



## States Rethinking Costly Stem Cell Programs

by Joe Palca  
March 23, 2009



*A researcher pulls out a frozen vial of human embryonic stem cells at the University of Michigan Center for Human Embryonic Stem Cell Research Laboratory in Ann Arbor, Mich.*

Now that President Obama has announced a plan to lift restrictions on federal funds for human embryonic stem cell research, stem cell advocates are asking how that reversal might affect state programs.

The initial restrictions, imposed by former President George W. Bush, limited federal spending for embryonic stem cell research to a small number of cell lines created before Aug. 9, 2001. Some scientists said those limits would delay the development of cures, so a half-dozen states, including California, Maryland and New York, decided to commit state funds to fill the gap.

### The Benefit Of Federal Dollars

New York, for example, adopted an 11-year, \$600 million initiative to fund stem cell research two years ago. Susan Solomon, CEO and co-founder of the New York Stem Cell Foundation, a nonprofit organization that helped advocate for the funding, says she's thrilled that federal dollars will be added to the stem cell research.

Since New York researchers have had access to state money, Solomon explains, they have already started stem cell research that could immediately benefit from an infusion of federal dollars.

She also says state funds remain critical, because there are still areas of stem cell research that are off-limits to federal support. A congressional ban, for example, prohibits researchers from creating new stem cell lines with federal money.

### Will State Funding Continue?

Karen Rothenberg, chairwoman of Maryland's stem cell fund and dean of the University of Maryland Law School, says the state's decision to fund stem cell research was more about economics than health. "It was a strategic part of a much larger model of biotechnology advancement and economic development in the state," she explains.

But Rothenberg acknowledges that with state funds becoming scarce in the current economic crisis, a question hangs over every state stem cell program.

"Why do we need to have this state special fund if we've now got this opening of the possibility of federal money?" she asks.

Caltech biologist David Baltimore, a former member of the board overseeing California's stem cell program, says it is unusual for states to support a specific area of biomedical research. States only funded stem cell research, he says, because individuals recognized a need for research that the federal government was not funding.

"Now that the federal government will be in this area, the rationale for the individual state programs becomes much less compelling. And I think they're going to need to rethink the basis on which they're carrying out their funding, if they continue their funding at all," Baltimore says.

But rethinking is not really an option in California. In 2004, the voters there passed Proposition 71, which committed the state to spending \$3 billion on stem cell research over the next decade. Alan Trounson, who heads California's stem cell program, says that money isn't going away; it would require a special state referendum to dismantle the program.

So while some states may reconsider their commitment to stem cell funding, California's will remain for a while.