

SUBJECT: Removing the time limit on CPRIT grant awards

COMMITTEE: Public Health — favorable, without amendment

VOTE: 7 ayes — S. Thompson, Allison, Guerra, Lucio, Price, Sheffield, Zedler

1 nay — Frank

3 absent — Wray, Coleman, Ortega

WITNESSES: For — David Arthur, Salarius Pharmaceuticals; Jessica Boston, Texas Association of Business; Bernice Joseph; Cathleen McBurney; Andrew Strong; (*Registered, but did not testify*: Bradley Wisdom, American Cancer Society; Marina Hensch, American Cancer Society Cancer Action Network; Denise Rose, AstraZeneca; Dana Harris, Austin Chamber of Commerce; Eric Woomer, Biotechnology Innovation Organization; Christina Hoppe, Children's Hospital Association of Texas; Chase Bearden, Coalition of Texans with Disabilities; Priscilla Camacho, Dallas Regional Chamber; Rebecca Young-Montgomery, Fort Worth Chamber of Commerce; Lindsay Munoz, Greater Houston Partnership; Jim Keffer, Keffer Consulting; Michelle Wittenburg, KK125 Ovarian Cancer Research Foundation; Lindsay Lanagan, Legacy Community Health; Christine Yanas, Methodist Healthcare Ministries of South Texas, Inc.; Holli Davies, North Texas Commission; Amber Pearce, Pfizer; Martin Hubert, Rice University; Jessica Schleifer, Teaching Hospitals of Texas; Nora Belcher, Texas e-Health Alliance; Carlton Schwab, Texas Economic Development Council; Tom Kowalski, Texas Healthcare and Bioscience Institute; Troy Alexander, Texas Medical Association; Andrew Cates, Texas Nurses Association; Clayton Travis, Texas Pediatric Society; Charlie Gagen, Texas Public Health Coalition; and 14 individuals)

Against — None

On — (*Registered, but did not testify*: Kristen Doyle and Wayne Roberts, Cancer Prevention and Research Institute of Texas)

BACKGROUND: Under Tex. Const. Art. 3, sec. 67, a constitutional amendment approved by voters in 2007 established the Cancer Prevention and Research Institute of Texas (CPRIT) to provide grants to support institutions of learning, advanced medical research facilities, and others in the process of finding the causes of all types of human cancer and developing cures from lab research and clinical trials. CPRIT also supports programs to address the problem of access to advanced cancer treatment and to establish appropriate standards to ensure the proper use of funds authorized for cancer research and prevention programs.

The constitutional amendment allowed the Legislature to authorize the Texas Public Finance Authority to provide for, issue, and sell general obligation bonds on behalf of CPRIT in an amount not to exceed \$3 billion. Statute limits the issuance of authorized bonds to \$300 million each fiscal year.

Under Health and Safety Code sec. 102.254, CPRIT's authority to grant awards expires after August 31, 2022.

DIGEST: HB 39 would repeal Health and Safety Code sec. 102.254, removing the deadline for CPRIT grant awards and allowing grants to be issued after August 31, 2022.

The 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, 2019.

SUPPORTERS SAY: HB 39 is necessary to maintain the Cancer Prevention and Research Institute's (CPRIT) current level of activity and continue Texas' national leadership in cancer research and prevention.

Currently, CPRIT has statutory authority to continue making grant awards through fiscal 2022. However, without HB 39 and the added funds proposed by HJR 12 by Zerwas, which is on today's Constitutional Amendments Calendar, CPRIT could issue its last awards during fiscal

2020-21. Sustained funding is necessary to plan and complete research and report on prevention successes and failures. Annual grant funding has supported world-renowned scholars, including a 2018 Nobel Prize recipient, and helped make Texas a biomedical center.

Funding CPRIT is an investment into the state economy. CPRIT's programs have created thousands of jobs, attracted billions of dollars in economic activity, and encouraged biotech companies to expand or relocate to Texas. CPRIT's efforts have been shown to reduce cancer costs, serving an important state goal by enhancing patients' quality of life, productivity, and lifespans.

By approving the original bond program in 2007, voters agreed that cancer research was worthy of public investment. The substantial benefits to the economy and the health of Texans from sustainable funding for CPRIT's programs make it worth continuing far past August 31, 2022, and a recent poll indicated that a majority of voters support continued funding for CPRIT.

OPPONENTS
SAY:

HB 39 would extend CPRIT's authority to issue grants beyond what was originally approved by voters. The bill and HJR 12 by Zerwas would commit additional taxpayer money and increase state debt.

Funding cancer research is not an essential function of state government, and although CPRIT's mission is noble, appropriations for the agency could be better spent on other priorities and more pressing needs. Instead of extending CPRIT's authority to issue bonds past the end of fiscal 2022, the Legislature should use this time to discuss CPRIT's long-term future, including a plan for it to become financially self-sufficient.