109TH CONGRESS
1ST 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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “[____ Act of 2005]”.

(b) Table of Contents.—The table of contents for 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. 2. ORGANIZATION OF NATIONAL INSTITUTES OF HEALTH.

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

"SEC. 401. ORGANIZATION OF NATIONAL INSTITUTES OF HEALTH.

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

"(b) NATIONAL RESEARCH INSTITUTES WITH MISSION-SPECIFIC RESPONSIBILITIES.—The following agencies of the National Institutes of Health are national research institutes with mission-specific responsibilities:

"(1) The National Cancer Institute.

"(2) The National Heart, Lung, and Blood Institute.


"(4) The National Institute of Arthritis and Musculoskeletal and Skin Diseases.


"(6) The National Institute of Allergy and Infectious Diseases.

"(7) The National Institute of Child Health and Human Development."
“(8) The National Institute of Dental and Craniofacial Research.  
“(9) The National Eye Institute.  
“(10) The National Institute of Neurological Disorders and Stroke.  
“(11) The National Institute of Environmental Health Sciences.  
“(12) The National Institute on Deafness and Other Communication Disorders.  
“(13) The National Institute on Alcohol Abuse and Alcoholism.  
“(14) The National Institute on Drug Abuse.  
“(15) The National Institute of Mental Health.  
“(c) NATIONAL RESEARCH INSTITUTES AND CENTERS WITH SCIENCE-ENABLING RESPONSIBILITIES.—The following agencies of the National Institutes of Health are national research institutes or national centers with science-enabling responsibilities:  
“(1) The National Institute of General Medical Sciences.  
“(2) The National Institute of Nursing Research.  
“(3) The National Institute of Biomedical Imaging and Bioengineering.
“(4) The National Human Genome Research Institute.


“(6) The National Center for Research Resources.

“(7) The John E. Fogarty International Center for Advanced Study in the Health Sciences.

“(8) The National Center of Complementary and Alternative Medicine.

“(9) The National Center for Minority Health and Health Disparities.

“(d) DIVISION OF PROGRAM COORDINATION, PLANNING, AND STRATEGIC INITIATIVES.—Within the Office of the Director of the National Institutes of Health, there shall be a Division of Program Coordination, Planning, and Strategic Initiatives. The following offices are within such Division: The Office of AIDS Research, the Office of Research on Women’s Health, the Office for Behavioral and Social Sciences Research, the Office of Disease Prevention, the Office of Dietary Supplements, the Office of Rare Diseases, and any other office established within the Office of the Director as of the day before the date of the enactment of the [______ Act of 2005].

“(e) ORGANIZATION.—
“(1) NUMBER OF INSTITUTES AND CENTERS.—

In the National Institutes of Health, the number of national research institutes with mission-specific responsibilities may not exceed 15, and the number of national research institutes and national centers with science-enabling responsibilities may not exceed a total of 9, including any such institutes or centers established under authority of paragraph (2) or under authority of this section as in effect on the day before the date of the enactment of the [______ Act of 2005].

“(2) REORGANIZATION OF INSTITUTES AND CENTERS.—

“(A) IN GENERAL.—Notwithstanding subsections (b) and (c), and subject to paragraph (1), the Director of NIH may, with the approval of the Secretary, reorganize the national research institutes and the national centers, including the addition, removal, or transfer of functions of such institutes and centers, and the establishment or termination of such institutes and centers, if the Director determines that the overall management and operation of programs and activities conducted or supported by the National Institutes of Health would be
more efficiently carried out under such a reorganization.

“(B) ADMINISTRATIVE UNIT.—For purposes of paragraph (1), an administrative unit within the National Institutes of Health that is established under authority of subparagraph (A) shall be considered a national research institute or a national center, without regard to whether the administrative unit is designated by the Director of NIH as such an institute or center, if the unit has mission-specific responsibilities or science-enabling responsibilities and the unit is not established within the Office of such Director.

“(C) DESIGNATION.—In establishing [an agency] under subparagraph (A), the Director of NIH shall designate the [agency] as a national research institute with mission-specific responsibilities, or as a national research institute or national center with science-enabling responsibilities.

“(D) PUBLIC PROCESS.—Any reorganization under subparagraph (A) shall be carried out by regulation in accordance with the proce-
dures for substantive rules under section 553 of

(E) NOTICE TO CONGRESS; EFFECTIVE

date.—A reorganization under subparagraph
(A) may not take effect before the expiration of
90 days after the Secretary submits to the
Committee on Energy and Commerce in the
House of Representatives and the Committee
on Health, Education, Labor, and Pensions in
the Senate written notice of the reorganization.

(3) REORGANIZATION OF OFFICE OF DIRECTOR.—Notwithstanding subsection (d), the Director
of NIH may, with the approval of the Secretary, re-
organize the offices within the Office of the Director,
including the addition, removal, or transfer of func-
tions of such offices, and the establishment or termi-
nation of such offices, if the Director determines
that the overall management and operation of pro-
grams and activities conducted or supported by such
offices would be more efficiently carried out under
such a reorganization.

(4) INTERNAL REORGANIZATION OF INSTITUTES AND CENTERS.—The director of a national
research institute or a national center may, with the
approval of the Director of NIH, reorganize the divi-
sions, centers, or other administrative units within such institute or center if the director of such institute or center determines that the overall management and operation of programs and activities conducted or supported by such divisions, centers, or other units would be more efficiently carried out under such a reorganization.

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

“(1) The term ‘Director of NIH’ means the Director of the National Institutes of Health.

“(2) The term ‘mission-specific responsibilities’, with respect to a national research institute, means responsibilities that—

“(A) are for research, [training, health information dissemination, and other programs] with respect to the cause, diagnosis, prevention, treatment, and control of particular diseases, disorders, or other adverse health conditions; and

“(B) are established in this title for the institute.

“(3) The terms ‘national research institute’ and ‘national center’ mean a national research institute and a national center, respectively, of the National Institutes of Health that are—
“(A) listed in subsection (b) or (c); or

“(B) designated by the Director of NIH as such an institute or center under a reorganization under subsection (e)(2)(A).

“(4) The term ‘science-enabling responsibilities’, with respect to a national research institute or a national center, means responsibilities that—

“(A) concern technologies, techniques, methodologies, or other means that assist in treating, diagnosing, or preventing diseases, disorders, or other adverse health conditions, or that assist in conducting research on such matters, but are not primarily concerned with particular diseases, disorders, or other adverse health conditions; and

“(B) are established in this title for the institute or center.

“(g) REFERENCES TO NIH.—For purposes of this title, a reference to the National Institutes of Health includes its agencies.”.

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

(1) by redesignating subpart 3 of part E as subpart 19;
(2) by transferring subpart 19, as so redesignated, to part C of such title IV;

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

(4) in subpart 19, as so redesignated—

(A) by redesignating section 485B as section 464z–1;

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

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

SEC. 3. AUTHORITY OF DIRECTOR OF NIH.

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

(1) by redesignating paragraph (14) as paragraph (20);

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

(3) by redesignating paragraphs (4) through (11) as paragraphs (11) through (19);

(4) in paragraph (19) (as so redesignated), by inserting “and” after the semicolon at the end;
(5) in the matter after and below paragraph (20) (as so redesignated), by striking “paragraph (6)” and inserting “paragraph (14)”; and

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

“(1) shall be responsible for the overall direction of the National Institutes of Health and for the establishment and implementation of general policies respecting the management and operation of programs and activities within the National Institutes of Health;

“(2) shall coordinate and oversee the operation of the national research institutes and administrative entities within the National Institutes of Health;

“(3) shall be responsible for program coordination, including conducting priority setting reviews, to ensure that the research portfolio of the National Institutes of Health is balanced and free of unnecessary, duplicative research;

“(4) shall assemble accurate data to be used to assess research priorities;

“(5) shall be responsible for strategic planning and priority setting of all research activities conducted or supported by the National Institutes of Health;
“(6) shall ensure that the resources of the National Institutes of Health are sufficiently allocated for research projects identified in strategic plans;

“(7)(A) shall, through the Division of Program Coordination, Planning, and Strategic Initiatives, identify research that is important for the advancement of biomedical science and involves the responsibilities of more than one national research institute or national center;

“(B) may through such Division allocate funds to the national research institutes and national centers for conducting and supporting research that is identified under subparagraph (A);

“(C) may authorize the Division to conduct and support research; and

“(D) may assign additional functions to the Division, as determined appropriate by the Director;”

“(8) shall ensure that research conducted or supported by the National Institutes of Health is subject to review in accordance with section 492, and that, after such review, the research is reviewed in accordance with section 492A(a)(2) by the appropriate advisory council under section 406 before the research proposals are approved for funding;
“(9) shall approve the establishment of all centers of excellence recommended by the national research institutes;

“(10) shall oversee research training for all of the national research institutes and National Research Service Awards in accordance with section 487;

“(11) [may reserve funds] to provide for research on matters that have not received significant funding relative to other matters, to respond to new issues and scientific emergencies, and to act on research opportunities of high priority;”.

(b) CERTAIN AUTHORITIES.—Section 402 of the Public Health Service Act (42 U.S.C. 282) is amended by striking subsections (i) and (l).

(e) CERTAIN EMPLOYMENT AUTHORITIES.—Section 402 of the Public Health Service Act, as amended by subsection (b) of this section, is amended—

(1) by redesignating subsections (d) through (h) as subsections (e) through (i), respectively; and

(2) by inserting after subsection (e) the following subsection:

“(d) [Officers and employees may, under sections 5376 and 5377 of title 5, United States Code, be appointed under this title to manage, supervise, assist, and
advise in the operations of the National Institutes of Health.

(d) ADVISORY COUNCIL FOR DIRECTOR OF NIH.—Section 402 of the Public Health Service Act, as amended by subsection (b) of this section, is amended by adding after subsection (k) the following subsection:

“(l) The Director of NIH shall appoint an advisory council within the Office of the Director for the purpose of advising the Director on matters related to the policies and activities of the Division of Program Coordination, Planning, and Strategic Initiatives, including making recommendations with respect to the conduct and support of research under subsection (a)(7).”.

(e) REVIEW BY ADVISORY COUNCILS OF RESEARCH PROPOSALS.—Section 492A(a)(2) of the Public Health Service Act (42 U.S.C. 289a–1(a)(2)) is amended by inserting before the period the following: “, and unless a majority of the voting members of the appropriate advisory council under section 406, and as applicable, of the advisory council under section 402(l), has recommended the proposal for approval”.

(f) CONFORMING AMENDMENT.—Section 402(a) of the Public Health Service Act (42 U.S.C. 282(a)) is amended in the matter preceding paragraph (1) by striking “Director of the National Institutes of Health” and
all that follows through “who shall” and inserting “Director of NIH who shall”.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

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

“SEC. 402A. AUTHORIZATION OF APPROPRIATIONS.

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


“(b) TRANSFER OF FUNDS.—With respect to the amount made available to an agency of the National Insti-
tutes of Health pursuant to [paragraph (3) or (4) of] subsection (a) for a fiscal year, the following applies:

“(1) The Director of NIH may transfer a portion of such amount to another agency of the National Institutes of Health for the purpose of implementing the research identified pursuant to section 402(b)(7) by the Division of Program Coordination, Planning, and Strategic Initiatives, except that the total of the amounts transferred [from the agencies pursuant to this paragraph for a fiscal year may not exceed [____ percent] of the total amount appropriated pursuant to [paragraphs (3) and (4) of] subsection (a) for such fiscal year.

“(2) In addition to transfers under paragraph (1), the Director of NIH may transfer up to [____ percent] of the amount made available to an agency of the National Institutes of Health pursuant to subsection (a) for a fiscal year to another agency of the National Institutes of Health for purposes authorized by this title.

“(3) [Under paragraphs (1) and (2), the Director of NIH may not reduce the total amount that would otherwise be made available to an agency of the National Institutes of Health for a fiscal year by more than ____ percent.]
(4) The transfer of funds by the Director of NIH under this subsection is subject to the approval of the advisory council under section 402(l).

(b) Elimination of Authorizations of Appropriations.—Title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended—

(1) in section 402(i)—

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

(B) by striking paragraph (3);

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

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

(4) by striking subsection (e) of section 404B;

(5) by striking subsection (h) of section 404E;

(6) by striking subsection (d) of section 404F;

(7) by striking subsection (e) of section 404G;

(8) by striking subsection (d) of section 409A;

(9) in section 409B—

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

(B) by striking subsection (e);

(10) by striking subsection (e) of section 409C;

(11) in section 409D—
(A) by striking subsection (d); and

(B) by redesignating subsection (f) as subsection (d);

(12) by striking subsection (e) of section 409E;

(13) by striking subsection (e) of section 409F;

(14) in section 409H, by striking—

(A) paragraph (3) of subsection (a);

(B) paragraph (3) of subsection (b);

(C) paragraph (5) of subsection (e); and

(D) paragraph (4) of subsection (d);

(15) by striking subsection (d) of section 409I;

(16) by striking section 417B;

(17) by striking subsection (g) of section 417C;

(18) in section 417D, by striking—

(A) paragraph (3) of subsection (a); and

(B) paragraph (3) of subsection (b);

(19) by striking subsection (d) of section 424A;

(20) by striking subsection (e) of section 424B;

(21) by striking section 425;

(22) by striking subsection (d) of section 434A;

(23) by striking subsection (d) of section 441A;

(24) by striking subsection (e) of section 442A;

(25) in section 445H—

(A) by striking subsection (b); and

(B) in subsection (a), by striking “(a)”;
(26) by striking section 445J;

(27) in section 447A—

(A) by striking subsection (b); and

(B) in subsection (a), by striking ‘‘(a)’’;

(28) by striking subsection (d) of section 447B;

(29) by striking subsection (g) in section 452A;

(30) by striking paragraph (7) in section 452E(b);

(31) in section 452G—

(A) by striking subsection (b); and

(B) in subsection (a), by striking ‘‘(a) ENHANCED SUPPORT.—’’;

(32) by striking subsection (d) of section 464H;

(33) by striking subsection (d) of section 464L;

(34) by striking paragraph (4) of section 464N(e);

(35) by striking subsection (e) of section 464P;

(36) by striking subsection (f) of section 464R;

(37) by striking subsection (d) of section 464z;

(38) in section 467—

(A) by striking the first sentence; and

(B) by striking ‘‘for such buildings and fac-

(A) by striking the first sentence; and

(B) by striking ‘‘for such buildings and fa-

ilities”’ and inserting ‘‘for suitable and ade-

quate buildings and facilities for use of the Li-

A) by striking the first sentence; and

B) by striking ‘‘for such buildings and fa-

ilities” and inserting ‘‘for suitable and ade-

quate buildings and facilities for use of the Li-

brary”; and
(C) by striking “The amounts authorized
to be appropriated by this section include” and
inserting “Amounts appropriated to carry out
this section may be used for”;
(39) by striking section 468;
(40) in section 481A—
    (A) in the matter preceding subparagraph
    (A) of subsection (c)(2)—
        (i) by striking the term “under sub-
section (i)(1)” and inserting “to carry out
this section”; and
        (ii) by striking “under such sub-
section” and inserting “to carry out this
section”; and
    (B) by striking subsection (i);
(41) in subsection (a) of section 481B, by strik-
ing “under section 481A(h)” and inserting “to carry
out section 481A”;
(42) by striking subsection (c) in section 481C;
(43) by striking subsection (e) in section 485C;
(44) by striking subsection (l) in section 485E;
(45) by striking subsection (h) in section 485F;
(46) by striking subsection (e) in section 485G;
(47) by striking subsection (d) of section 487;
(48) by striking subsection (c) of section 487A;
(49) by striking subsection (c) in the section 487F (relating to a loan repayment program regarding clinical researchers); and

(50) by striking subsection (l) of section 499.

SEC. 5. REPORTS.

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

“SEC. 402B. ELECTRONIC CODING OF GRANTS AND ACTIVITIES.

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

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

“(a) IN GENERAL.—The Director of NIH shall biennially submit to the Congress a report in accordance with this section. The first report shall be submitted not later
than [____ days] after the date of the enactment of the [____ Act of 2005]. Each such report shall include the following information:

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

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

“(3) Classification and justification for the priorities established by the agencies, including a strategic plan and recommendations for future research initiatives to be carried out under section 402(b)(7) through the Division of Program Coordination, Planning, and Strategic Initiatives.

“(4) A catalogue of all the research activities of the agencies, prepared in accordance with the following:

“(A) The catalogue shall, for each such activity—

“(i) identify the agency or agencies involved; and

“(ii) state whether the activity was carried out directly by the agencies or was supported by the agencies.
“(B) Research activities listed in the catalogue shall include the following:

“(i) Epidemiological studies and longitudinal studies.

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

“(iii) Public education and information campaigns.

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

“(5) A summary of the research activities throughout the agencies, which summary shall be organized by the following categories:

“(A) Cancer.

“(B) Neurosciences.

“(C) Life stages and human development.

“(D) Organ systems and autoimmune diseases.

“(E) Genomics.

“(F) Molecular biology and basic science.

“(G) Technology development.

“(H) [Such additional categories as the Director determines to be appropriate.]

“(b) REQUIREMENT REGARDING MISSION-SPECIFIC RESEARCH ACTIVITIES.—In a report under subsection
(a), the Director of NIH, when reporting on mission-specific research activities, shall—

“(1) present information in a standardized format;

“(2) identify the actual dollar amounts [obligated] for such activities; and

“(3) [include plans for research on specific diseases, disorders, and other adverse health conditions, including statements of objectives regarding the research, the means for achieving the objectives, a date by which the objectives are expected to be achieved, and justifications for revisions to the plans.]

“(c) ADDITIONAL REPORTS.—In addition to reports under subsection (a), the Director of NIH may submit to the Congress such reports as the Director determines to be appropriate.”.

(b) STRIKING OF OTHER REPORTING REQUIREMENTS FOR NIH.—

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

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

(A) in section 404E(b)—

(i) [by amending paragraph (3) to read as follows]:
“(3) COORDINATION OF CENTERS.—The Director of NIH shall, as appropriate, provide for the coordination of information among centers under paragraph (1) and ensure regular communication between such centers.”;

(ii) by striking subsection (f) and redesignating subsection (g) as subsection (f);

(B) in section 404F(b)(1), by striking subparagraphs (F) and (G);

(C) by striking section 407;

(D) in section 409C(b), by striking paragraph (4) and redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively;

(E) in section 409D(c)(3), by striking “funds and annually report” and all that follows and inserting “funds.”;

(F) in section 409E, by striking subsection (d);

(G) in section 415(b), by striking [the last sentence];

(H) in section 417C, by striking subsection (f);

(I) in section 424B(a)—
(i) in paragraph (1), by adding “and” after the semicolon at the end;

(ii) in paragraph (2), by striking “; and” and inserting a period; and

(iii) by striking paragraph (3);

(J) in section 429, by striking subsections (e) [and (d)];

(K) in section 442, by striking subsection (j) and redesignating subsection (k) as subsection (j);

(L) in section 464D, by striking subsections (j) [and (k)];

(M) in section 464E, by striking subsection (e);

(N) in section 464T, by striking subsection (e);

(O) in section 481A, by striking subsection (h);

(P) in section 485E, by striking subsection (k);

(Q) in section 485H—

(i) by striking “(a)” and all that follows through “The Secretary,” and inserting “The Secretary,”; and

(ii) by striking subsection (b);
27

(R) in section 494—

(i) by striking “(a) If the Secretary”

and inserting “If the Secretary”; and

(ii) by striking subsection (b); and

(S) in section 498A, by striking subsection

(f) and redesignating subsection (g) as sub-

section (f).

(2) **Public Health Service Act; Other Pro-
visions.**—The Public Health Service Act (42 U.S.C.

201 et seq.) is amended—

(A) in section 399E, by striking subsection

(e);

(B) in section 1122—

(i) by striking “(a) From the sums”

and inserting “From the sums”; and

(ii) by striking subsections (b) and

(e);

(C) by striking section 2301;

(D) in section 2354, by striking subsection

(b) and redesignating subsection (c) as sub-

section (b);

(E) [in section 2356, by striking sub-
section (e) and redesignating subsections (f)

and (g) as subsections (e) and (f), respectively;
(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) two ems to the left.

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

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

(B) Public Law 106–310 is amended by striking section 105.

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

(D) [Public Law 106–525 is amended by striking section 105.]

(E) Public Law 107–84 is amended by striking section 6.
SEC. 6. CERTAIN DEMONSTRATION PROJECTS.

(a) BRIDGING THE SCIENCES.—

(1) IN GENERAL.—The Director of the National Institutes of Health (referred to in this section as the “Director”), in consultation with the Director of the National Science Foundation and the Secretary of Energy, may award grants for demonstration projects for research at the interface between the biological sciences and the physical, chemical, mathematical, and computational sciences.

(2) GOALS, PRIORITIES, AND METHODS; INTERAGENCY COLLABORATION.—[The Director shall establish goals, priorities, and methods of evaluation for research under paragraph (1), and shall provide for interagency collaboration with respect to such research.]

(3) PEER REVIEW.—[A grant may be made under paragraph (1) only if the application for the grant has undergone technical and scientific peer review under section 492 of the Public Health Service Act (42 U.S.C. 289a) and has been reviewed by the advisory council under section 402(l) of such Act, as added by section 3 of this Act.]

(4) DURATION.—The period during which payments are made under a grant under paragraph (1) may not exceed 18 months.
(5) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subsection, there are authorized to be appropriated [__$_____] for each of the fiscal years 2006 through 2009.

(b) HIGH-RISK, HIGH REWARD RESEARCH.—

(1) IN GENERAL.—The Director may award grants or contracts [or engage in other transactions] for demonstration projects for high-impact, cutting-edge research that fosters scientific creativity and increases fundamental biological understanding leading to the prevention, diagnosis, and treatment of diseases and disorders.

(2) ADMINISTRATION OF PROGRAM.—The program under paragraph (1) shall be designed to enable the Director to undertake research projects with maximum flexibility and speed.

(3) PUBLIC-PRIVATE PARTNERSHIPS.—In providing for research under paragraph (1), the Director shall seek to facilitate partnerships between public and private entities.

(4) PEER REVIEW.—[A grant may be made under paragraph (1) only if the application for the grant has undergone technical and scientific peer review under section 492 of the Public Health Service Act (42 U.S.C. 289a) and has been reviewed by the
31 advisory council under section 402(l) of such Act, as
added by section 3 of this Act.]

(5) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subsection, there
are authorized to be appropriated [$_$] for each of the fiscal years 2006 through 2009.

SEC. 7. FOUNDATION FOR THE NATIONAL INSTITUTES OF HEALTH.

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

(1) in subsection (d)—

(A) in paragraph (1)—

(i) by amending subparagraph (D)(ii) to read as follows:

“(ii) Upon the appointment of the appointed members of the Board under clause (i)(II), the terms of service as members of the Board of the ex officio members of the Board described in clauses (i) and (ii) of subparagraph (B) shall terminate. The ex officio members of the Board described in clauses (iii) and (iv) of subparagraph (B) shall continue to serve as ex officio members of the Board.”; and

(ii) in subparagraph (G), by inserting

“appointed” after “that the number of”;
(B) by amending paragraph (3)(B) to read as follows:

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

(C) in paragraph (5), by inserting “appointed” after “majority of the”;

(2) in subsection (j)—

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

(B) in paragraph (4)—

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

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

“(C) The Foundation shall make copies of each report submitted under subparagraph (A) available—
“(i) for public inspection, and shall upon request provide a copy of the report to any individual for a charge that shall not exceed the cost of providing the copy; and

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

(C) in paragraph (10), by striking “of Health.” and inserting “of Health and the National Institutes of Health may accept transfers of funds from the Foundation.”; and

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

“(l) FUNDING.—From amounts appropriated to the National Institutes of Health, for each fiscal year, the Director of NIH shall transfer not less than [$500,000 and not more than $1,250,000] to the Foundation.”.

SEC. 8. APPLICABILITY.

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