

STORAGE NAME: h1015.bdt

DATE: March 23, 2000

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
BUSINESS DEVELOPMENT & INTERNATIONAL TRADE
ANALYSIS**

BILL #: HB 1015

RELATING TO: Florida Marine Biotechnology and Research

SPONSOR(S): Representative Minton

TIED BILL(S): None

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) WATER AND RESOURCE MANAGEMENT YEAS 11 NAYS 0
 - (2) BUSINESS DEVELOPMENT & INTERNATIONAL TRADE
 - (3) COLLEGES AND UNIVERSITIES
 - (4) EDUCATION APPROPRIATIONS
 - (5)
-

I. SUMMARY:

1HB 1015 establishes the Florida Marine Biotechnology Research and Development Program by creating partnerships among research scientists in Florida universities, research laboratories, and the marine biotechnology industry. The program hopes to advance the marine biotechnology industry in Florida by creating new, high-technology businesses, creating high- paying jobs, and training opportunities.

The program shall be administered by the Director of the Florida Marine Research Institute and the Director of the Florida Sea Grant College Program, with the assistance of a steering committee appointed by both directors. The steering committee will consist of representatives from Florida universities, research laboratories, and the marine biotechnology industry. The Florida Marine Research Institute and the Florida Sea Grant College Program will be responsible for making a joint progress report to the Legislature every year the program is funded.

HB 1015 provides the focus areas of the program and the review criteria used to determine proposals by competitive process. The bill allows for disbursement of funds by the Florida Marine Research institute and Florida Sea Grant College Program. The program is intended to continue for five years with an annual appropriation each year.

The bill limits administrative costs and the expenses of the peer review process.

In addition, HB 1015 calls for an appropriation of \$2,000,000 from general revenue for fiscal year 2000-2001 for implementation of the first year of the program.

HB 1015 does not create new rulemaking authority for the participating entities. It does not appear to raise constitutional or other legal concerns.

HB 1015 takes effect July 1, 2000.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

Biotechnology is the industrial use of living organisms or biological techniques developed through basic research. Biotechnology encompasses the production of a variety of products from medicines and industrial enzymes to the development of microorganisms for specific uses such as removing toxins from bodies of water or pesticides.

The Florida Sea Grant College Program, located at the University of Florida, is one of 29 state Sea Grant Programs under the National Sea Grant Program. The Sea Grant Program is a partnership between the nation's universities and the National Oceanic and Atmospheric Administration (NOAA) that began in 1966, when the U.S. Congress passed the National Sea Grant College Program Act. Florida Sea Grant is a state university program that works with and funds projects for all 15 private and public Florida universities and research facilities throughout the state. The Florida Sea Grant Program funded 17 projects in aquaculture, coastal processes, fisheries, and marine biotechnology in 1998.

Over the last four years, marine biotechnology has become a priority area for Florida Sea Grant research funding. The Florida Sea Grant Program is currently funding 11 marine biotechnology projects throughout the state and is receiving \$1,000,000 in federal funding for 1999-2000. The Florida Sea Grant Program is responsible for matching one dollar for every two federal dollars funded.

Current marine biotechnology projects include: the development of methods to improve detection of poor water quality caused by waste contamination in coastal waters; projects to identify and grow microorganisms in the hope of discovering new compounds for pharmacological uses; and research into discodermolide which is a potent anti-tumor compound produced by a microorganism associated with sponges that shows great promise as an anticancer agent.

C. EFFECT OF PROPOSED CHANGES:

HB 1015 establishes the Florida Marine Biotechnology Research and Development Program, which creates partnerships among the Florida universities, research laboratories, and marine biotechnology industry.

STORAGE NAME: h1015.bdt

DATE: March 23, 2000

PAGE 3

The goal of the program will be to advance the marine biotechnology industry in Florida. Advancement of the industry will promote clean, high-technology businesses, will create jobs in Florida, and will keep Florida-trained students working in state.

State funds appropriated to the program will help match federal funds from the National Sea Grant Program to increase the money available to enhance the marine biotechnology industry in Florida. The program is to be funded for five years at which time the program should be self-sufficient.

D. SECTION-BY-SECTION ANALYSIS:

Section 1: Establishes the Florida Marine Biotechnology Research and Development Program by creating partnerships among research scientists in Florida universities, research laboratories and the marine biotechnology industry. The establishment of these partnerships shall serve to promote commerce, create jobs and potential commercial opportunities in Florida.

Provides that the program shall be administered by the Director of the Florida Marine Research Institute and the Director of the Florida Sea Grant College Program, with input from a steering committee. The steering committee will be appointed by both directors and shall include a member from each of the following: University of Florida, Florida Atlantic University, Florida State University, University of South Florida, Harbor Branch Oceanographic Institution, Inc., Mote Marine Laboratory, Florida Marine Research Institute, and BIO+Florida.

Provides the focus areas of the program are: aquaculture, marine animal health, marine natural products, biofilm/bioadhesion, bioremediation, and marine ecology.

Provides that funds shall be awarded based on competition among all the state universities, public research laboratories, and private nonprofit research laboratories in the state of Florida. Upon submission of proposals, selection shall be made as determined by a scientific peer review process based on the following criteria: project rationale, scientific merit, potential applications, industrial sponsorship, and investigator qualifications. The program is intended to run for five years with each project being funded over a 30-month period.

The Florida Marine Research Institute and the Florida Sea Grant College Program will disburse all funds. Funds awarded to projects within the Florida Marine Research Institute will be distributed directly to the institute and funds awarded to universities and research laboratories will be transferred by the Florida Marine Research Institute by contract through the Florida Sea Grant College Program.

Promotes public and private partnerships in all projects in order to advance the marine biotechnology industry in Florida. Advancement of this industry is hoping to create new, clean, high technology businesses, provide high paying jobs, and create training opportunities in Florida.

Provides the Florida Marine Research Institute and Florida Sea Grant College Program shall use no more than \$25,000 each of each annual appropriation for administration of the program. Provides up to \$16,000 of each annual appropriation to be used by the Florida Sea Grant College Program for the expenses of the peer review process.

STORAGE NAME: h1015.bdt

DATE: March 23, 2000

PAGE 4

Provides that contractual services procured under this bill are not subject to the provisions of s. 287.057, Florida Statutes.

Section 2: Provides for an appropriation of \$2 million for fiscal year 2000-2001 from the General Revenue fund to the Florida Marine Research Institute for the implementation of the first year of the program.

Section 3: Specifies this act shall take effect July 1, 2000.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See Fiscal Comments.

2. Expenditures:

An appropriation of \$2 million from the General Revenue Fund for fiscal year 2000-2001 is proposed for implementation of the first year of the program.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

See Fiscal Comments.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

See Fiscal Comments.

D. FISCAL COMMENTS:

There is an indeterminate fiscal impact on the state and local government revenues due to success of the program. The bill is designed to promote commerce and create jobs, which would create unknown revenues for state and local government.

The Florida Marine Research Institute and the Florida Sea Grant College program are allocated no more than \$25,000 each of each annual appropriation for administration of the program, and the Florida Sea Grant College Program may use up to \$16,000 of each annual appropriation for expenses of the peer review process.

Proponents of the bill are recommending an appropriation of \$2,000,000 for each of the five years of the program.