

Department of Legislative Services
 Maryland General Assembly
 2008 Session

FISCAL AND POLICY NOTE

House Bill 57 (Delegate Montgomery)
 Health and Government Operations

**Pediatric Cancer Molecular Database Research Grant - Candlelighters
 Childhood Cancer Foundation Matching Fund**

This bill requires the Governor to include \$200,000 in the fiscal 2010 budget bill for a Pediatric Cancer Molecular Database Research Grant. The Department of Health and Mental Hygiene (DHMH) is authorized to distribute the grant to the Candlelighters Childhood Cancer Foundation for the development of the cancer database specified in the bill.

Fiscal Summary

State Effect: DHMH general fund expenditures could increase by \$233,200 in FY 2010 to reflect the grant awarded to the Candlelighters Childhood Cancer Foundation, and for contractual services involved in the grant’s review and oversight. This bill establishes a mandated appropriation for FY 2010 only.

(in dollars)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	233,200	0	0	0
Net Effect	\$0	(\$233,200)	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The grant must be used to establish an integrated comprehensive database that would contain genetic tumor information for comparative analysis. In order to receive the grant, the foundation must submit a Pediatric Cancer Molecular Database Research Plan to DHMH that includes, among other things, certification that the research activities included in the grant have been endorsed by a peer review group comprised of experts in the field.

In addition, the foundation must enter into a memorandum of understanding with DHMH, the Department of Business and Economic Development, and the Maryland Technology Development Corporation that:

- establishes the scope of the State's ownership or other financial interest in the commercialization and other benefits of the results, products, inventions, and discoveries of pediatric cancer molecular research activities funded by the grant;
- establishes a plan for expediting the translation of pediatric cancer molecular database research activities into treatment protocols and clinical trials; and
- to the extent consistent with federal and State law, reflects the intellectual property policies of the foundation.

The grant may be distributed *only* if DHMH first determines that • the grant will be used to fund pediatric cancer molecular database research activities that relate to the establishment of a pediatric cancer molecular database; • the foundation has executed the required memorandum of understanding; and • the foundation satisfies any other requirement established by DHMH as a condition of receiving the grant.

The foundation must provide a matching fund of \$100,000, which may not be directly or indirectly provided by the State and may not consist of funds expended prior to the effective date of the bill. The foundation has to present satisfactory evidence to the Board of Public Works that the matching fund will be provided by December 1, 2008.

Current Law: Chapter 17 of 2000 established a Statewide Academic Health Center Cancer Research Grant. DHMH may distribute the grant to the University of Maryland Medical Group and the Johns Hopkins Institutions for the purpose of enhancing cancer research activities. An institution must submit a specific plan and meet certain requirements to receive a grant. Beginning in fiscal 2007, the Governor must include at least \$10,400,000 in the annual budget for the grants.

Background: According to the Centers for Disease Control and Prevention, cancer is the fourth leading cause of death among persons aged 1 through 19, with a total of 2,223

childhood cancer deaths occurring nationally in 2004. Leukemias were the most common, followed by brain and other nervous system neoplasms.

The Candlelighters Childhood Cancer Foundation is a national 501(c)(3) nonprofit organization founded in 1970 by parents of children with cancer. The foundation's mission is to "provide information and awareness for children and adolescents with cancer and their families, to advocate for their needs, and to support research so every child survives and leads a long healthy life."

State Expenditures: State general expenditures would increase by \$200,000 in fiscal 2010 due to the grant award defined in the bill. Further, DHMH advises that it does not have the expertise necessary to review and oversee a grant that involves a molecular research database. DHMH indicates that it would need to contract out the grant review and oversight to a subject matter expert at a local research institution. The expert would ensure • that the database plan is consistent with current scientific practices; • the integrity of the peer review group; and • whether the grantee has fulfilled the terms of the grant. It is estimated that a part-time contract would total \$33,150 in fiscal 2010.

Additional Comments: The foundation advises that it does not have the expertise to set up the database described in the bill. Therefore, it plans to contract out the database establishment to an institution of higher education. In addition, the foundation advises that it will collaborate with the National Cancer Institute (NCI) to establish the database, and that NCI will sustain the database as part of its ongoing cancer research program.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Health and Mental Hygiene, Centers for Disease Control and Prevention, Candlelighters Childhood Cancer Foundation, Department of Legislative Services

Fiscal Note History: First Reader - January 21, 2008
ncs/ljm

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