

[COMMITTEE PRINT]

[SHOWING PROPOSED BILL TO BE INTRODUCED]

109TH CONGRESS
2D SESSION**H. R.** _____

To amend title IV of the Public Health Service Act to revise and extend the authorities of the National Institutes of Health, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. BARTON of Texas introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title IV of the Public Health Service Act to revise and extend the authorities of the National Institutes of Health, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “National Institutes of Health Reform Act of 2006”.

1 (b) TABLE OF CONTENTS.—The table of contents for
2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Organization of National Institutes of Health.
- Sec. 3. Authority of Director of NIH.
- Sec. 4. Authorization of appropriations.
- Sec. 5. Reports.
- Sec. 6. Certain demonstration projects.
- Sec. 7. Foundation for the National Institutes of Health.
- Sec. 8. Applicability.

3 **SEC. 2. ORGANIZATION OF NATIONAL INSTITUTES OF**
4 **HEALTH.**

5 (a) IN GENERAL.—Section 401 of the Public Health
6 Service Act (42 U.S.C. 281) is amended to read as follows:

7 **“SEC. 401. ORGANIZATION OF NATIONAL INSTITUTES OF**
8 **HEALTH.**

9 “(a) RELATION TO PUBLIC HEALTH SERVICE.—The
10 National Institutes of Health is an agency of the Service.

11 “(b) NATIONAL RESEARCH INSTITUTES AND NA-
12 TIONAL CENTERS.—The following agencies of the Na-
13 tional Institutes of Health are national research institutes
14 or national centers:

15 “(1) The National Cancer Institute.

16 “(2) The National Heart, Lung, and Blood In-
17 stitute.

18 “(3) The National Institute of Diabetes and Di-
19 gestive and Kidney Diseases.

20 “(4) The National Institute of Arthritis and
21 Musculoskeletal and Skin Diseases.

- 1 “(5) The National Institute on Aging.
- 2 “(6) The National Institute of Allergy and In-
3 fectious Diseases.
- 4 “(7) The National Institute of Child Health
5 and Human Development.
- 6 “(8) The National Institute of Dental and
7 Craniofacial Research.
- 8 “(9) The National Eye Institute.
- 9 “(10) The National Institute of Neurological
10 Disorders and Stroke.
- 11 “(11) The National Institute on Deafness and
12 Other Communication Disorders.
- 13 “(12) The National Institute on Alcohol Abuse
14 and Alcoholism.
- 15 “(13) The National Institute on Drug Abuse.
- 16 “(14) The National Institute of Mental Health.
- 17 “(15) The National Institute of General Med-
18 ical Sciences.
- 19 “(16) The National Institute of Environmental
20 Health Sciences.
- 21 “(17) The National Institute of Nursing Re-
22 search.
- 23 “(18) The National Institute of Biomedical Im-
24 aging and Bioengineering.

1 “(19) The National Human Genome Research
2 Institute.

3 “(20) The National Library of Medicine.

4 “(21) The National Center for Research Re-
5 sources.

6 “(22) The John E. Fogarty International Cen-
7 ter for Advanced Study in the Health Sciences.

8 “(23) The National Center for Complementary
9 and Alternative Medicine.

10 “(24) The National Center on Minority Health
11 and Health Disparities.

12 “(25) Any other national center that, as an
13 agency separate from any national research insti-
14 tute, was established within the National Institutes
15 of Health as of the day before the date of the enact-
16 ment of the National Institutes of Health Reform
17 Act of 2006.

18 “(c) DIVISION OF PROGRAM COORDINATION, PLAN-
19 NING, AND STRATEGIC INITIATIVES.—

20 “(1) IN GENERAL.—Within the Office of the
21 Director of the National Institutes of Health, there
22 shall be a Division of Program Coordination, Plan-
23 ning, and Strategic Initiatives (referred to in this
24 subsection as the ‘Division’).

25 “(2) OFFICES WITHIN DIVISION.—

1 “(A) OFFICES.—The following offices are
2 within the Division: The Office of AIDS Re-
3 search, the Office of Research on Women’s
4 Health, the Office for Behavioral and Social
5 Sciences Research, the Office of Disease Pre-
6 vention, the Office of Dietary Supplements, the
7 Office of Rare Diseases, and any other office lo-
8 cated within the Office of the Director of NIH
9 as of the day before the date of the enactment
10 of the National Institutes of Health Reform Act
11 of 2006. In addition to such offices, the Direc-
12 tor of NIH may establish within the Division
13 such additional offices or other administrative
14 units as the Director determines to be appro-
15 priate.

16 “(B) AUTHORITIES.—Each office in the
17 Division—

18 “(i) shall continue to carry out the
19 authorities that were in effect for the office
20 before the date of enactment referred to in
21 subparagraph (A); and

22 “(ii) shall, as determined appropriate
23 by the Director of NIH, support the Divi-
24 sion with respect to the authorities de-
25 scribed in section 402(b)(7).

1 “(d) ORGANIZATION.—

2 “(1) NUMBER OF INSTITUTES AND CENTERS.—

3 In the National Institutes of Health, the number of
4 national research institutes and national centers
5 may not exceed a total of 27, including any such in-
6 stitutes or centers established under authority of
7 paragraph (2) or under authority of this title as in
8 effect on the day before the date of the enactment
9 of the National Institutes of Health Reform Act of
10 2006.

11 “(2) REORGANIZATION OF INSTITUTES AND
12 CENTERS.—

13 “(A) IN GENERAL.—Notwithstanding sub-
14 section (b), and subject to paragraph (1), the
15 Director of NIH may, with the approval of the
16 Secretary, reorganize the national research in-
17 stitutes and the national centers, including the
18 addition, removal, or transfer of functions of
19 such institutes and centers, and the establish-
20 ment or termination of such institutes and cen-
21 ters, if the Director determines that the overall
22 mission of the National Institutes of Health, or
23 the management and operation of programs
24 and activities conducted or supported by the
25 National Institutes of Health, would be more

1 efficiently carried out under such a reorganiza-
2 tion.

3 “(B) ADMINISTRATIVE UNIT.—For pur-
4 poses of paragraph (1), an administrative unit
5 within the National Institutes of Health that is
6 established under authority of subparagraph
7 (A) shall be considered a national research in-
8 stitute or a national center, without regard to
9 whether the administrative unit is designated
10 by the Director of NIH as such an institute or
11 center.

12 “(C) PUBLIC PROCESS.—Any reorganiza-
13 tion under subparagraph (A) shall be carried
14 out by regulation in accordance with the proce-
15 dures for substantive rules under section 553 of
16 title 5, United States Code.

17 “(D) NOTICE TO CONGRESS; EFFECTIVE
18 DATE.—A reorganization under subparagraph
19 (A) may not take effect before the expiration of
20 90 days after the Secretary submits to the
21 Committee on Energy and Commerce in the
22 House of Representatives and the Committee
23 on Health, Education, Labor, and Pensions in
24 the Senate written notice of the reorganization.

1 “(3) REORGANIZATION OF OFFICE OF DIREC-
2 TOR.—Notwithstanding subsection (c), the Director
3 of NIH may, after a series of public hearings, and
4 with the approval of the Secretary, reorganize the
5 offices within the Office of the Director, including
6 the addition, removal, or transfer of functions of
7 such offices, and the establishment or termination of
8 such offices, if the Director determines that the
9 overall management and operation of programs and
10 activities conducted or supported by such offices
11 would be more efficiently carried out under such a
12 reorganization.

13 “(4) INTERNAL REORGANIZATION OF INSTI-
14 TUTES AND CENTERS.—Notwithstanding any con-
15 flicting provisions of this title, the director of a na-
16 tional research institute or a national center may,
17 after a series of public hearings, and with the ap-
18 proval of the Director of NIH, reorganize the divi-
19 sions, centers, or other administrative units within
20 such institute or center, including the addition, re-
21 moval, or transfer of functions of such units, and
22 the establishment or termination of such units, if the
23 director of such institute or center determines that
24 the overall management and operation of programs
25 and activities conducted or supported by such divi-

1 sions, centers, or other units would be more effi-
2 ciently carried out under such a reorganization.

3 “(e) SCIENTIFIC MANAGEMENT REVIEW BOARD FOR
4 PERIODIC ORGANIZATIONAL REVIEWS.—

5 “(1) IN GENERAL.—Not later than 60 days
6 after the date of the enactment of the National In-
7 stitutes of Health Reform Act of 2006, the Sec-
8 retary shall establish an advisory council within the
9 National Institutes of Health to be known as the
10 Scientific Management Review Board (referred to in
11 this subsection as the ‘Board’).

12 “(2) DUTIES.—

13 “(A) REPORTS ON ORGANIZATIONAL
14 ISSUES.—The Board shall provide advice to the
15 appropriate officials under subsection (d) re-
16 garding the use of the authorities established in
17 paragraphs (2), (3), and (4) of such subsection
18 to reorganize the National Institutes of Health
19 (referred to in this subsection as ‘organizational
20 authorities’). Not less frequently than once each
21 7 years, the Board shall—

22 “(i) determine whether and to what
23 extent the organizational authorities should
24 be used; and

1 “(ii) issue a report providing the rec-
2 ommendations of the Board regarding the
3 use of the authorities and the reasons un-
4 derlying the recommendations.

5 “(B) CERTAIN RESPONSIBILITIES REGARD-
6 ING REPORTS.—The activities of the Board with
7 respect to a report under subparagraph (A)
8 shall include the following:

9 “(i) Reviewing all programs of the
10 National Institutes of Health (referred to
11 in this subsection as ‘NIH’) in order to de-
12 termine the progress and cost-effectiveness
13 of such programs and the allocation among
14 the programs of the resources of NIH.

15 “(ii) Determining pending scientific
16 opportunities, and public health needs,
17 with respect to research within the juris-
18 diction of NIH.

19 “(iii) For any proposal for organiza-
20 tional changes to which the Board gives
21 significant consideration as a possible rec-
22 ommendation in such report:

23 “(I) Analyzing the budgetary and
24 operational consequences of the pro-
25 posed changes.

1 “(II) Estimating the level of re-
2 sources needed to implement the pro-
3 posed changes.

4 “(III) Assuming the proposed
5 changes will be made and making a
6 recommendation for the allocation of
7 the resources of NIH among the na-
8 tional research institutes and national
9 centers.

10 “(C) CONSULTATION.—In carrying out
11 subparagraph (A), the Board shall consult
12 with—

13 “(i) the heads of national research in-
14 stitutes and national centers whose direc-
15 tors are not members of the Board;

16 “(ii) other scientific leaders who are
17 officers or employees of NIH and are not
18 members of the Board;

19 “(iii) advisory councils of the national
20 research institutes and national centers;

21 “(iv) organizations representing the
22 scientific community; and

23 “(v) organizations representing pa-
24 tients.

1 “(3) COMPOSITION OF BOARD.—The member-
2 ship of the Board may not exceed 21 individuals, all
3 of whom shall be voting members. The Board shall
4 be composed of the following:

5 “(A) The Director of NIH, who shall be a
6 permanent member on an ex officio basis.

7 “(B) Not fewer than nine officials who are
8 directors of national research institutes or na-
9 tional centers. The Secretary shall designate
10 such officials for membership and shall ensure
11 that the group of officials so designated in-
12 cludes directors of—

13 “(i) national research institutes whose
14 budgets are substantial relative to a major-
15 ity of the other institutes;

16 “(ii) national research institutes
17 whose budgets are small relative to a ma-
18 jority of the other institutes;

19 “(iii) national research institutes that
20 have been in existence for a substantial pe-
21 riod of time without significant organiza-
22 tional change under subsection (d);

23 “(iv) as applicable, national research
24 institutes that have undergone significant
25 organization changes under such sub-

1 section, or that have been established
2 under such subsection, other than national
3 research institutes for which such changes
4 have been in place for a substantial period
5 of time; and

6 “(v) national centers.

7 “(C) Members appointed by the Secretary
8 from among individuals who are not officers or
9 employees of the United States. Such members
10 shall include—

11 “(i) individuals representing the inter-
12 ests of public or private institutions of
13 higher education that have historically re-
14 ceived funds from NIH to conduct re-
15 search; and

16 “(ii) individuals representing the in-
17 terests of private entities that have re-
18 ceived funds from NIH to conduct re-
19 search, exclusive of private entities to
20 which clause (i) applies.

21 “(4) CHAIR.—The Chair of the Board shall be
22 selected by the Secretary from among the appointed
23 members of the Board, except that the Secretary
24 may select the Director of NIH as the Chair. The
25 term of office of the Chair shall be two years.

1 “(5) MEETINGS.—

2 “(A) IN GENERAL.—The Board shall meet
3 at the call of the Chair or upon the request of
4 the Director of NIH, but not fewer than 5
5 times with respect to issuing any particular re-
6 port under paragraph (2)(A). The location of
7 the meetings of the Board is subject to the ap-
8 proval of the Director of NIH.

9 “(B) PARTICULAR FORUMS.—Of the meet-
10 ings held under subparagraph (A) with respect
11 to a report under paragraph (2)(A)—

12 “(i) one or more shall be directed to-
13 ward the scientific community to address
14 scientific needs and opportunities related
15 to proposals for organizational changes
16 under subsection (d), or as the case may
17 be, related to a proposal that no such
18 changes be made; and

19 “(ii) one or more shall be directed to-
20 ward consumer organizations to address
21 the needs and opportunities of patients
22 and their families with respect to proposals
23 referred to in clause (i).

24 “(C) AVAILABILITY OF INFORMATION
25 FROM FORUMS.—For each meeting under sub-

1 paragraph (B), the Director of NIH shall post
2 on the Internet site of the National Institutes
3 of Health a summary of the proceedings.

4 “(6) COMPENSATION; TERM OF OFFICE.—The
5 provisions of subsections (b)(4) and (c) of section
6 406 apply with respect to the Board to the same ex-
7 tent and in the same manner as such provisions
8 apply with respect to an advisory council referred to
9 in such subsections, except that the reference in
10 such subsection (c) to four years regarding the term
11 of an appointed member is deemed to be a reference
12 to five years.

13 “(7) REPORTS.—

14 “(A) RECOMMENDATIONS FOR
15 CHANGES.—Each report under paragraph
16 (2)(A) shall be submitted to—

17 “(i) the Committee on Energy and
18 Commerce within the House of Represent-
19 atives;

20 “(ii) the Committee on Health, Edu-
21 cation, Labor, and Pensions within the
22 Senate;

23 “(iii) the Secretary; and

24 “(iv) officials with organizational au-
25 thorities, other than any such official who

1 served as a member of the Board with re-
2 spect to the report involved.

3 “(B) AVAILABILITY TO PUBLIC.— The Di-
4 rector of NIH shall post each report under
5 paragraph (2) on the Internet site of the Na-
6 tional Institutes of Health .

7 “(C) REPORT ON BOARD ACTIVITIES.—Not
8 later than 18 months after the date of the en-
9 actment of the National Institutes of Health
10 Reform Act of 2006, the Board shall submit to
11 the Committees specified in subparagraph (A) a
12 report describing the activities of the Board.

13 “(f) ORGANIZATIONAL CHANGES PER RECOMMENDA-
14 TION OF SCIENTIFIC MANAGEMENT REVIEW BOARD.—

15 “(1) IN GENERAL.—With respect to an official
16 who has organizational authorities within the mean-
17 ing of subsection (e)(2)(A), if a recommendation to
18 the official for an organizational change is made in
19 a report under such subsection, the official shall, ex-
20 cept as provided in paragraph (2) of this subsection,
21 make the change in accordance with the following:

22 “(A) Not later than 100 days after the re-
23 port is submitted under subsection (e)(7)(A),
24 the official shall initiate the applicable public

1 process required in subsection (d) toward mak-
2 ing the change.

3 “(B) The change shall be fully imple-
4 mented not later than the expiration of the
5 three-year period beginning on the date on
6 which such process is initiated.

7 “(2) OBJECTION BY DIRECTOR OF NIH.—

8 “(A) IN GENERAL.—Paragraph (1) does
9 not apply to a recommendation for an organiza-
10 tional change made in a report under sub-
11 section (e)(2)(A) if, not later than 90 days after
12 the report is submitted under subsection
13 (e)(7)(A), the Director of NIH submits to the
14 Committees specified in such subsection a re-
15 port providing that the Director objects to the
16 change, which report includes the reasons un-
17 derlying the objection.

18 “(B) SCOPE OF OBJECTION.—For pur-
19 poses of subparagraph (A), an objection by the
20 Director of NIH may be made to the entirety
21 of a recommended organizational change or to
22 one or more aspects of the change. Any aspect
23 of a change not objected to by the Director in
24 a report under subparagraph (A) shall be im-
25 plemented in accordance with paragraph (1).

1 “(g) DEFINITIONS.—For purposes of this title:

2 “(1) The term ‘Director of NIH’ means the Di-
3 rector of the National Institutes of Health.

4 “(2) The terms ‘national research institute’ and
5 ‘national center’ mean an agency of the National In-
6 stitutes of Health that is—

7 “(A) listed in subsection (b) and not termi-
8 nated under subsection (d)(2)(A); or

9 “(B) established by the Director of NIH
10 under such subsection.

11 “(h) REFERENCES TO NIH.—For purposes of this
12 title, a reference to the National Institutes of Health in-
13 cludes its agencies.”.

14 (b) CONFORMING AMENDMENTS.—Title IV of the
15 Public Health Service Act (42 U.S.C. 281 et seq.) is
16 amended—

17 (1) by redesignating subpart 3 of part E as
18 subpart 19;

19 (2) by transferring subpart 19, as so redesign-
20 nated, to part C of such title IV;

21 (3) by inserting subpart 19, as so redesignated,
22 after subpart 18 of such part C; and

23 (4) in subpart 19, as so redesignated—

24 (A) by redesignating section 485B as sec-
25 tion 464z-1;

1 (B) by striking “National Center for
2 Human Genome Research” each place such
3 term appears and inserting “National Human
4 Genome Research Institute”; and

5 (C) by striking “Center” each place such
6 term appears and inserting “Institute”.

7 **SEC. 3. AUTHORITY OF DIRECTOR OF NIH.**

8 (a) IN GENERAL.—Section 402(b) of the Public
9 Health Service Act (42 U.S.C. 282(b)) is amended—

10 (1) by redesignating paragraph (14) as para-
11 graph (21);

12 (2) by striking paragraphs (12) and (13);

13 (3) by redesignating paragraphs (4) through
14 (11) as paragraphs (13) through (20);

15 (4) in paragraph (20) (as so redesignated), by
16 inserting “and” after the semicolon at the end;

17 (5) in the matter after and below paragraph
18 (21) (as so redesignated), by striking “paragraph
19 (6)” and inserting “paragraph (15)”; and

20 (6) by striking paragraphs (1) through (3) and
21 inserting the following paragraphs:

22 “(1) shall be responsible for the overall direc-
23 tion of the National Institutes of Health and for the
24 establishment and implementation of general policies
25 respecting the management and operation of pro-

1 grams and activities within the National Institutes
2 of Health;

3 “(2) shall coordinate and oversee the operation
4 of the national research institutes, national centers,
5 and administrative entities within the National Insti-
6 tutes of Health;

7 “(3) shall be responsible for program coordina-
8 tion across the national research institutes and na-
9 tional centers, including conducting priority-setting
10 reviews, to ensure that the research portfolio of the
11 National Institutes of Health is balanced and free of
12 unnecessary, duplicative research, and takes advan-
13 tage of collaborative, cross-cutting research;

14 “(4) shall assemble accurate data to be used to
15 assess research priorities, including information to
16 better evaluate scientific opportunity and public
17 health burdens;

18 “(5) shall ensure that scientifically based stra-
19 tegic planning is implemented in support of research
20 priorities as determined by the agencies of the Na-
21 tional Institutes of Health;

22 “(6) shall ensure that the resources of the Na-
23 tional Institutes of Health are sufficiently allocated
24 for research projects identified in strategic plans;

1 “(7)(A) shall, through the Division of Program
2 Coordination, Planning, and Strategic Initiatives—

3 “(i) identify research that represents im-
4 portant areas of emerging scientific opportuni-
5 ties, rising public health challenges, or knowl-
6 edge gaps that deserve special emphasis and
7 would benefit from conducting or supporting
8 additional research that involves collaboration
9 between two or more national research insti-
10 tutes or national centers, or would otherwise
11 benefit from strategic coordination and plan-
12 ning;

13 “(ii) include information on such research
14 in reports under section 403; and

15 “(iii) in the case of such research sup-
16 ported with funds referred to in subparagraph
17 (B)—

18 “(I) require as appropriate that pro-
19 posals include milestones and goals for the
20 research;

21 “(II) require that the proposals in-
22 clude timeframes for completion of the re-
23 search; and

24 “(III) ensure appropriate consider-
25 ation of proposals for which the principal

1 investigator is an individual who has not
2 previously served as the principal investi-
3 gator of research conducted or supported
4 by the National Institutes of Health;

5 “(B) may, with respect to funds reserved under
6 section 402A(c)(1) for the Common Fund, allocate
7 such funds to the national research institutes and
8 national centers for conducting and supporting re-
9 search that is identified under subparagraph (A);
10 and

11 “(C) may assign additional functions to the Di-
12 vision in support of responsibilities identified in sub-
13 paragraph (A), as determined appropriate by the Di-
14 rector;

15 “(8) shall, in coordination with the heads of the
16 national research institutes and national centers, en-
17 sure that such institutes and centers—

18 “(A) preserve an emphasis on investigator-
19 initiated research project grants, including with
20 respect to research involving collaboration be-
21 tween two or more such institutes or centers;
22 and

23 “(B) when appropriate, maximize investi-
24 gator-initiated research project grants in their
25 annual research portfolios;

1 “(9) shall ensure that research conducted or
2 supported by the National Institutes of Health is
3 subject to review in accordance with section 492,
4 and that, after such review, the research is reviewed
5 in accordance with section 492A(a)(2) by the appro-
6 priate advisory council under section 406 before the
7 research proposals are approved for funding;

8 “(10) shall approve the establishment of all
9 centers of excellence recommended by the national
10 research institutes, other than centers recognized
11 under section 414;

12 “(11) shall oversee research training for all of
13 the national research institutes and National Re-
14 search Service Awards in accordance with section
15 487;

16 “(12) may, from funds appropriated under sec-
17 tion 402A(a), reserve funds to provide for research
18 on matters that have not received significant funding
19 relative to other matters, to respond to new issues
20 and scientific emergencies, and to act on research
21 opportunities of high priority;

22 “(13) may, subject to appropriations Acts, col-
23 lect and retain registration fees obtained from third
24 parties to defray expenses for scientific, educational,
25 and research-related conferences;”.

1 (b) CERTAIN AUTHORITIES.—Section 402 of the
2 Public Health Service Act (42 U.S.C. 282) is amended—

3 (1) by striking subsections (i) and (l); and

4 (2) by redesignating subsections (j) and (k) as
5 subsections (i) and (j), respectively;

6 (c) ADVISORY COUNCIL FOR DIRECTOR OF NIH.—

7 Section 402 of the Public Health Service Act, as amended
8 by subsection (b) of this section, is amended by adding
9 after subsection (j) the following subsection:

10 “(k) COUNCIL OF COUNCILS.—

11 “(1) ESTABLISHMENT.—The Director of NIH
12 shall establish within the Office of the Director an
13 advisory council to be known as the ‘Council of
14 Councils’ (referred to in this subsection as the
15 ‘Council’) for the purpose of advising the Director
16 on matters related to the policies and activities of
17 the Division of Program Coordination, Planning,
18 and Strategic Initiatives, including making rec-
19 ommendations with respect to the conduct and sup-
20 port of research described in subsection (b)(7).

21 “(2) MEMBERSHIP.—

22 “(A) IN GENERAL.—The Council shall be
23 composed of 27 members selected by the Direc-
24 tor of NIH from the among the list of nominees
25 under subparagraph (C).

1 “(B) CERTAIN REQUIREMENTS.—In select-
2 ing the members of the Council, the Director of
3 NIH shall ensure—

4 “(i) the representation of a broad
5 range of disciplines and perspectives; and

6 “(ii) the ongoing inclusion of at least
7 one representative from each national re-
8 search institute whose budget is substan-
9 tial relative to a majority of the other in-
10 stitutes.

11 “(C) NOMINATION.—The Director of NIH
12 shall maintain an updated list of individuals
13 who have been nominated to serve on the Coun-
14 cil, which list shall consist of the following:

15 “(i) For each national research insti-
16 tute and national center, three individuals
17 nominated by the head of such institute or
18 center from among the members of the ad-
19 visory council of the institute or center, of
20 which—

21 “(I) two shall be scientists; and

22 “(II) one shall be from the gen-
23 eral public or shall be a leader in the
24 field of public policy, law, health pol-
25 icy, economics, or management.

1 “(ii) For each office within the Divi-
2 sion of Program Coordination, Planning,
3 and Strategic Initiatives, one individual
4 nominated by the head of such office.

5 “(3) TERMS.—

6 “(A) IN GENERAL.—The term of service
7 for a member of the Council shall be 6 years,
8 except as provided in subparagraphs (B) and
9 (C).

10 “(B) TERMS OF INITIAL APPOINTEES.—Of
11 the initial members selected for the Council, the
12 Director of NIH shall designate—

13 “(i) 9 for a term of 6 years;

14 “(ii) 9 for a term of 4 years; and

15 “(iii) 9 for a term of 2 years.

16 “(C) VACANCIES.—Any member appointed
17 to fill a vacancy occurring before the expiration
18 of the term for which the member’s predecessor
19 was appointed shall be appointed only for the
20 remainder of that term. A member may serve
21 after the expiration of that member’s term until
22 a successor has taken office.”.

23 (d) REVIEW BY ADVISORY COUNCILS OF RESEARCH
24 PROPOSALS.—Section 492A(a)(2) of the Public Health
25 Service Act (42 U.S.C. 289a–1(a)(2)) is amended by in-

1 serting before the period the following: “, and unless a
2 majority of the voting members of the appropriate advi-
3 sory council under section 406, or as applicable, of the
4 advisory council under section 402(k), has recommended
5 the proposal for approval”.

6 (e) CONFORMING AMENDMENT.—Section 402(a) of
7 the Public Health Service Act (42 U.S.C. 282(a)) is
8 amended by striking “Director of the National Institutes
9 of Health” and all that follows through “who shall” and
10 inserting “Director of NIH who shall”.

11 (f) RULE OF CONSTRUCTION REGARDING AUTHORI-
12 TIES OF NATIONAL RESEARCH INSTITUTES AND NA-
13 TIONAL CENTERS.—This Act and the amendments made
14 by this Act may not be construed as affecting the authori-
15 ties of the national research institutes and national centers
16 that were in effect under the Public Health Service Act
17 on the day before the date of the enactment of this Act,
18 subject to the authorities of the Director of NIH under
19 section 401 of the Public Health Service Act (as amended
20 by section 2(a) of this Act). For purposes of the preceding
21 sentence, the terms “national research institute”, “na-
22 tional center”, and “Director of NIH” have the meanings
23 given such terms in such section 401.

1 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) FUNDING.—Title IV of the Public Health Service
3 Act (42 U.S.C. 281 et seq.) is amended by inserting after
4 section 402 the following:

5 **“SEC. 402A. AUTHORIZATION OF APPROPRIATIONS.**

6 “(a) IN GENERAL.—For the purpose of carrying out
7 this title, there are authorized to be appropriated—

8 “(1) \$29,747,874,000 for fiscal year 2007;

9 “(2) \$31,235,268,000 for fiscal year 2008; and

10 “(3) \$32,797,032,000 for fiscal year 2009.

11 “(b) OFFICE OF THE DIRECTOR.—Of the amount au-
12 thorized to be appropriated under subsection (a) for a fis-
13 cal year, there are authorized to be appropriated for pro-
14 grams and activities under this title carried out through
15 the Office of the Director of NIH the following amount,
16 as applicable to the fiscal year:

17 “(1) \$1,000,000,000 for fiscal year 2007.

18 “(2) \$1,050,000,000 for fiscal year 2008.

19 “(3) \$1,102,500,000 for fiscal year 2009.

20 “(c) TRANS-NIH RESEARCH.—

21 “(1) COMMON FUND.—

22 “(A) ANNUAL RESERVATION OF
23 AMOUNTS.—Of the total amount appropriated
24 under subsection (a) for fiscal year 2007 or any
25 subsequent fiscal year, the Director of NIH
26 shall reserve the applicable amount under sub-

1 paragraph (B) for allocations under section
2 402(b)(7)(B) (relating to research identified by
3 the Division of Program Coordination, Plan-
4 ning, and Strategic Initiatives), which reserva-
5 tions shall constitute an account to be known as
6 the Common Fund. With respect to appropria-
7 tions Acts that provide amounts for the Na-
8 tional Institutes of Health, the Director may, in
9 making the reservation for a fiscal year, make
10 such transfers to the Common Fund from other
11 accounts as the Director determines to be ap-
12 propriate (subject to such applicable amount).

13 “(B) AMOUNT OF RESERVATION.—Subject
14 to subparagraph (C), the amount reserved by
15 the Director of NIH under subparagraph (A)
16 for a fiscal year shall be the sum of—

17 “(i) the base amount determined
18 under subparagraph (D); and

19 “(ii) any additional amount deter-
20 mined under subparagraph (E).

21 Amounts reserved under the preceding sentence
22 shall remain available until expended.

23 “(C) MAXIMUM RESERVATION.—

24 “(i) IN GENERAL.—The amount re-
25 served by the Director of NIH under sub-

1 paragraph (A) for a fiscal year shall not
2 exceed 5 percent of the total amount ap-
3 propriated under subsection (a) for such
4 fiscal year, subject to clause (ii).

5 “(ii) APPLICABILITY.—Clause (i) may
6 not apply with respect to any fiscal year
7 beginning after the submission of rec-
8 ommendations under subparagraph (F).

9 “(iii) PRESERVATION OF RESERVA-
10 TION.—For any fiscal year following the
11 first fiscal year for which the percentage
12 that applies for purposes of clause (i) is 5
13 percent, the reservation under subpara-
14 graph (A) for the fiscal year involved may
15 not be less than 5 percent of the total
16 amount appropriated under subsection (a)
17 for such fiscal year.

18 “(D) BASE AMOUNT.—The base amount
19 referred to in subparagraph (B)(i) for a fiscal
20 year is—

21 “(i) for fiscal year 2007, the amount
22 reserved by the Director of NIH for fiscal
23 year 2006 for research described in section
24 402(b)(7)(A)(i); and

1 “(ii) for fiscal year 2008 and each
2 subsequent fiscal year, the amount re-
3 served under subparagraph (A) for the
4 preceding fiscal year.

5 “(E) ADDITIONAL AMOUNT COR-
6 RESPONDING TO INCREASES IN APPROPRIA-
7 TIONS.—The additional amount referred to in
8 subparagraph (B)(ii) is 50 percent of the
9 amount by which the total amount appropriated
10 under subsection (a) for the fiscal year involved
11 exceeds the total amount appropriated under
12 such subsection for the preceding fiscal year,
13 except that for any fiscal year beginning after
14 the submission of recommendations under sub-
15 paragraph (F), such percentage may be ad-
16 justed by the Director of NIH, and such per-
17 centage shall be adjusted by the Director to the
18 extent necessary for compliance with subpara-
19 graph (C)(iii).

20 “(F) EVALUATION.—During the 6-month
21 period following the end of the first fiscal year
22 for which the amount reserved by the Director
23 of NIH under subparagraph (A) is equal to 5
24 percent of the total amount appropriated under
25 subsection (a) for such fiscal year, the Director

1 of NIH, in consultation with the advisory coun-
2 cil established under section 402(k), shall sub-
3 mit recommendations to the Congress for
4 changes to the amount of the reservation under
5 subparagraph (A).

6 “(2) TRANS-NIH RESEARCH REPORTING.—

7 “(A) LIMITATION.—With respect to the
8 total amount appropriated under subsection (a)
9 for fiscal year 2008 or any subsequent fiscal
10 year, if the head of a national research institute
11 or national center fails to submit the report re-
12 quired by subparagraph (B) for the preceding
13 fiscal year, the amount made available for the
14 institute or center for the fiscal year involved
15 may not exceed the amount made available for
16 the institute or center for fiscal year 2006.

17 “(B) REPORTING.—Beginning in fiscal
18 year 2007, not later than the end of each fiscal
19 year—

20 “(i) the head of each national re-
21 search institute or national center shall
22 submit to the Director of NIH a report on
23 the amount made available by the institute
24 or center for conducting or supporting re-
25 search that involves collaboration between

1 the institute or center and one or more
2 other national research institutes or na-
3 tional centers; and

4 “(ii) the Secretary shall submit a re-
5 port to the Congress identifying the per-
6 centage of funds made available by each
7 national research institute and national
8 center with respect to such fiscal year for
9 conducting or supporting research de-
10 scribed in clause (i).

11 “(C) DETERMINATION.—For purposes of
12 determining the amount or percentage of funds
13 to be reported under subparagraph (B), any
14 amounts made available to an institute or cen-
15 ter under section 402(b)(7)(B) shall be in-
16 cluded.

17 “(D) VERIFICATION OF AMOUNTS.—Upon
18 receipt of each report submitted under subpara-
19 graph (B)(i), the Director of NIH shall review
20 and verify the accuracy of the amounts speci-
21 fied in the report.

22 “(E) WAIVER.—At the request of any na-
23 tional research institute or national center, the
24 Director of NIH may waive the application of
25 this paragraph to such institute or center if the

1 Director finds that the conduct or support of
2 research described in subparagraph (B)(i) is in-
3 consistent with the mission of such institute or
4 center.

5 “(d) TRANSFER AUTHORITY.—Of the total amount
6 appropriated under subsection (a) for a fiscal year, the
7 Director of NIH may (in addition to the reservation under
8 (c)(1) for such year) transfer not more than 1 percent for
9 programs or activities that are authorized in this title and
10 identified by the Director to receive funds pursuant to this
11 subsection.

12 “(e) RULE OF CONSTRUCTION.—This section may
13 not be construed as affecting the authorities of the Direc-
14 tor of NIH under section 401.”.

15 (b) ELIMINATION OF OTHER AUTHORIZATIONS OF
16 APPROPRIATIONS.—Title IV of the Public Health Service
17 Act (42 U.S.C. 281 et seq.) is amended—

18 (1) in section 402(i)—

19 (A) in paragraph (1), by striking “under
20 paragraph (3)”; and

21 (B) by striking paragraph (3);

22 (2) by striking the first sentence of paragraph
23 (5) of section 402(j);

24 (3) by striking subsection (e) of section 403A;

25 (4) by striking subsection (c) of section 404B;

- 1 (5) by striking subsection (h) of section 404E;
- 2 (6) by striking subsection (d) of section 404F;
- 3 (7) by striking subsection (e) of section 404G;
- 4 (8) by striking subsection (d) of section 409A;
- 5 (9) in section 409B—
- 6 (A) in subsection (a), by striking “under
- 7 subsection (e)” and inserting “to carry out this
- 8 section”; and
- 9 (B) by striking subsection (e);
- 10 (10) by striking subsection (e) of section 409C;
- 11 (11) in section 409D—
- 12 (A) by striking subsection (d); and
- 13 (B) by redesignating subsection (e) as sub-
- 14 section (d);
- 15 (12) by striking subsection (e) of section 409E;
- 16 (13) by striking subsection (e) of section 409F;
- 17 (14) in section 409H, by striking—
- 18 (A) paragraph (3) of subsection (a);
- 19 (B) paragraph (3) of subsection (b);
- 20 (C) paragraph (5) of subsection (e); and
- 21 (D) paragraph (4) of subsection (d);
- 22 (15) by striking subsection (d) of section 409I;
- 23 (16) by striking section 417B;
- 24 (17) by striking subsection (g) of section 417C;
- 25 (18) in section 417D, by striking—

- 1 (A) paragraph (3) of subsection (a); and
- 2 (B) paragraph (3) of subsection (b);
- 3 (19) by striking subsection (d) of section 424A;
- 4 (20) by striking subsection (c) of section 424B;
- 5 (21) by striking section 425;
- 6 (22) by striking subsection (d) of section 434A;
- 7 (23) by striking subsection (d) of section 441A;
- 8 (24) by striking subsection (c) of section 442A;
- 9 (25) in section 445H—
- 10 (A) by striking subsection (b); and
- 11 (B) in subsection (a), by striking “(a)”;
- 12 (26) by striking subsection (d) of section 445I;
- 13 (27) by striking section 445J;
- 14 (28) in section 447A—
- 15 (A) by striking subsection (b); and
- 16 (B) in subsection (a), by striking “(a)”;
- 17 (29) by striking subsection (d) of section 447B;
- 18 (30) by striking subsection (g) in section 452A;
- 19 (31) by striking paragraph (7) in section
- 20 452E(b);
- 21 (32) in section 452G—
- 22 (A) by striking subsection (b); and
- 23 (B) in subsection (a), by striking “(a) EN-
- 24 HANCED SUPPORT.—”;
- 25 (33) by striking subsection (d) of section 464H;

1 (34) by striking subsection (d) of section 464L;

2 (35) by striking paragraph (4) of section

3 464N(c);

4 (36) by striking subsection (e) of section 464P;

5 (37) by striking subsection (f) of section 464R;

6 (38) by striking subsection (d) of section 464z;

7 (39) in section 467—

8 (A) by striking the first sentence; and

9 (B) by striking “for such buildings and fa-
10 cilities” and inserting “for suitable and ade-
11 quate buildings and facilities for use of the Li-
12 brary”; and

13 (C) by striking “The amounts authorized
14 to be appropriated by this section include” and
15 inserting “Amounts appropriated to carry out
16 this section may be used for”;

17 (40) by striking section 468;

18 (41) in section 481A—

19 (A) in the matter preceding subparagraph

20 (A) of subsection (e)(2)—

21 (i) by striking the term “under sub-
22 section (i)(1)” and inserting “to carry out
23 this section”; and

1 (ii) by striking “under such sub-
2 section” and inserting “to carry out this
3 section”; and

4 (B) by striking subsection (i);

5 (42) in subsection (a) of section 481B, by strik-
6 ing “under section 481A(h)” and inserting “to carry
7 out section 481A”;

8 (43) by striking subsection (c) in the section
9 481C that relates to general clinical research cen-
10 ters;

11 (44) by striking subsection (e) in section 485C;

12 (45) by striking subsection (l) in section 485E;

13 (46) by striking subsection (h) in section 485F;

14 (47) by striking subsection (e) in section 485G;

15 (48) by striking subsection (d) of section 487;

16 (49) by striking subsection (e) of section 487A;

17 (50) by striking subsection (c) in the section
18 487F that relates to a loan repayment program re-
19 garding clinical researchers; and

20 (51) by striking subsection (l) of section 499.

21 (c) RULE OF CONSTRUCTION REGARDING CONTINU-
22 ATION OF PROGRAMS.—The amendment of a program by
23 a provision of subsection (b) may not be construed as ter-
24 minating the authority of the Federal agency involved to
25 carry out the program.

1 **SEC. 5. REPORTS.**

2 (a) REPORT OF DIRECTOR OF NIH.—Title IV of the
3 Public Health Service Act (42 U.S.C. 281 et seq.), as
4 amended by section 4(a) of this Act, is amended by strik-
5 ing section 403 and inserting the following sections:

6 **“SEC. 402B. ELECTRONIC CODING OF GRANTS AND ACTIVI-**
7 **TIES.**

8 “The Director of NIH shall establish an electronic
9 system to uniformly code research grants and activities of
10 the Office of the Director and of all the national research
11 institutes and national centers. The electronic system shall
12 be searchable by a variety of codes, such as the type of
13 research grant, the research entity managing the grant,
14 and the public health area of interest. When permissible,
15 the Director of NIH shall provide information on relevant
16 literature and patents that are associated with research
17 activities of the National Institutes of Health.

18 **“SEC. 403. BIENNIAL REPORTS OF DIRECTOR OF NIH.**

19 “(a) IN GENERAL.—The Director of NIH shall sub-
20 mit directly to the Congress on a biennial basis a report
21 in accordance with this section. The first report shall be
22 submitted not later than one year after the date of the
23 enactment of the National Institutes of Health Reform
24 Act of 2006. Each such report shall include the following
25 information:

1 “(1) An assessment of the state of biomedical
2 research.

3 “(2) A description of the activities conducted or
4 supported by the agencies of the National Institutes
5 of Health and policies respecting the programs of
6 such agencies.

7 “(3) Classification and justification for the pri-
8 orities established by the agencies, including a stra-
9 tegic plan and recommendations for future research
10 initiatives to be carried out under section 402(b)(7)
11 through the Division of Program Coordination,
12 Planning, and Strategic Initiatives.

13 “(4) A catalogue of all the research activities of
14 the agencies, prepared in accordance with the fol-
15 lowing:

16 “(A) The catalogue shall, for each such ac-
17 tivity—

18 “(i) identify the agency or agencies in-
19 volved; and

20 “(ii) state whether the activity was
21 carried out directly by the agencies or was
22 supported by the agencies and describe to
23 what extent the agency was involved.

24 “(B) In the case of clinical research, the
25 catalogue shall, as appropriate, identify study

1 populations by demographic variables and other
2 variables that contribute to research on health
3 disparities.

4 “(C) Research activities listed in the cata-
5 logue shall include the following:

6 “(i) Epidemiological studies and longi-
7 tudinal studies.

8 “(ii) Disease registries, information
9 clearing houses, and other data systems.

10 “(iii) Public education and informa-
11 tion campaigns.

12 “(iv) Training activities, including
13 National Research Service Awards.

14 “(v) Clinical trials, including a break-
15 down of participation by study populations
16 and demographic variables and compliance
17 information.

18 “(vi) Translational research activities
19 with other agencies of the Public Health
20 Service.

21 “(5) A summary of the research activities
22 throughout the agencies, which summary shall be or-
23 ganized by the following categories:

24 “(A) Cancer.

25 “(B) Neurosciences.

1 “(C) Life stages, human development, and
2 rehabilitation.

3 “(D) Organ systems and autoimmune dis-
4 eases.

5 “(E) Genomics.

6 “(F) Molecular biology and basic science.

7 “(G) Technology development.

8 “(H) Chronic diseases, including pain and
9 palliative care.

10 “(I) Infectious diseases and bioterrorism.

11 “(J) Such additional categories as the Di-
12 rector determines to be appropriate.

13 “(b) REQUIREMENT REGARDING DISEASE-SPECIFIC
14 RESEARCH ACTIVITIES.—In a report under subsection
15 (a), the Director of NIH, when reporting on research ac-
16 tivities relating to a specific disease, disorder, or other ad-
17 verse health condition, shall—

18 “(1) present information in a standardized for-
19 mat;

20 “(2) identify the actual dollar amounts obli-
21 gated for such activities; and

22 “(3) include a plan for research on the specific
23 disease, disorder, or other adverse health condition,
24 including a statement of objectives regarding the re-
25 search, the means for achieving the objectives, a

1 date by which the objectives are expected to be
2 achieved, and justifications for revisions to the plan.

3 “(c) ADDITIONAL REPORTS.—In addition to reports
4 required by subsections (a) and (b), the Director of NIH
5 may submit to the Congress such additional reports as the
6 Director determines to be appropriate.”.

7 (b) STRIKING OF OTHER REPORTING REQUIRE-
8 MENTS FOR NIH.—

9 (1) PUBLIC HEALTH SERVICE ACT; TITLE IV.—
10 Title IV of the Public Health Service Act, as amend-
11 ed by section 4(b) of this Act, is amended—

12 (A) in section 404E(b)—

13 (i) by amending paragraph (3) to read
14 as follows:

15 “(3) COORDINATION OF CENTERS.—The Direc-
16 tor of NIH shall, as appropriate, provide for the co-
17 ordination of information among centers under para-
18 graph (1) and ensure regular communication be-
19 tween such centers.”;

20 (ii) by striking subsection (f) and re-
21 designating subsection (g) as subsection
22 (f);

23 (B) in section 404F(b)(1), by striking sub-
24 paragraphs (F) and (G);

25 (C) by striking section 407;

- 1 (D) in section 409C(b), by striking para-
2 graph (4) and redesignating paragraphs (5) and
3 (6) as paragraphs (4) and (5), respectively;
- 4 (E) in section 409E, by striking subsection
5 (d);
- 6 (F) in section 417C, by striking subsection
7 (f);
- 8 (G) in section 424B(a)—
9 (i) in paragraph (1), by adding “and”
10 after the semicolon at the end;
11 (ii) in paragraph (2), by striking “;
12 and” and inserting a period; and
13 (iii) by striking paragraph (3);
- 14 (H) in section 429, by striking subsections
15 (c) and (d);
- 16 (I) in section 442, by striking subsection
17 (j) and redesignating subsection (k) as sub-
18 section (j);
- 19 (J) in section 464D, by striking subsection
20 (j);
- 21 (K) in section 464E, by striking subsection
22 (e);
- 23 (L) in section 464T, by striking subsection
24 (e);

- 1 (M) in section 481A, by striking subsection
2 (h);
3 (N) in section 485E, by striking subsection
4 (k);
5 (O) in section 485H—
6 (i) by striking “(a)” and all that fol-
7 lows through “The Secretary,” and insert-
8 ing “The Secretary,”; and
9 (ii) by striking subsection (b); and
10 (P) in section 494—
11 (i) by striking “(a) If the Secretary”
12 and inserting “If the Secretary”; and
13 (ii) by striking subsection (b).
14 (2) PUBLIC HEALTH SERVICE ACT; OTHER PRO-
15 VISIONS.—The Public Health Service Act (42 U.S.C.
16 201 et seq.) is amended—
17 (A) in section 399E, by striking subsection
18 (e);
19 (B) in section 1122—
20 (i) by striking “(a) From the sums”
21 and inserting “From the sums”; and
22 (ii) by striking subsections (b) and
23 (c);
24 (C) by striking section 2301;

1 (D) in section 2354, by striking subsection
2 (b) and redesignating subsection (c) as sub-
3 section (b);

4 (E) in section 2356, by striking subsection
5 (e) and redesignating subsections (f) and (g) as
6 subsections (e) and (f), respectively; and

7 (F) in section 2359(b)—

8 (i) by striking paragraph (2);

9 (ii) by striking “(b) EVALUATION AND
10 REPORT” and all that follows through
11 “Not later than 5 years” and inserting
12 “(b) EVALUATION.—Not later than 5
13 years”;

14 (iii) by redesignating subparagraphs
15 (A) through (C) as paragraphs (1) through
16 (3), respectively; and

17 (iv) by moving each of paragraphs (1)
18 through (3) (as so redesignated) two ems
19 to the left.

20 (3) OTHER ACTS.—Provisions of Federal law
21 are amended as follows:

22 (A) Section 7 of Public Law 97–414 is
23 amended—

24 (i) in subsection (a)—

1 (I) in paragraph (2), by inserting
2 “and” at the end;

3 (II) in paragraph (3), by striking
4 “; and” and inserting a period; and

5 (III) by striking paragraph (4);
6 and

7 (ii) in subsection (b), by striking the
8 last sentence of paragraph (3).

9 (B) Title III of Public Law 101–557 (42
10 U.S.C. 242q et seq.) is amended by striking
11 section 304 and redesignating section 305 and
12 306 as sections 304 and 305, respectively.

13 (C) Section 4923 of Public Law 105–33 is
14 amended by striking subsection (b).

15 (D) Public Law 106–310 is amended by
16 striking section 105.

17 (E) Section 1004 of Public Law 106–310
18 is amended by striking subsection (d).

19 (F) Section 3633 of Public Law 106–310
20 (as amended by section 2502 of Public Law
21 107–273) is repealed.

22 (G) Public Law 106–525 is amended by
23 striking section 105.

24 (H) Public Law 107–84 is amended by
25 striking section 6.

1 (I) Public Law 108–427 is amended by
2 striking section 3 and redesignating sections 4
3 and 5 as sections 3 and 4, respectively.

4 **SEC. 6. CERTAIN DEMONSTRATION PROJECTS.**

5 (a) BRIDGING THE SCIENCES.—

6 (1) IN GENERAL.—From amounts to be appro-
7 priated under section 402A(b) of the Public Health
8 Service Act, the Director of NIH, in consultation
9 with the Director of the National Science Founda-
10 tion, the Secretary of Energy, and other agency
11 heads when necessary, may allocate funds for the
12 national research institutes and national centers to
13 make grants for the purpose of improving the public
14 health through demonstration projects for biomedical
15 research at the interface between the biological, be-
16 havioral, and social sciences and the physical, chem-
17 ical, mathematical, and computational sciences.

18 (2) GOALS, PRIORITIES, AND METHODS; INTER-
19 AGENCY COLLABORATION.—The Director shall es-
20 tablish goals, priorities, and methods of evaluation
21 for research under paragraph (1), and shall provide
22 for interagency collaboration with respect to such re-
23 search. In developing such goals, priorities, and
24 methods, the Director shall ensure that—

1 (A) the research reflects the vision of inno-
2 vation and higher risk with long-term payoffs;
3 and

4 (B) the research includes a wide spectrum
5 of projects, funded at various levels, with vary-
6 ing time frames.

7 (3) PEER REVIEW.—A grant may be made
8 under paragraph (1) only if the application for the
9 grant has undergone technical and scientific peer re-
10 view under section 492 of the Public Health Service
11 Act (42 U.S.C. 289a) and has been reviewed by the
12 advisory council under section 402(k) of such Act
13 (as added by section 3(c) of this Act) or has been
14 reviewed by an advisory council composed of rep-
15 resentatives from appropriate scientific disciplines
16 who can fully evaluate the applicant.

17 (b) HIGH-RISK, HIGH REWARD RESEARCH.—

18 (1) IN GENERAL.—From amounts to be appro-
19 priated under section 402A(a) of the Public Health
20 Service Act, the Director of NIH may allocate funds
21 for the national research institutes and national cen-
22 ters to make awards of grants or contracts or to en-
23 gage in other transactions for demonstration
24 projects for high-impact, cutting-edge research that
25 fosters scientific creativity and increases funda-

1 mental biological understanding leading to the pre-
2 vention, diagnosis, and treatment of diseases and
3 disorders.

4 (2) SPECIAL CONSIDERATION.—In carrying out
5 the program under paragraph (1), the Director of
6 NIH shall give special consideration to coordinating
7 activities with national research institutes whose
8 budgets are substantial relative to a majority of the
9 other institutes.

10 (3) ADMINISTRATION OF PROGRAM.—The pro-
11 gram under paragraph (1) shall be designed to en-
12 able the Director to undertake research projects with
13 maximum flexibility and speed.

14 (4) PUBLIC-PRIVATE PARTNERSHIPS.— In pro-
15 viding for research under paragraph (1), the Direc-
16 tor shall seek to facilitate partnerships between pub-
17 lic and private entities.

18 (5) PEER REVIEW.—A grant may be made
19 under paragraph (1) only if the application for the
20 grant has undergone technical and scientific peer re-
21 view under section 492 of the Public Health Service
22 Act (42 U.S.C. 289a) and has been reviewed by the
23 advisory council under section 402(k) of such Act
24 (as added by section 3(c) of this Act).

1 (c) DEFINITIONS.—For purposes of this section, the
2 terms “Director of NIH”, “national research institute”,
3 and “national center” have the meanings given such term
4 in section 401 of the Public Health Service Act.

5 **SEC. 7. FOUNDATION FOR THE NATIONAL INSTITUTES OF**
6 **HEALTH.**

7 Section 499 of the Public Health Service Act (42
8 U.S.C. 290b) is amended—

9 (1) in subsection (d)—

10 (A) in paragraph (1)—

11 (i) by amending subparagraph (D)(ii)

12 to read as follows:

13 “(ii) Upon the appointment of the ap-
14 pointed members of the Board under clause
15 (i)(II), the terms of service as members of the
16 Board of the ex officio members of the Board
17 described in clauses (i) and (ii) of subparagraph
18 (B) shall terminate. The ex officio members of
19 the Board described in clauses (iii) and (iv) of
20 subparagraph (B) shall continue to serve as ex
21 officio members of the Board.”; and

22 (ii) in subparagraph (G), by inserting

23 “appointed” after “that the number of”;

24 (B) by amending paragraph (3)(B) to read

25 as follows:

1 “(B) Any vacancy in the membership of
2 the appointed members of the Board shall be
3 filled in accordance with the bylaws of the
4 Foundation established in accordance with
5 paragraph (6), and shall not affect the power of
6 the remaining appointed members to execute
7 the duties of the Board.”; and

8 (C) in paragraph (5), by inserting “ap-
9 pointed” after “majority of the”;
10 (2) in subsection (j)—

11 (A) in paragraph (2), by striking
12 “(d)(2)(B)(i)(II)” and inserting “(d)(6)”;

13 (B) in paragraph (4)—

14 (i) in subparagraph (A), by inserting
15 “, including an accounting of the use of
16 amounts transferred under subsection (l)”
17 before the period at the end; and

18 (ii) by striking subparagraph (C) and
19 inserting the following:

20 “(C) The Foundation shall make copies of
21 each report submitted under subparagraph (A)
22 available—

23 “(i) for public inspection, and shall
24 upon request provide a copy of the report
25 to any individual for a charge that shall

1 not exceed the cost of providing the copy;

2 and

3 “(ii) to the appropriate committees of

4 Congress.”; and

5 (C) in paragraph (10), by striking “of

6 Health.” and inserting “of Health and the Na-

7 tional Institutes of Health may accept transfers

8 of funds from the Foundation.”; and

9 (3) by striking subsection (l) and inserting the

10 following:

11 “(l) FUNDING.—From amounts appropriated to the

12 National Institutes of Health, for each fiscal year, the Di-

13 rector of NIH shall transfer not less than \$500,000 and

14 not more than \$1,250,000 to the Foundation.”.

15 **SEC. 8. APPLICABILITY.**

16 This Act and the amendments made by this Act apply

17 only with respect to amounts appropriated for fiscal year

18 2007 or subsequent fiscal years.