(2nd reading) HB 2570 Zerwas

SUBJECT: Extending payment of claims for CPRIT grants

COMMITTEE: Appropriations — favorable, without amendment

VOTE: 23 ayes — Zerwas, Longoria, C. Bell, G. Bonnen, Buckley, Capriglione,

Cortez, S. Davis, M. González, Hefner, Howard, Jarvis Johnson, Miller, Muñoz, Schaefer, Sherman, Smith, Stucky, Toth, J. Turner, VanDeaver,

Walle, Wilson

0 nays

4 absent — Minjarez, Rose, Sheffield, Wu

WITNESSES: For — (Registered, but did not testify: Marina Hench, American Cancer

Society Cancer Action Network; Christina Hoppe, Children's Hospital

Association of Texas)

Against — (Registered, but did not testify: Jim Baxa)

On — Heidi McConnell, Cancer Prevention and Research Institute of

**Texas** 

BACKGROUND: Government Code sec. 403.071(b) prohibits claims from being paid from

appropriations unless claims are presented to the comptroller of public accounts for payment within two years after the end of the fiscal year for which the appropriation was made. Certain claims, including those for new construction contracts, are excepted from this prohibition and subject

to other deadlines.

DIGEST: HB 2570 would authorize a claim related to grants awarded by the Cancer

Prevention and Research Institute of Texas to be paid from an

appropriation up to seven years after the end of the fiscal year for which

the appropriation was made.

The bill would take effect September 1, 2019.

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SUPPORTERS SAY:

HB 2570 would allow the Cancer Prevention and Research Institute of Texas (CPRIT) to pay reimbursement claims on multi-year cancer research grants up to seven years after the year of appropriation during which the grants were funded. Current law limits claims payments from appropriations of general revenue sources of funding to two years following the year of appropriation. Without this change, CPRIT could not award grants that exceeded a three-year timeframe using Economic Stabilization or general revenue funds. This would hinder progress on cancer research since groundbreaking new discoveries are not made on a strict timeline and often require multiple years of funding and support.

Funding CPRIT is an investment into the state economy. Its 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. HB 2570 would give CPRIT greater flexibility to continue supporting work that benefits all of Texas.

OPPONENTS SAY: HB 2570 inappropriately would allow the Cancer Prevention and Research Institute of Texas (CPRIT) to continue to pay reimbursement claims. Rather than allowing multi-year cancer research grants to be reimbursed for up to seven years after the year the appropriation supporting the grants was made, the Legislature should use this time to discuss CPRIT's long-term future, including a plan for it to become financially self-sufficient. Funding cancer research is not an essential function of state government, and although CPRIT's mission is noble, funds for the agency could be better spent on other priorities.