

109TH CONGRESS
2D SESSION

H. R. 6164

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

SEPTEMBER 25, 2006

Mr. BARTON of Texas (for himself, Mr. DEAL of Georgia, Mr. BLUNT, Mr. RADANOVICH, Mr. BURGESS, Mr. SHIMKUS, Mr. UPTON, Mr. ROGERS of Kentucky, Mr. BUYER, Mrs. BONO, Mrs. MYRICK, Mr. GILLMOR, Mr. TERRY, Mr. BILBRAY, and Mr. BILIRAKIS) introduced the following bill; which was referred to the Committee on Energy and Commerce

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”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 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.

1 **SEC. 2. ORGANIZATION OF NATIONAL INSTITUTES OF**
 2 **HEALTH.**

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

5 **“SEC. 401. ORGANIZATION OF NATIONAL INSTITUTES OF**
 6 **HEALTH.**

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

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

13 “(1) The National Cancer Institute.

14 “(2) The National Heart, Lung, and Blood In-
 15 stitute.

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

18 “(4) The National Institute of Arthritis and
 19 Musculoskeletal and Skin Diseases.

20 “(5) The National Institute on Aging.

21 “(6) The National Institute of Allergy and In-
 22 fectionous Diseases.

1 “(7) The National Institute of Child Health
2 and Human Development.

3 “(8) The National Institute of Dental and
4 Craniofacial Research.

5 “(9) The National Eye Institute.

6 “(10) The National Institute of Neurological
7 Disorders and Stroke.

8 “(11) The National Institute on Deafness and
9 Other Communication Disorders.

10 “(12) The National Institute on Alcohol Abuse
11 and Alcoholism.

12 “(13) The National Institute on Drug Abuse.

13 “(14) The National Institute of Mental Health.

14 “(15) The National Institute of General Med-
15 ical Sciences.

16 “(16) The National Institute of Environmental
17 Health Sciences.

18 “(17) The National Institute of Nursing Re-
19 search.

20 “(18) The National Institute of Biomedical Im-
21 aging and Bioengineering.

22 “(19) The National Human Genome Research
23 Institute.

24 “(20) The National Library of Medicine.

1 “(21) The National Center for Research Re-
2 sources.

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

5 “(23) The National Center for Complementary
6 and Alternative Medicine.

7 “(24) The National Center on Minority Health
8 and Health Disparities.

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

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

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

22 “(2) OFFICES WITHIN DIVISION.—

23 “(A) OFFICES.—The following offices are
24 within the Division: The Office of AIDS Re-
25 search, the Office of Research on Women’s

1 Health, the Office of Behavioral and Social
2 Sciences Research, the Office of Disease Pre-
3 vention, the Office of Dietary Supplements, the
4 Office of Rare Diseases, and any other office lo-
5 cated within the Office of the Director of NIH
6 as of the day before the date of the enactment
7 of the National Institutes of Health Reform Act
8 of 2006. In addition to such offices, the Direc-
9 tor of NIH may establish within the Division
10 such additional offices or other administrative
11 units as the Director determines to be appro-
12 priate.

13 “(B) AUTHORITIES.—Each office in the
14 Division—

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

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

23 “(d) ORGANIZATION.—

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

25 In the National Institutes of Health, the number of

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

8 “(2) REORGANIZATION OF INSTITUTES AND
9 CENTERS.—

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

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

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

15 “(3) REORGANIZATION OF OFFICE OF DIREC-
16 TOR.—Notwithstanding subsection (c), the Director
17 of NIH may, after a series of public hearings, and
18 with the approval of the Secretary, reorganize the
19 offices within the Office of the Director, including
20 the addition, removal, or transfer of functions of
21 such offices, and the establishment or termination of
22 such offices, if the Director determines that the
23 overall management and operation of programs and
24 activities conducted or supported by such offices

1 would be more efficiently carried out under such a
2 reorganization.

3 “(4) INTERNAL REORGANIZATION OF INSTI-
4 TUTES AND CENTERS.—Notwithstanding any con-
5 flicting provisions of this title, the director of a na-
6 tional research institute or a national center may,
7 after a series of public hearings and with the ap-
8 proval of the Director of NIH, reorganize the divi-
9 sions, centers, or other administrative units within
10 such institute or center, including the addition, re-
11 moval, or transfer of functions of such units, and
12 the establishment or termination of such units, if the
13 director of such institute or center determines that
14 the overall management and operation of programs
15 and activities conducted or supported by such divi-
16 sions, centers, or other units would be more effi-
17 ciently carried out under such a reorganization.

18 “(5) NOTICE TO CONGRESS; EFFECTIVE
19 DATE.—A reorganization under paragraph (2), (3),
20 or (4) may not take effect before the expiration of
21 90 days after the Secretary submits to the Com-
22 mittee on Energy and Commerce of the House of
23 Representatives and the Committee on Health, Edu-
24 cation, Labor, and Pensions of the Senate written
25 notice of the reorganization.

1 “(e) SCIENTIFIC MANAGEMENT REVIEW BOARD FOR
2 PERIODIC ORGANIZATIONAL REVIEWS.—

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

10 “(2) DUTIES.—

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

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

23 “(ii) issue a report providing the rec-
24 ommendations of the Board regarding the

1 use of the authorities and the reasons un-
2 derlying the recommendations.

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

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

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

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

21 “(I) analyzing the budgetary and
22 operational consequences of the pro-
23 posed changes;

1 “(II) estimating the level of re-
2 sources needed to implement the pro-
3 posed changes; and

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 9 officials who are di-
8 rectors 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 research
19 or that have broad expertise regarding how
20 the National Institutes of Health func-
21 tions, exclusive of private entities to which
22 clause (i) applies.

23 “(4) CHAIR.—The Chair of the Board shall be
24 selected by the Secretary from among the appointed
25 members of the Board, except that the Secretary

1 may select the Director of NIH as the Chair. The
2 term of office of the Chair shall be 2 years.

3 “(5) MEETINGS.—

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

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

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

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

1 “(C) AVAILABILITY OF INFORMATION
2 FROM FORUMS.—For each meeting under sub-
3 paragraph (B), the Director of NIH shall post
4 on the Internet site of the National Institutes
5 of Health a summary of the proceedings.

6 “(6) COMPENSATION; TERM OF OFFICE.—The
7 provisions of subsections (b)(4) and (c) of section
8 406 apply with respect to the Board to the same ex-
9 tent and in the same manner as such provisions
10 apply with respect to an advisory council referred to
11 in such subsections, except that the reference in
12 such subsection (c) to 4 years regarding the term of
13 an appointed member is deemed to be a reference to
14 5 years.

15 “(7) REPORTS.—

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

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

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

25 “(iii) the Secretary; and

1 “(iv) officials with organizational au-
2 thorities, other than any such official who
3 served as a member of the Board with re-
4 spect to the report involved.

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

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

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

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

24 “(A) Not later than 100 days after the re-
25 port is submitted under subsection (e)(7)(A),

1 the official shall initiate the applicable public
2 process required in subsection (d) toward mak-
3 ing the change.

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

8 “(2) OBJECTION BY DIRECTOR OF NIH.—

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

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

1 report under subparagraph (A) shall be imple-
2 mented in accordance with paragraph (1).

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

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

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

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

11 “(B) established by the Director of NIH
12 under such subsection.

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

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

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

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

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

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

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

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

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

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

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

12 (1) by redesignating paragraph (14) as para-
 13 graph (22);

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

15 (3) by redesignating paragraphs (4) through
 16 (11) as paragraphs (14) through (21);

17 (4) in paragraph (21) (as so redesignated), by
 18 inserting “and” after the semicolon at the end;

19 (5) in the matter after and below paragraph
 20 (22) (as so redesignated), by striking “paragraph
 21 (6)” and inserting “paragraph (16)”; and

22 (6) by striking paragraphs (1) through (3) and
 23 inserting the following paragraphs:

24 “(1) shall be responsible for the overall direc-
 25 tion of the National Institutes of Health and for the

1 establishment and implementation of general policies
2 respecting the management and operation of pro-
3 grams and activities within the National Institutes
4 of Health;

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

9 “(3) shall, in consultation with the heads of the
10 national research institutes and national centers, be
11 responsible for program coordination across the na-
12 tional research institutes and national centers, in-
13 cluding conducting priority-setting reviews, to ensure
14 that the research portfolio of the National Institutes
15 of Health is balanced and free of unnecessary, dupli-
16 cative research, and takes advantage of collaborative,
17 cross-cutting research;

18 “(4) shall assemble accurate data to be used to
19 assess research priorities, including information to
20 better evaluate scientific opportunity, public health
21 burdens, and progress in reducing health disparities;

22 “(5) shall ensure that scientifically based stra-
23 tegic planning is implemented in support of research
24 priorities as determined by the agencies of the Na-
25 tional Institutes of Health;

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

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

6 “(i) identify research that represents im-
7 portant areas of emerging scientific opportuni-
8 ties, rising public health challenges, or knowl-
9 edge gaps that deserve special emphasis and
10 would benefit from conducting or supporting
11 additional research that involves collaboration
12 between 2 or more national research institutes
13 or national centers, or would otherwise benefit
14 from strategic coordination and planning;

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

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

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

23 “(II) require that the proposals in-
24 clude timeframes for funding of the re-
25 search; and

1 “(III) ensure appropriate consider-
2 ation of proposals for which the principal
3 investigator is an individual who has not
4 previously served as the principal investi-
5 gator of research conducted or supported
6 by the National Institutes of Health;

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

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

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

20 “(A) preserve an emphasis on investigator-
21 initiated research project grants, including with
22 respect to research involving collaboration be-
23 tween 2 or more such institutes or centers; and

1 “(B) when appropriate, maximize investi-
2 gator-initiated research project grants in their
3 annual research portfolios;

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

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

15 “(11) shall oversee research training for all of
16 the national research institutes and National Re-
17 search Service Awards in accordance with section
18 487;

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

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

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

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

8 (2) by redesignating subsections (j) and (k) as
9 subsections (i) and (j), respectively.

10 (c) ADVISORY COUNCIL FOR DIRECTOR OF NIH.—
11 Section 402 of the Public Health Service Act, as amended
12 by subsection (b) of this section, is amended by adding
13 after subsection (j) the following subsection:

14 “(k) COUNCIL OF COUNCILS.—

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

25 “(2) MEMBERSHIP.—

1 “(A) IN GENERAL.—The Council shall be
2 composed of 27 members selected by the Direc-
3 tor of NIH with approval from the Secretary
4 from among the list of nominees under sub-
5 paragraph (C).

6 “(B) CERTAIN REQUIREMENTS.—In select-
7 ing the members of the Council, the Director of
8 NIH shall ensure—

9 “(i) the representation of a broad
10 range of disciplines and perspectives; and

11 “(ii) the ongoing inclusion of at least
12 1 representative from each national re-
13 search institute whose budget is substan-
14 tial relative to a majority of the other in-
15 stitutes.

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

20 “(i) For each national research insti-
21 tute and national center, 3 individuals
22 nominated by the head of such institute or
23 center from among the members of the ad-
24 visory council of the institute or center, of
25 which—

1 “(I) two shall be scientists; and

2 “(II) one shall be from the gen-
3 eral public or shall be a leader in the
4 field of public policy, law, health pol-
5 icy, economics, or management.

6 “(ii) For each office within the Divi-
7 sion of Program Coordination, Planning,
8 and Strategic Initiatives, 1 individual nom-
9 inated by the head of such office.

10 “(3) TERMS.—

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

15 “(B) TERMS OF INITIAL APPOINTEES.—Of
16 the initial members selected for the Council, the
17 Director of NIH shall designate—

18 “(i) nine for a term of 6 years;

19 “(ii) nine for a term of 4 years; and

20 “(iii) nine for a term of 2 years.

21 “(C) VACANCIES.—Any member appointed
22 to fill a vacancy occurring before the expiration
23 of the term for which the member’s predecessor
24 was appointed shall be appointed only for the
25 remainder of that term. A member may serve

1 after the expiration of that member’s term until
2 a successor has taken office.”.

3 (d) REVIEW BY ADVISORY COUNCILS OF RESEARCH
4 PROPOSALS.—Section 492A(a)(2) of the Public Health
5 Service Act (42 U.S.C. 289a–1(a)(2)) is amended by in-
6 serting before the period the following: “, and unless a
7 majority of the voting members of the appropriate advi-
8 sory council under section 406, or as applicable, of the
9 advisory council under section 402(k), has recommended
10 the proposal for approval”.

11 (e) CONFORMING AMENDMENT.—Section 402(a) of
12 the Public Health Service Act (42 U.S.C. 282(a)) is
13 amended by striking “Director of the National Institutes
14 of Health” and all that follows through “who shall” and
15 inserting “Director of NIH who shall”.

16 (f) RULE OF CONSTRUCTION REGARDING AUTHORI-
17 TIES OF NATIONAL RESEARCH INSTITUTES AND NA-
18 TIONAL CENTERS.—This Act and the amendments made
19 by this Act may not be construed as affecting the authori-
20 ties of the national research institutes and national centers
21 that were in effect under the Public Health Service Act
22 on the day before the date of the enactment of this Act,
23 subject to the authorities of the Director of NIH under
24 section 401 of the Public Health Service Act (as amended
25 by section 2(a) of this Act). For purposes of the preceding

1 sentence, the terms “national research institute”, “na-
 2 tional center”, and “Director of NIH” have the meanings
 3 given such terms in such section 401.

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

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

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

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

11 “(1) \$29,747,874,000 for fiscal year 2007;

12 “(2) \$31,235,268,000 for fiscal year 2008; and

13 “(3) \$32,797,032,000 for fiscal year 2009.

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

20 “(1) \$1,000,000,000 for fiscal year 2007.

21 “(2) \$1,050,000,000 for fiscal year 2008.

22 “(3) \$1,102,500,000 for fiscal year 2009.

23 “(c) TRANS-NIH RESEARCH.—

24 “(1) COMMON FUND.—

1 “(A) ANNUAL RESERVATION OF
 2 AMOUNTS.—Of the total amount appropriated
 3 under subsection (a) for fiscal year 2007 or any
 4 subsequent fiscal year, the Director of NIH
 5 shall reserve the applicable amount under sub-
 6 paragraph (B) for allocations under section
 7 402(b)(7)(B) (relating to research identified by
 8 the Division of Program Coordination, Plan-
 9 ning, and Strategic Initiatives), which reserva-
 10 tions shall constitute an account to be known as
 11 the Common Fund.

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

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

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

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

22 “(C) MAXIMUM RESERVATION.—

23 “(i) IN GENERAL.—The amount re-
 24 served by the Director of NIH under sub-
 25 paragraph (A) for a fiscal year shall not

1 exceed 5 percent of the total amount ap-
2 propriated under subsection (a) for such
3 fiscal year, subject to clause (ii).

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

8 “(iii) PRESERVATION OF RESERVA-
9 TION.—For any fiscal year following the
10 first fiscal year for which the percentage
11 that applies for purposes of clause (i) is 5
12 percent, the reservation under subpara-
13 graph (A) for the fiscal year involved may
14 not be less than 5 percent of the total
15 amount appropriated under subsection (a)
16 for such fiscal year. For fiscal year 2008
17 and each subsequent fiscal year, the per-
18 centage constituted by the reservation
19 under subparagraph (A) relative to the
20 total amount appropriated under sub-
21 section (a) for the fiscal year involved may
22 not be less than the percentage constituted
23 by the reservation under such subpara-
24 graph for the preceding fiscal year relative
25 to the total amount appropriated under

1 subsection (a) for such preceding fiscal
2 year.

3 “(D) BASE AMOUNT.—The base amount
4 referred to in subparagraph (B)(i) for a fiscal
5 year is—

6 “(i) for fiscal year 2007, the amount
7 reserved by the Director of NIH for fiscal
8 year 2006 for research described in section
9 402(b)(7)(A)(i); and

10 “(ii) for fiscal year 2008 and each
11 subsequent fiscal year, the amount re-
12 served under subparagraph (A) for the
13 preceding fiscal year.

14 “(E) ADDITIONAL AMOUNT COR-
15 RESPONDING TO INCREASES IN APPROPRIA-
16 TIONS.—The additional amount referred to in
17 subparagraph (B)(ii) is 50 percent of the
18 amount by which the total amount appropriated
19 under subsection (a) for the fiscal year involved
20 exceeds the total amount appropriated under
21 such subsection for the preceding fiscal year,
22 except that for any fiscal year beginning after
23 the submission of recommendations under sub-
24 paragraph (F), such percentage may be ad-
25 justed by the Director of NIH, and such per-

1 centage shall be adjusted by the Director to the
2 extent necessary for compliance with subpara-
3 graph (C)(iii).

4 “(F) EVALUATION.—During the 6-month
5 period following the end of the first fiscal year
6 for which the amount reserved by the Director
7 of NIH under subparagraph (A) is equal to 5
8 percent of the total amount appropriated under
9 subsection (a) for such fiscal year, the Sec-
10 retary, acting through the Director of NIH, in
11 consultation with the advisory council estab-
12 lished under section 402(k), shall submit rec-
13 ommendations to the Congress for changes to
14 the amount of the reservation under subpara-
15 graph (A).

16 “(2) TRANS-NIH RESEARCH REPORTING.—

17 “(A) LIMITATION.—With respect to the
18 total amount appropriated under subsection (a)
19 for fiscal year 2008 or any subsequent fiscal
20 year, if the head of a national research institute
21 or national center fails to submit the report re-
22 quired by subparagraph (B) for the preceding
23 fiscal year, the amount made available for the
24 institute or center for the fiscal year involved

1 may not exceed the amount made available for
2 the institute or center for fiscal year 2006.

3 “(B) REPORTING.—Not later than Janu-
4 ary 1, 2008, and each January 1st thereafter—

5 “(i) the head of each national re-
6 search institute or national center shall
7 submit to the Director of NIH a report on
8 the amount made available by the institute
9 or center for conducting or supporting re-
10 search that involves collaboration between
11 the institute or center and 1 or more other
12 national research institutes or national
13 centers; and

14 “(ii) the Secretary shall submit a re-
15 port to the Congress identifying the per-
16 centage of funds made available by each
17 national research institute and national
18 center with respect to such fiscal year for
19 conducting or supporting research de-
20 scribed in clause (i).

21 “(C) DETERMINATION.—For purposes of
22 determining the amount or percentage of funds
23 to be reported under subparagraph (B), any
24 amounts made available to an institute or cen-

1 ter under section 402(b)(7)(B) shall be in-
2 cluded.

3 “(D) VERIFICATION OF AMOUNTS.—Upon
4 receipt of each report submitted under subpara-
5 graph (B)(i), the Director of NIH shall review
6 and verify the accuracy of the amounts speci-
7 fied in the report.

8 “(E) WAIVER.—At the request of any na-
9 tional research institute or national center, the
10 Director of NIH may waive the application of
11 this paragraph to such institute or center if the
12 Director finds that the conduct or support of
13 research described in subparagraph (B)(i) is in-
14 consistent with the mission of such institute or
15 center.

16 “(d) TRANSFER AUTHORITY.—Of the total amount
17 appropriated under subsection (a) for a fiscal year, the
18 Director of NIH may (in addition to the reservation under
19 (c)(1) for such year) transfer not more than 1 percent for
20 programs or activities that are authorized in this title and
21 identified by the Director to receive funds pursuant to this
22 subsection. In making such transfers, the Director may
23 not decrease any appropriation account under subsection
24 (a) by more than 1 percent.

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

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

7 (1) by striking the first sentence of paragraph
8 (5) of section 402(i) (as redesignated by section
9 3(b));

10 (2) by striking subsection (e) of section 403A;

11 (3) by striking subsection (c) of section 404B;

12 (4) by striking subsection (h) of section 404E;

13 (5) by striking subsection (d) of section 404F;

14 (6) by striking subsection (e) of section 404G;

15 (7) by striking subsection (d) of section 409A;

16 (8) in section 409B—

17 (A) in subsection (a), by striking “under
18 subsection (e)” and inserting “to carry out this
19 section”; and

20 (B) by striking subsection (e);

21 (9) by striking subsection (e) of section 409C;

22 (10) in section 409D—

23 (A) by striking subsection (d); and

24 (B) by redesignating subsection (e) as sub-
25 section (d);

- 1 (11) by striking subsection (e) of section 409E;
- 2 (12) by striking subsection (c) of section 409F;
- 3 (13) in section 409H, by striking—
 - 4 (A) paragraph (3) of subsection (a);
 - 5 (B) paragraph (3) of subsection (b);
 - 6 (C) paragraph (5) of subsection (c); and
 - 7 (D) paragraph (4) of subsection (d);
- 8 (14) by striking subsection (d) of section 409I;
- 9 (15) by striking section 417B;
- 10 (16) by striking subsection (g) of section 417C;
- 11 (17) in section 417D, by striking—
 - 12 (A) paragraph (3) of subsection (a); and
 - 13 (B) paragraph (3) of subsection (b);
- 14 (18) by striking subsection (d) of section 424A;
- 15 (19) by striking subsection (c) of section 424B;
- 16 (20) by striking section 425;
- 17 (21) by striking subsection (d) of section 434A;
- 18 (22) by striking subsection (d) of section 441A;
- 19 (23) by striking subsection (c) of section 442A;
- 20 (24) in section 445H—
 - 21 (A) by striking subsection (b); and
 - 22 (B) in subsection (a), by striking “(a)”;
- 23 (25) by striking subsection (d) of section 445I;
- 24 (26) by striking section 445J;
- 25 (27) in section 447A—

1 (A) by striking subsection (b); and
 2 (B) in subsection (a), by striking “(a)”;
 3 (28) by striking subsection (d) of section 447B;
 4 (29) by striking subsection (g) in section 452A;
 5 (30) by striking paragraph (7) in section
 6 452E(b);
 7 (31) in section 452G—
 8 (A) by striking subsection (b); and
 9 (B) in subsection (a), by striking “(a) EN-
 10 HANCED SUPPORT.—”;
 11 (32) by striking subsection (d) of section 464H;
 12 (33) by striking subsection (d) of section 464L;
 13 (34) by striking paragraph (4) of section
 14 464N(c);
 15 (35) by striking subsection (e) of section 464P;
 16 (36) by striking subsection (f) of section 464R;
 17 (37) by striking subsection (d) of section 464z;
 18 (38) in section 467—
 19 (A) by striking the first sentence;
 20 (B) by striking “for such buildings and fa-
 21 cilities” and inserting “for suitable and ade-
 22 quate buildings and facilities for use of the Li-
 23 brary”; and
 24 (C) by striking “The amounts authorized
 25 to be appropriated by this section include” and

1 inserting “Amounts appropriated to carry out
2 this section may be used for”;
3 (39) by striking section 468;
4 (40) in section 481A—
5 (A) in the matter preceding subparagraph
6 (A) of subsection (c)(2)—
7 (i) by striking the term “under sub-
8 section (i)(1)” and inserting “to carry out
9 this section”; and
10 (ii) by striking “under such sub-
11 section” and inserting “to carry out this
12 section”; and
13 (B) by striking subsection (i);
14 (41) in subsection (a) of section 481B, by strik-
15 ing “under section 481A(h)” and inserting “to carry
16 out section 481A”;
17 (42) by striking subsection (c) in the section
18 481C that relates to general clinical research cen-
19 ters;
20 (43) by striking subsection (e) in section 485C;
21 (44) by striking subsection (l) in section 485E;
22 (45) by striking subsection (h) in section 485F;
23 (46) by striking subsection (e) in section 485G;
24 (47) by striking subsection (d) of section 487;

1 (48) by striking subsection (c) of section 487A;
 2 and

3 (49) by striking subsection (c) in the section
 4 487F that relates to a loan repayment program re-
 5 garding clinical researchers.

6 (c) RULE OF CONSTRUCTION REGARDING CONTINU-
 7 ATION OF PROGRAMS.—The amendment of a program by
 8 a provision of subsection (b) may not be construed as ter-
 9 minating the authority of the Federal agency involved to
 10 carry out the program.

11 **SEC. 5. REPORTS.**

12 (a) REPORT OF DIRECTOR OF NIH.—The Public
 13 Health Service Act (42 U.S.C. 201 et seq.), as amended
 14 by section 4(a) of this Act, is amended—

15 (1) by redesignating section 403A as section
 16 403C;

17 (2) in section 1710(a), by striking “section
 18 403A” and inserting “section 403C”; and

19 (3) by striking section 403 and inserting the
 20 following sections:

21 **“SEC. 402B. ELECTRONIC CODING OF GRANTS AND ACTIVI-**
 22 **TIES.**

23 “The Secretary, acting through the Director of NIH,
 24 shall establish an electronic system to uniformly code re-
 25 search grants and activities of the Office of the Director

1 and of all the national research institutes and national
2 centers. The electronic system shall be searchable by a va-
3 riety of codes, such as the type of research grant, the re-
4 search entity managing the grant, and the public health
5 area of interest. When permissible, the Secretary, acting
6 through the Director of NIH, shall provide information
7 on relevant literature and patents that are associated with
8 research activities of the National Institutes of Health.

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

10 “(a) IN GENERAL.—The Director of NIH shall sub-
11 mit directly to the Congress on a biennial basis a report
12 in accordance with this section. The first report shall be
13 submitted not later than 1 year after the date of the enact-
14 ment of the National Institutes of Health Reform Act of
15 2006. Each such report shall include the following infor-
16 mation:

17 “(1) An assessment of the state of biomedical
18 and behavioral research.

19 “(2) A description of the activities conducted or
20 supported by the agencies of the National Institutes
21 of Health and policies respecting the programs of
22 such agencies.

23 “(3) Classification and justification for the pri-
24 orities established by the agencies, including a stra-
25 tegic plan and recommendations for future research

1 initiatives to be carried out under section 402(b)(7)
2 through the Division of Program Coordination,
3 Planning, and Strategic Initiatives.

4 “(4) A catalog of all the research activities of
5 the agencies, prepared in accordance with the fol-
6 lowing:

7 “(A) The catalog shall, for each such activ-
8 ity—

9 “(i) identify the agency or agencies in-
10 volved;

11 “(ii) state whether the activity was
12 carried out directly by the agencies or was
13 supported by the agencies and describe to
14 what extent the agency was involved; and

15 “(iii) identify whether the activity was
16 carried out through a center of excellence.

17 “(B) In the case of clinical research, the
18 catalog shall, as appropriate, identify study
19 populations by demographic variables and other
20 variables that contribute to research on health
21 disparities.

22 “(C) Research activities listed in the cata-
23 log shall include the following:

24 “(i) Epidemiological studies and longi-
25 tudinal studies.

1 “(ii) Disease registries, information
2 clearinghouses, and other data systems.

3 “(iii) Public education and informa-
4 tion campaigns.

5 “(iv) Training activities, including
6 National Research Service Awards and a
7 breakdown by demographic variables and
8 other appropriate categories.

9 “(v) Clinical trials, including a break-
10 down of participation by study populations
11 and demographic variables and such other
12 information as may be necessary to dem-
13 onstrate compliance with section 492B (re-
14 garding inclusion of women and minorities
15 in clinical research).

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

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

22 “(A) Cancer.

23 “(B) Neurosciences.

24 “(C) Life stages, human development, and
25 rehabilitation.

1 “(D) Organ systems.

2 “(E) Autoimmune diseases.

3 “(F) Genomics.

4 “(G) Molecular biology and basic science.

5 “(H) Technology development.

6 “(I) Chronic diseases, including pain and
7 palliative care.

8 “(J) Infectious diseases and bioterrorism.

9 “(K) Health disparities.

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

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

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

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

21 “(3) include a plan for research on the specific
22 disease, disorder, or other adverse health condition,
23 including a statement of objectives regarding the re-
24 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 **“SEC. 403A. ANNUAL REPORTING TO INCREASE INTER-**
8 **AGENCY COLLABORATION AND COORDINA-**
9 **TION.**

10 “(a) COLLABORATION WITH OTHER HHS AGEN-
11 CIES.—On an annual basis, the Director of NIH shall sub-
12 mit to the Secretary a report on the activities of the Na-
13 tional Institutes of Health involving collaboration with
14 other agencies of the Department of Health and Human
15 Services.

16 “(b) CLINICAL TRIALS.—Each calendar year, the Di-
17 rector of NIH shall submit to the Commissioner of Food
18 and Drugs a report that identifies each clinical trial that
19 is registered during such calendar year in the databank
20 of information established under section 402(j).

21 “(c) HUMAN TISSUE SAMPLES.—On an annual basis,
22 the Director of NIH shall submit to the Congress a report
23 that describes how the National Institutes of Health and
24 its agencies store and track human tissue samples.

1 “(d) FIRST REPORT.—The first report under sub-
2 sections (a), (b), and (c) shall be submitted not later than
3 1 year after the date of the enactment of the National
4 Institutes of Health Reform Act of 2006.

5 **“SEC. 403B. ANNUAL REPORTING TO PREVENT FRAUD AND**
6 **ABUSE.**

7 “(a) WHISTLEBLOWER COMPLAINTS.—

8 “(1) IN GENERAL.—On an annual basis, the
9 Director of NIH shall submit to the Inspector Gen-
10 eral of the Department of Health and Human Serv-
11 ices, the Secretary, the Committee on Energy and
12 Commerce of the House of Representatives, and the
13 Committee on Health, Education, Labor, and Pen-
14 sions of the Senate a report summarizing the activi-
15 ties of the National Institutes of Health relating to
16 whistleblower complaints.

17 “(2) CONTENTS.—For each whistleblower com-
18 plaint pending during the year for which a report is
19 submitted under this subsection, the report shall
20 identify the following:

21 “(A) Each agency of the National Insti-
22 tutes of Health involved.

23 “(B) The status of the complaint.

24 “(C) The resolution of the complaint to
25 date.

1 “(b) EXPERTS AND CONSULTANTS.—On an annual
2 basis, the Director of NIH shall submit to the Inspector
3 General of the Department of Health and Human Serv-
4 ices, the Secretary, the Committee on Energy and Com-
5 merce of the House of Representatives, and the Committee
6 on Health, Education, Labor, and Pensions of the Senate
7 a report that—

8 “(1) identifies the number of experts and con-
9 sultants, including any special consultants, whose
10 services are obtained by the National Institutes of
11 Health or its agencies;

12 “(2) specifies whether such services were ob-
13 tained under section 207(f), section 402(d), or other
14 authority;

15 “(3) describes the qualifications of such experts
16 and consultants;

17 “(4) describes the need for hiring such experts
18 and consultants; and

19 “(5) if such experts and consultants make fi-
20 nancial disclosures to the National Institutes of
21 Health or any of its agencies, specifies the income,
22 gifts, assets, and liabilities so disclosed.

23 “(c) FIRST REPORT.—The first report under sub-
24 sections (a) and (b) shall be submitted not later than 1

1 year after the date of the enactment of the National Insti-
2 tutes of Health Reform Act of 2006.”.

3 (b) STRIKING OF OTHER REPORTING REQUIRE-
4 MENTS FOR NIH.—

5 (1) PUBLIC HEALTH SERVICE ACT; TITLE IV.—

6 Title IV of the Public Health Service Act, as amend-
7 ed by section 4(b) of this Act, is amended—

8 (A) in section 404E(b)—

9 (i) by amending paragraph (3) to read
10 as follows:

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

16 (ii) by striking subsection (f) and re-
17 designating subsection (g) as subsection
18 (f);

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

21 (C) by striking section 407;

22 (D) in section 409C(b), by striking para-
23 graph (4) and redesignating paragraphs (5) and
24 (6) as paragraphs (4) and (5), respectively;

1 (E) in section 409E, by striking subsection
2 (d);
3 (F) in section 417C, by striking subsection
4 (f);
5 (G) in section 424B(a)—
6 (i) in paragraph (1), by adding “and”
7 after the semicolon at the end;
8 (ii) in paragraph (2), by striking “;
9 and” and inserting a period; and
10 (iii) by striking paragraph (3);
11 (H) in section 429, by striking subsections
12 (c) and (d);
13 (I) in section 442, by striking subsection
14 (j) and redesignating subsection (k) as sub-
15 section (j);
16 (J) in section 464D, by striking subsection
17 (j);
18 (K) in section 464E, by striking subsection
19 (e);
20 (L) in section 464T, by striking subsection
21 (e);
22 (M) in section 481A, by striking subsection
23 (h);
24 (N) in section 485E, by striking subsection
25 (k);

1 (O) in section 485H—

2 (i) by striking “(a)” and all that fol-
3 lows through “The Secretary,” and insert-
4 ing “The Secretary,”; and

5 (ii) by striking subsection (b); and

6 (P) in section 494—

7 (i) by striking “(a) If the Secretary”
8 and inserting “If the Secretary”; and

9 (ii) by striking subsection (b).

10 (2) PUBLIC HEALTH SERVICE ACT; OTHER PRO-
11 VISIONS.—The Public Health Service Act (42 U.S.C.
12 201 et seq.) is amended—

13 (A) in section 399E, by striking subsection
14 (e);

15 (B) in section 1122—

16 (i) by striking “(a) From the sums”
17 and inserting “From the sums”; and

18 (ii) by striking subsections (b) and
19 (c);

20 (C) by striking section 2301;

21 (D) in section 2354, by striking subsection
22 (b) and redesignating subsection (c) as sub-
23 section (b);

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

(F) in section 2359(b)—

(i) by striking paragraph (2);

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

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

(iv) by moving each of paragraphs (1) through (3) (as so redesignated) 2 ems to the left.

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

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

(i) in subsection (a)—

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

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

1 (III) by striking paragraph (4);

2 and

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

5 (B) Title III of Public Law 101–557 (42
6 U.S.C. 242q et seq.) is amended by striking
7 section 304 and redesignating section 305 and
8 306 as sections 304 and 305, respectively.

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

11 (D) Public Law 106–310 is amended by
12 striking section 105.

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

15 (F) Section 3633 of Public Law 106–310
16 (as amended by section 2502 of Public Law
17 107–273) is repealed.

18 (G) Public Law 106–525 is amended by
19 striking section 105.

20 (H) Public Law 107–84 is amended by
21 striking section 6.

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

1 **SEC. 6. CERTAIN DEMONSTRATION PROJECTS.**

2 (a) BRIDGING THE SCIENCES.—

3 (1) IN GENERAL.—From amounts to be appro-
4 priated under section 402A(b) of the Public Health
5 Service Act, the Secretary of Health and Human
6 Services, acting through the Director of NIH, (in
7 this subsection referred to as the “Secretary”) in
8 consultation with the Director of the National
9 Science Foundation, the Secretary of Energy, and
10 other agency heads when necessary, may allocate
11 funds for the national research institutes and na-
12 tional centers to make grants for the purpose of im-
13 proving the public health through demonstration
14 projects for biomedical research at the interface be-
15 tween the biological, behavioral, and social sciences
16 and the physical, chemical, mathematical, and com-
17 putational sciences.

18 (2) GOALS, PRIORITIES, AND METHODS; INTER-
19 AGENCY COLLABORATION.—The Secretary 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 Secretary 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 timeframes.

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(b) 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. The head of a national research institute
4 or national center may conduct or support such
5 high-impact, cutting-edge research (with funds allo-
6 cated under the preceding sentence or otherwise
7 available for such purpose) if the institute or center
8 gives notice to the Director of NIH beforehand and
9 submits a report to the Director of NIH on an an-
10 nual basis on the activities of the institute or center
11 relating to such research.

12 (2) SPECIAL CONSIDERATION.—In carrying out
13 the program under paragraph (1), the Director of
14 NIH shall give special consideration to coordinating
15 activities with national research institutes whose
16 budgets are substantial relative to a majority of the
17 other institutes.

18 (3) ADMINISTRATION OF PROGRAM.—Activities
19 relating to research described in paragraph (1) shall
20 be designed by the Director of NIH or the head of
21 a national research institute or national center, as
22 applicable, to enable such research to be carried out
23 with maximum flexibility and speed.

24 (4) PUBLIC-PRIVATE PARTNERSHIPS.—In pro-
25 viding for research described in paragraph (1), the

1 Director of NIH or the head of a national research
2 institute or national center, as applicable, shall seek
3 to facilitate partnerships between public and private
4 entities and shall coordinate with the Foundation for
5 the National Institutes of Health.

6 (5) PEER REVIEW.—A grant for research de-
7 scribed in paragraph (1) may be made only if the
8 application for the grant has undergone technical
9 and scientific peer review under section 492 of the
10 Public Health Service Act (42 U.S.C. 289a) and has
11 been reviewed by the advisory council under section
12 402(k) of such Act (as added by section 3(c) of this
13 Act).

14 (c) REPORT TO CONGRESS.—Not later than the end
15 of fiscal year 2009, the Director of NIH shall conduct an
16 evaluation of the activities under this section and submit
17 a report to the Congress on the results of such evaluation.

18 (d) DEFINITIONS.—For purposes of this section, the
19 terms “Director of NIH”, “national research institute”,
20 and “national center” have the meanings given such term
21 in section 401 of the Public Health Service Act.

22 **SEC. 7. FOUNDATION FOR THE NATIONAL INSTITUTES OF**
23 **HEALTH.**

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

1 (1) in subsection (d)—

2 (A) in paragraph (1)—

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

4 to read as follows:

5 “(ii) Upon the appointment of the ap-
6 pointed members of the Board under
7 clause (i)(II), the terms of service as mem-
8 bers of the Board of the ex officio mem-
9 bers of the Board described in clauses (i)
10 and (ii) of subparagraph (B) shall termi-
11 nate. The ex officio members of the Board
12 described in clauses (iii) and (iv) of sub-
13 paragraph (B) shall continue to serve as ex
14 officio members of the Board.”; and

15 (iii) in subparagraph (G), by inserting
16 “appointed” after “that the number of”;

17 (B) by amending paragraph (3)(B) to read
18 as follows:

19 “(B) Any vacancy in the membership of
20 the appointed members of the Board shall be
21 filled in accordance with the bylaws of the
22 Foundation established in accordance with
23 paragraph (6), and shall not affect the power of
24 the remaining appointed members to execute
25 the duties of the Board.”; and

1 (C) in paragraph (5), by inserting “ap-
2 pointed” after “majority of the”;

3 (2) in subsection (j)—

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

6 (B) in paragraph (4)—

7 (i) in subparagraph (A), by inserting
8 “, including an accounting of the use of
9 amounts transferred under subsection (l)”
10 before the period at the end; and

11 (ii) by striking subparagraph (C) and
12 inserting the following:

13 “(C) The Foundation shall make copies of
14 each report submitted under subparagraph (A)
15 available—

16 “(i) for public inspection, and shall
17 upon request provide a copy of the report
18 to any individual for a charge that shall
19 not exceed the cost of providing the copy;
20 and

21 “(ii) to the appropriate committees of
22 Congress.”; and

23 (C) in paragraph (10), by striking “of
24 Health.” and inserting “of Health and the Na-

1 tional Institutes of Health may accept transfers
2 of funds from the Foundation.”; and

3 (3) by striking subsection (l) and inserting the
4 following:

5 “(l) FUNDING.—From amounts appropriated to the
6 National Institutes of Health, for each fiscal year, the Di-
7 rector of NIH shall transfer not less than \$500,000 and
8 not more than \$1,250,000 to the Foundation.”.

9 **SEC. 8. APPLICABILITY.**

10 This Act and the amendments made by this Act apply
11 only with respect to amounts appropriated for fiscal year
12 2007 or subsequent fiscal years.

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