

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #: HB 5103

FINAL HOUSE FLOOR ACTION:

SPONSOR(S): Health Care Appropriations
Subcommittee; Hudson

113 Y's 0 N's

**COMPANION
BILLS:** SB 2510

GOVERNOR'S ACTION: Approved

SUMMARY ANALYSIS

House Bill 5103 passed the House on February 11, 2016, as SB 2510. The bill conforms statutes to the funding decisions included in the proposed General Appropriations Act (GAA) for Fiscal Year 2016-2017. The bill amends s. 381.82, F.S., allowing the Ed and Ethel Moore Alzheimer's Disease Research Program to carry forward general revenue appropriations for up to 5 years after an appropriation's effective date, if obligated by June 30 of the year the funds were appropriated. The House Proposed General Appropriations Act provides \$5,000,000 in recurring general revenue for the program.

The bill was approved by the Governor on March 8, 2016, ch. 2016-25, L.O.F., and will become effective on July 1, 2016.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Present Situation

The Florida Legislature created the Ed and Ethel Moore Alzheimer's Disease Research Program in 2014 (program). The program is housed in the Department of Health (DOH) and is administered by an 11 member board known as the Alzheimer's Disease Research Grant Advisory Board (board). The program's purpose is to fund research leading to prevention of, or a cure for, Alzheimer's disease.

The board must consist of 11 members appointed by the State Surgeon General and must include two gerontologists, two geriatric psychiatrists, two geriatricians, two neuroscientists, and three neurologists, who serve 4-year staggered terms. The board must elect a chairperson from the membership of the board who will serve a term of two years, establish operating procedures, follow rigorous guidelines for ethical conduct, and adhere to a strict policy with regard to conflicts of interest. DOH staff assists the board in carrying out its duties. Board members do not receive compensation, or reimbursement for per diem or travel. Board activities are exempt from public records requirements.

The board must submit recommendations for funding of research proposals to the State Surgeon General by December 15 of each year. Upon receiving consultation from the board, the State Surgeon General is authorized to award grants on the basis of scientific merit. Applications for research funding may be submitted by any university or established research institute in the state, and all qualified investigators in the state must have equal access and opportunity to compete for research funding. The implementation of the program is subject to legislative appropriation. Statute specifies certain types of applications to be considered for funding, including:

- Investigatory-initiated research grants;
- Institutional research grants;
- Pre-doctoral and post-doctoral research fellowships; and
- Collaborative research grants, including those that advance the finding of cures through basic or applied research.

The board is required to annually submit a fiscal-year progress report on the research program to the Governor, President of the Senate, Speaker of the House of Representatives, and the State Surgeon General by February 15. The report must include:

- A list of research projects supported by grants or fellowships awarded under the program;
- A list of recipients of program grants or fellowships;
- A list of publications in peer-reviewed journals involving research supported by grants or fellowships awarded under the program;
- The state ranking and total amount of Alzheimer's disease research funding currently flowing into the state from the National Institute of Health;
- New grants for Alzheimer's disease research which were funded based on research supported by grants or fellowships awarded under the program;
- Progress toward programmatic goals, particularly in the prevention, diagnosis, treatment, and cure of Alzheimer's disease; and
- Recommendations to further the mission of the program.

In the Alzheimer's Disease Research Grant Advisory Board Annual Report 2014-15 the recommendations to further the mission of the program identified difficulties for researchers to complete the necessary research within the limited time frame of one year that a general revenue appropriation allows. The board recommended future appropriations made to the Ed and Ethel Moore Alzheimer's

Disease Research Program be funded from the Biomedical Research Trust Fund to allow research projects to span multiple years.¹

In 2014, the Legislature appropriated \$3,000,000 in general revenue funds to the Ed and Ethel Moore Alzheimer's Disease Research Program. The program awarded eleven grants ranging from \$112,500 to \$500,000 each fully encumbering the \$3,000,000 appropriation for fiscal year 2014 - 2015.² By default, general revenue appropriations that remain unspent at the end of a fiscal year revert to the state.³ However, the legislature may supersede this provision by passing a law that specifically authorizes the appropriation to be carried forward.⁴ In 2015, the Legislature appropriated \$3,000,000 in general revenue funds to the Ed and Ethel Moore Alzheimer's Disease Research Program in Specific Appropriation 454B and carried forward the unexpended balance of funds from the prior year in Section 50 of chapter 2015-232, Laws of Florida.

Effect of Proposed Changes

The bill allows the Ed and Ethel Moore Alzheimer's Disease Research Program to carry forward unspent general revenue appropriations up to five years after an appropriation's effective date if obligated by June 30 of the year the funds were appropriated thus allowing research projects to span multiple years. In the past, DOH has indicated that such a change allows them to offer longer grant periods, thus enabling researchers to conduct clinical trials that are more likely to result in a marketable product.⁵ Five years is consistent with grant timeframes seen in other research programs such as the National Institutes of Health.⁶

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:
None.
2. Expenditures:
The House Proposed General Appropriations Act provides a \$5,000,000 recurring general revenue appropriation for Ed and Ethel Moore Alzheimer's Disease Research Program.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:
None.
2. Expenditures:
None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

¹ See Alzheimer's Disease Research Grant Advisory Board, Annual Report 2014-15 p. 6.

² See Alzheimer's Disease Research Grant Advisory Board, Annual Report 2014-15 p.4.

³ s. 216.301, F.S.

⁴ s.216.351, F.S.

⁵ See generally Health and Human Services Committee Bill Analysis of 2012, House Bill 655 p. 4 (3/26/12).

⁶ National Institutes of Health, http://grants.nih.gov/grants/funding/funding_program.htm (last visited 3/5/2015).

Researchers will be able to perform multiyear projects and will benefit from having access to allocated grant funds over the course of a five year period.

D. FISCAL COMMENTS:

None.