

By: Jetton

H.B. No. 4241

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

1 distribution of any money awarded under a grant for cancer
2 research:

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

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

12 (3) specify that:

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

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

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

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

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

- 1 (B) funds of this state;
2 (C) funds of other states; and
3 (D) nongovernmental funds, including private
4 funds, foundation grants, gifts, and donations;

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

- 7 (A) in-kind costs;
8 (B) volunteer services furnished to a grant
9 recipient;
10 (C) noncash contributions;
11 (D) income earned by the grant recipient that is
12 not available at the time of the award;
13 (E) preexisting real estate of the grant
14 recipient, including buildings, facilities, and land;
15 (F) deferred giving, including a charitable
16 remainder annuity trust, a charitable remainder unitrust, or a
17 pooled income fund; or
18 (G) other items as may be determined by the
19 oversight committee;

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

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

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

1 upon request; and

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

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