

SUBJECT: Changing the dates for CPRIT Sunset review and the awards period

COMMITTEE: Public Health — favorable, without amendment

VOTE: 8 ayes — Price, Arévalo, Burkett, Coleman, Guerra, Klick, Oliverson, Zedler

0 nays

3 absent — Sheffield, Collier, Cortez

SENATE VOTE: On final passage, April 19 — 23-8 (Bettencourt, Burton, Creighton, Hall, Huffines, Hughes, Nichols, V. Taylor)

WITNESSES: *On House companion bill, HB 84:*
For — Cam Scott, American Cancer Society Cancer Action Network, Texas Public Health Coalition, and Texas Cancer Partnership; Gary Thompson, Leukemia and Lymphoma Society; Amanda Martin, Texas Association of Business; Thomas Kowalski, THBI Texas Healthcare and Bioscience Institute; (*Registered, but did not testify:* Greg Parkington, American Cancer Society; JoAnna Strother, American Lung Association; Kathy Hutto, AstraZeneca; Drew Scheberle, Austin Chamber of Commerce and 2050 Group; Tom Kleinworth, Baylor College of Medicine; Max Jones, Greater Houston Partnership; David Lofye, LIVESTRONG Foundation; Jessica Schleifer, Teaching Hospitals of Texas; Marilyn Doyle, Texas Medical Association; Shauna Huffington, ZERO The End Of Prostate Cancer; Thomas Parkinson)

Against — None

On — Kristen Doyle and Wayne Roberts, Cancer Prevention and Research Institute of Texas

BACKGROUND: The Cancer Prevention and Research Institute of Texas (CPRIT) was established by a voter-approved constitutional amendment in 2007, which authorized the state to issue \$3 billion in bonds to fund cancer research

and prevention programs and services in Texas. Under the guidance of the CPRIT oversight committee, CPRIT accepts applications and awards grants for cancer-related research and for the delivery of cancer prevention programs and services by public and private entities in Texas.

DIGEST:

SB 224 would extend to 2023 from 2021 the date on which the Cancer Prevention and Research Institute of Texas would be abolished unless continued under the Texas Sunset Act. The bill also would extend the awards period after which the institute's oversight committee could not award money to August 31, 2022 from August 31, 2020.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2017.

**SUPPORTERS
SAY:**

SB 224 is a necessary extension of the Sunset review date for the Cancer Prevention and Research Institute of Texas (CPRIT) that would allow the institute to use its entire constitutional funding authorization for cancer research and prevention. The will of the voters in approving the constitutional amendment in 2007 was to expend the full \$3 billion, which cannot be done unless the Sunset review is moved to the 2022-23 biennium. Without an extension of Sunset review and the award period, about \$150 million could be left unused.

Early discontinuation would negatively impact the Texas economy. Every dollar granted for product development research has generated a significant return for private sector follow-on investment, which now totals more than \$1 billion. The Perryman Group also found that the awards generated hundreds of millions in revenue at the state and local levels. Screenings and prevention services provided with the awards have led to significant treatment cost savings and prevented a potentially expensive population from entering the already costly health care system.

Early discontinuation also would have a negative effect on the strides made in preventing cancer and in cancer research. CPRIT prevention programs have identified thousands of cancers or cancer precursors.

Through the institute, Texas has become a leader in both cancer research and the biomedical industry, and three National Cancer Institute-designated Comprehensive Cancer Centers are now functioning in the state, benefitting Texas patients.

Texans approved the investment of these dollars in preventing and researching cancer, and the institute has been working effectively, efficiently, and ethically. Delaying the Sunset review and extending the award period would allow these funds to be used for their intended purpose.

As a Texas institute, CPRIT is dedicated to upholding the state's best interest when granting funding, including its mission to eradicate cancer and also to stimulate the Texas economy. CPRIT makes three types of grants, one of which is academic, which has allowed it to partner with numerous research institutions to benefit Texans. Because private organizations may have different goals, grant requirements, and funding levels, their efforts might not generate the same positive impact as CPRIT's efforts have proven able to do.

OPPONENTS
SAY:

CPRIT has not met its potential to find the causes of and cures for cancer. With past issues regarding conflicts of interest and mismanagement, CPRIT could benefit from Sunset review in the fiscal 2020-21 biennium, rather than waiting until fiscal 2022-23. Undergoing Sunset review does not necessarily mean that the institute would be discontinued.

OTHER
OPPONENTS
SAY:

CPRIT should not be extended until 2023. The duties of the institute are more appropriately handled by private organizations than by state government.

NOTES:

The House companion bill, HB 84 by S. Davis, was approved by the House on April 25.

According to the Legislative Budget Board's fiscal note, no significant fiscal implication to the state from SB 224 would be anticipated through

fiscal 2020. Beginning in fiscal 2021, the Legislative Budget Board projects a negative impact of \$11.4 million in general revenue each fiscal year through fiscal 2041 for additional debt service payments by the Texas Public Finance Authority.