87R2060 MCF-F

By:  Miles S.B. No. 74

A BILL TO BE ENTITLED

AN ACT

relating to the contract terms of certain grants awarded by the Cancer Prevention and Research Institute of Texas.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Section 102.255(d), Health and Safety Code, is amended to read as follows:

(d)  Before the oversight committee may award [~~make~~] for cancer research any grant from the [~~of any~~] proceeds of the bonds issued under Subchapter E, the recipient of the grant must certify that the recipient has an amount of funds equal to one-half of the grant amount and dedicate those funds to the research that is the subject of the grant request. The institute shall adopt rules specifying how a grant recipient fulfills obligations under this subchapter. At a minimum, the rules must:

(1)  allow a grant recipient that is an institution of higher education [~~a public~~] or a private or independent institution of higher education, as those terms are defined by Section 61.003, Education Code, or a research institute or center affiliated with the institution, to credit toward the recipient's matching funds the dollar amount equivalent to the difference between the indirect cost rate authorized by the federal government for research grants awarded to the recipient and the indirect cost rate authorized by Section 102.203(c);

(2)  require that a grant recipient certify before the distribution of any money awarded under a grant for cancer research:

(A)  that encumbered funds equal to one-half of the amount of the total grant award are available and not yet expended for research that is the subject of the grant; or

(B)  if the grant recipient is an institution of higher education [~~a public~~] or a private or independent institution of higher education, as those terms are defined by Section 61.003, Education Code, or a research institute or center affiliated with the institution, the indirect cost rate authorized by the federal research grants awarded to the recipient;

(3)  specify that:

(A)  a grant recipient receiving more than one grant award may provide matching funds certification at an institutional level;

(B)  the recipient of a multiyear grant award may certify matching funds on a yearly basis; and

(C)  grant funds may not be distributed to the grant recipient until the annual certification of the matching funds has been approved;

(4)  specify that money used for purposes of certification may include:

(A)  federal funds, including funds provided under the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) and the fair market value of drug development support provided to the recipient by the National Cancer Institute or other similar programs;

(B)  funds of this state;

(C)  funds of other states; and

(D)  nongovernmental funds, including private funds, foundation grants, gifts, and donations;

(5)  specify that the following items do not qualify for purposes of the certification required by this subsection:

(A)  in-kind costs;

(B)  volunteer services furnished to a grant recipient;

(C)  noncash contributions;

(D)  income earned by the grant recipient that is not available at the time of the award;

(E)  preexisting real estate of the grant recipient, including buildings, facilities, and land;

(F)  deferred giving, including a charitable remainder annuity trust, a charitable remainder unitrust, or a pooled income fund; or

(G)  other items as may be determined by the oversight committee;

(6)  require a grant recipient and the institute to include the certification in the grant award contract;

(7)  specify that a grant recipient's failure to provide certification shall serve as grounds for terminating the grant award contract;

(8)  require a grant recipient to maintain adequate documentation supporting the source and use of the funds required by this subsection and to provide documentation to the institute upon request; and

(9)  require that the institute establish a procedure to conduct an annual review of the documentation supporting the source and use of funds reported in the required certification.

SECTION 2.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.