

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB HUSA 09-02 Medical Research
SPONSOR(S): Human Services Appropriations Committee, Zapata
TIED BILLS: **IDEN./SIM. BILLS:** SB 1664

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.:	Human Services Appropriations Committee	5 Y, 0 N	Bradford	Massengale
1)	_____	_____	_____	_____
2)	_____	_____	_____	_____
3)	_____	_____	_____	_____
4)	_____	_____	_____	_____
5)	_____	_____	_____	_____

SUMMARY ANALYSIS

The bill makes statutory changes to conform the funding decisions included in the House proposed General Appropriations Act for Fiscal Year 2009-2010.

This bill reduces recurring General Revenue appropriations to the James and Esther King Biomedical Research Program from \$4.5 million to \$2 million and the Bankhead-Coley Program from \$6.75 million to \$3.million.

The bill provides an effective date of July 1, 2009.

HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

The Florida Biomedical Research Program within the Department of Health includes two distinct programs: the James and Esther King Biomedical Research Program and the William G. "Bill" Bankhead, Jr., and David Coley Cancer Research Program.

Biomedical Research Grant Awards

The Florida Biomedical Research Program distributes grant awards for one-, two-, or three-year periods. Applications are accepted annually and awards are announced every June/July. After the awards are announced, the program obtains a signed contract, final budget, and the required study approvals from the grant recipient. Funds are only released to recipients on an as needed basis and the undispersed, but obligated funds, are held in an interest bearing account. The accrued interest is held in the Biomedical Research Trust Fund.

James and Esther King Biomedical Research Program

In 1999, the Legislature created the Florida Biomedical Research Program in the Department of Health to support research initiatives that address the health care problems of Floridians in the areas of cancer, cardiovascular disease, stroke, and pulmonary disease.¹ In 2003, the Florida Biomedical Research Program was renamed the "James and Esther King Biomedical Research Program."²

The program is supported by interest earnings from the Lawton Chiles Endowment Fund,³ and General Revenue funds.

In 2008, the Legislature appropriated \$6 million from General Revenue Fund and \$3.9 million from interest earnings from the Lawton Chiles Endowment Fund. The Legislature reduced the General Revenue appropriation by \$1.5 million in Special Session 2009A.

Bankhead-Coley Program

In 2006, the Legislature created the William G. "Bill" Bankhead, Jr., and David Coley Cancer Research Program ("Bankhead-Coley Program") within the Department of Health. The purpose of the program was to advance progress towards cures for cancer through grant awards.

Since inception in 2006, the Legislature appropriated \$9 million recurring General Revenue to the Biomedical Research Trust Fund within the Department of Health to support the Bankhead-Coley

¹Chapter 99-167, L.O.F.

²Chapter 2003-414, L.O.F.

³Section 215.5601(1)(d), F.S.

Program.⁴ The funds are distributed as grants to researchers seeking cures for cancer, with emphasis given to the efforts that significantly expand cancer research capacity in the state.⁵ The Legislature reduced the General Revenue appropriation by \$2.25 million in Special Session 2009A.

Effects of the Bill

The bill reduces the statutorily required recurring General Revenue appropriation for the James and Esther King Biomedical Research Program by \$2.5 million and for the William G. "Bill" Bankhead, Jr., and David Coley Cancer Research Program by \$3.75 million. These changes conform to reductions in the Fiscal Year 2009-2010 General Appropriations Act.

B. SECTION DIRECTORY:

Section 1. Amends s. 215.5602, F.S., relating to the appropriation to the James and Esther Biomedical Research Program.

Section 2. Amends s. 381.922, F.S., relating to the appropriation to the Bankhead-Coley Cancer Research Program.

Section 3. Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

Research Program	Fiscal Year 2008-09 Appropriation	General Revenue	Lawton Chiles Endowment Fund (interest earnings)	Reduction to conform to the GAA	FY 2009-10 Reduction from the Lawton Chiles Endowment Fund (loss of interest earnings)	Biomedical Research Trust Fund
James & Esther King	\$8,400,000	\$4,500,000	\$3,900,000	(\$2,500,000)	(\$1,700,000)	\$4,200,000
Bankhead-Coley	\$6,750,000	\$6,750,000	\$0	(\$3,750,000)	\$0	\$3,000,000
TOTAL	\$15,150,000	\$11,250,000	\$3,900,000	(\$6,250,000)	(\$1,700,000)	\$7,200,000

In Fiscal Year 2008-2009, the Legislature appropriated a total of \$11,250,000 in General Revenue. This bill reduces the James and Esther King Biomedical Research Program by \$2.5 million and the Bankhead-Coley Cancer Research Program by \$3.75 million in recurring general revenue funds to conform to reductions in the Fiscal Year 2009-2010 General Appropriations Act. There is a corresponding \$6.25 million reduction in double budget authority to the Biomedical Research Trust Fund.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

⁴Chapter 2006-182, L.O.F.

⁵The efforts to improve cancer research are outlined in s. 381.921, F.S.

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

There may be fewer funds available to award biomedical research grants to applicants.

D. FISCAL COMMENTS:

None

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision: This bill does not appear to: require counties or municipalities to spend funds or take an action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill does not require the department to promulgate rules.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES