds; and to the extent the cash will be required for that purpose at a later date, shall, to the extent practicable and legally permissible, be reinvested in government securities maturing at times and in amounts sufficient to pay when due the principal of, redemption premium, if any, and interest to become due on the bonds on and prior to the redemption date or maturity date thereof, as the case may be, and interest earned from the reinvestments shall be paid over to the State, as received by the trustees or escrow agents, free and clear of any trust, lien or pledge securing the bonds. Notwithstanding anything to the contrary contained herein: a. the trustees or escrow agents shall, if so directed by the issuing officials, apply moneys on deposit with the trustees or escrow agents pursuant to the provisions of this section, and redeem or sell government securities so deposited with the trustees or escrow agents, and apply the proceeds thereof to (1) the purchase of the bonds which were refinanced by the deposit with the trustees or escrow agents of the moneys and government securities and immediately thereafter cancel all bonds so purchased, or (2) the purchase of different government securities; provided however, that the moneys and government securities on deposit with the trustees or escrow agents after the purchase and cancellation of the bonds or the purchase of different government securities shall be sufficient to pay when due the principal of, redemption premium, if any, and interest on all other bonds in respect of which the moneys and government securities were deposited with the trustees or escrow agents on or prior to the redemption date or maturity date thereof, as the case may be; and b. in the event that on any date, as a result of any purchases and cancellations of bonds or any purchases of different government securities, as provided in this sentence, the total amount of moneys and government securities remaining on deposit with the trustees or escrow agents is in excess of the total amount which would have been required to be deposited with the trustees or escrow agents on that date in respect of the remaining bonds for which the deposit was made in order to pay when due the principal of, redemption premium, if any, and interest on the remaining bonds, the trustees or escrow agents shall, if so directed by the issuing officials, pay the amount of the excess to the State, free and clear of any trust, lien, pledge or assignment securing the refunding bonds.

20. Refunding bonds issued pursuant to P.L.1985, c.74 as amended by P.L.1992, c.182 (C.49:2B-1 et seq.) may be consolidated with bonds issued pursuant to section 5 of this act or with bonds issued pursuant to any other act for purposes of sale.

21. To provide funds to meet the interest and principal payment requirements for the bonds and refunding bonds issued under this act and outstanding, there is appropriated in the order following:

a. Revenue derived from the collection of taxes under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), or so much thereof as may be required; and

b. If, at any time, funds necessary to meet the interest, redemption premium, if any, and principal payments on outstanding bonds issued under this act are insufficient or not available, there shall be assessed, levied and collected annually in each of the municipalities of the counties of this State, a tax on the real and personal property upon which municipal taxes are or shall be assessed, levied and collected, sufficient to meet the interest on all outstanding bonds issued hereunder and on the bonds proposed to be issued under this act in the calendar year in which the tax is to be raised and for the payment of bonds falling due in the year following the year for which the tax is levied. The tax shall be assessed, levied and

collected in the same manner and at the same time as are other taxes upon real and personal property. The governing body of each municipality shall cause to be paid to the county treasurer of the county in which the municipality is located, on or before December 15 in each year, the amount of tax herein directed to be assessed and levied, and the county treasurer shall pay the amount of the tax to the State Treasurer on or before December 20 in each year.

If on or before December 31 in any year, the issuing officials, by resolution, determine that there are moneys in the General Fund beyond the needs of the State, sufficient to pay the principal of bonds falling due and all interest and redemption premium, if any, payable in the ensuing calendar year, the issuing officials shall file the resolution in the office of the State Treasurer, whereupon the State Treasurer shall transfer the moneys to a separate fund to be designated by the State Treasurer, and shall pay the principal, redemption premium, if any, and interest out of that fund as the same shall become due and payable, and the other sources of payment of the principal, redemption premium, if any, and interest provided for in this section shall not then be available, and the receipts for the year from the tax specified in subsection a. of this section shall be considered and treated as part of the General Fund, available for general purposes.

22. Should the State Treasurer, by December 31 of any year, deem it necessary, because of the insufficiency of funds collected from the sources of revenues as provided in this act, to meet the interest and principal payments for the year after the ensuing year, then the State Treasurer shall certify to the Director of the Division of Budget and Accounting in the Department of the Treasury the amount necessary to be raised by taxation for those purposes, the same to be assessed, levied and collected for and in the ensuing calendar year. The director shall, on or before March 1 following, calculate the amount in dollars to be assessed, levied and collected in each county as herein set forth. This calculation shall be based upon the corrected assessed valuation of each county for the year preceding the year in which the tax is to be assessed, but the tax shall be assessed, levied and collected upon the assessed valuation of the year in which the tax is assessed and levied. The director shall certify the amount to the county board of taxation and the treasurer of each county. The county board of taxation shall include the proper amount in the current tax levy of the several taxing districts of the county in proportion to the ratables as ascertained for the current year.

23. For the purpose of complying with the provisions of the State Constitution, this act shall be submitted to the people at the general election next occurring at least 70 days after enactment. To inform the people of the contents of this act, it shall be the duty of the Attorney General, after this section takes effect, and at least 60 days prior to the election, to cause this act to be published at least once in one or more newspapers of each county, if any newspapers be published therein and to notify the clerk of each county of this State of the passage of this act; and the clerks respectively, in accordance with the instructions of the Attorney General, shall have printed on each of the ballots the following:

If you approve of the act entitled below, make a cross (x), plus (+), or check (✓) mark in the square opposite the word "Yes."

If you disapprove of the act entitled below, make a cross (x), plus (+), or check (✓) mark in the square opposite the word "No."

If voting machines are used, a vote of "Yes" or "No" shall be equivalent to these markings respectively.

STEM CELL RESEARCH BOND ISSUE		
	YES	Shall the "New Jersey Stem Cell Research Bond Act," which authorizes the State to issue bonds in the amount of \$450 million for grants to fund " stem cell research projects," as defined in the act, at institutions of higher education and other entities in the State conducting scientific and medical research, and providing the ways and means to pay the interest on the debt and also to pay and discharge the principal thereof, provided that recurring revenues of the State are certified by the State Treasurer to be available in an amount equal to the sum necessary to satisfy the annual debt service obligations related to such bonds, be approved?

INTERPRETIVE STATEMENT	
NO	<p>Approval of this act would authorize the sale of <u>\$450 million</u> in State general obligation bonds to provide grants for stem cell, scientific, and medical research, as defined in the act, at institutions of higher education and other nonprofit and for profit entities in the State conducting scientific and medical research, <u>provided that recurring revenues of the State are certified by the State Treasurer to be available in an amount equal to the sum necessary to satisfy the annual debt service obligations related to such bonds.</u> Grants would be awarded by the Commission on Science and Technology, subject to evaluation by an independent research review panel composed of experts in stem cell <u>and related</u> research and by an independent ethics review panel. If a grant recipient realizes a financial gain or benefit directly associated with the research funded by its grant, the act requires the recipient to <u>make payments to the State in an amount representing a reasonable return on the State's investment, as determined by the State Treasurer.</u> The purpose of providing these funds is to promote research that could benefit State residents afflicted with diseases and severe injuries such as Alzheimer's disease, cancer, diabetes, Lou Gehrig's disease, Parkinson's disease, sickle cell anemia and spinal cord injuries.</p>

The fact and date of the approval or passage of this act, as the case may be, may be inserted in the appropriate place after the title in the ballot. No other requirements of law of any kind or character as to notice or procedure, except as herein provided, need be adhered to.

The votes so cast for and against the approval of this act, by ballot or voting machine, shall be counted and the result thereof returned by the election officer, and a canvass of the election had in the same manner as is provided for by law in the case of the election of a Governor, and the approval or disapproval of this act so determined shall be declared in the same manner as the result of an election for a Governor, and if there is a majority of all the votes cast for and against it at the election in favor of the approval of this act, then all the provisions of this act not made effective theretofore shall take effect forthwith.

24. There is appropriated the sum of \$5,000 to the Department of Law and Public Safety for expenses in connection with the publication of notice pursuant to section 23 of this act.

25. The commission shall submit to the State Treasurer a plan for the expenditure of funds from the "Stem Cell Research Fund" for the upcoming fiscal year. This plan shall include the following information: a performance evaluation of the expenditures made from the funds to date; a description of approved research projects planned during the upcoming fiscal year; a copy of the regulations in force governing the operation of approved research projects that are financed, in part or in whole, by funds from the "Stem Cell Research Fund," including the information concerning use of research grant funding for administrative costs as required under subsection b. of section 5 of this act, and an estimate of expenditures for the upcoming fiscal year.

26. Immediately following the submission to the Legislature of the Governor's annual budget message, the commission shall submit to the Health, Human Services and Senior Citizens Committee of the Senate and the Health and Senior Services Committee of the General Assembly, or their designated successors, and to the Joint Budget Oversight Committee, or its successor, a copy of the plan called for under section 25 of this act, together with such changes therein as may have been required by the Governor's budget message.

27. This section and sections 23 and 24 of this act shall take effect immediately and the remainder of this act shall take effect as and when provided in section 23.

Approved July 26, 2007.