LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 30, 2013

TO: Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB149 by Nelson (Relating to the Cancer Prevention and Research Institute of Texas.), As

Engrossed

No significant fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code to require the Cancer Prevention and Research Institute of Texas (CPRIT) to employ a compliance officer to ensure all grants and employees comply with applicable laws, rules and policies. The bill would require the general counsel to investigate alleged conflicts of interest related to grant reviews and would require the application to be reconsidered or referred to another review committee if it was determined that a conflict of interest existed. The bill would establish a Program Integration Committee to review all grants after initial review by the various peer review committees and prepare a slate of recommendations to the oversight committee.

The bill would amend the title of executive director to chief executive officer. The bill would require the chief executive officer to submit an affidavit with each recommended grant application that includes peer review information and scoring, due diligence reviews, and intellectual property reviews. The bill would also expand current duties of existing staff to formally require CPRIT to establish a compliance program that would perform annual reviews of all awarded grants for compliance with contracts. The bill would require the grant recipient to repay the award if the recipient did not comply with the terms of the contract and refuses to comply with any remediation plans. The compliance program would also include implementing a telephone hotline for confidential compliance reports.

The bill would designate all records related to gifts or grants provided to CPRIT by an affiliated nonprofit as public information and would require CPRIT to post the records on the agency website.

It is anticipated that any additional costs associated with implementing the bill could be absorbed within existing resources. The bill would take effect immediately upon receiving two-thirds majority vote in each house, otherwise, the bill would take effect September 1, 2013.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 542 Cancer Prevention and Research Institute of Texas

LBB Staff: UP, CL, EP, EMo