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MEMORANDUM

To: Sen. McGinn and members of the Senate Ways and Means Committee
From: Zach Fridell, Assistant Revisor of Statutes
Date: Jan. 30, 2020
Subject: SB 255 – Appropriations to the University of Kansas Medical Center;
creating the Cancer Research and Public Information Trust Fund.

This bill would create a demand transfer of \$10 million each year from the state general fund to a newly created Cancer Research and Public Information Trust Fund at the University of Kansas Medical Center. The money would be required to be "used to enhance research at the University of Kansas Cancer Center in the areas of laboratory, clinical and population-based research; and to recruit and retain cancer researchers and clinicians to conduct cancer research, education and outreach programs for Kansans." It would also require the director of the University of Kansas Cancer Center to annually submit a report detailing how the moneys are used to enhance cancer research, cancer education and outreach programs.

Beginning in 2006 for fiscal year 2007 and continuing through the most recent budget bill, 2019 Senate Bill 25, the Legislature has appropriated, through appropriations bills, approximately \$5 million per year for the University of Kansas Medical Center's cancer research and/or cancer center. The amount has fluctuated from an initial \$5 million to about \$4.6 million in 2009, \$4.9 million in 2010, back to \$5 million, and in the past several years it has been at about \$4.9 million. In SB 25, \$4.96 million was appropriated for the fiscal year ending June 30, 2020. It also requires a \$1 to \$1 match from other moneys of the medical center.

The differences between this bill and prior appropriations include: The amount would be \$10 million instead of \$5 million; the transfer would be by statute instead of through an appropriation bill, meaning it would happen automatically unless it was suspended, repealed or amended; the reporting requirements would change from a focus on jobs created to a focus on the cancer research, education and outreach completed; there is no dollar-match required; and the

money would go into the newly created fund with all expenses approved by the director of the University of Kansas Cancer Center or the director's designee.

The demand transfer in SB 255 would begin in fiscal year 2021. While no money is appropriated for the cancer center for fiscal year 2021 yet, it is recommended in the governor's budget proposal. If this bill passed, and it was the desire of the legislature that this transfer replace the appropriation, it would require removing that line item appropriating the funds from the budget bill and including the cancer research and public information trust fund as a "no limit" fund.

For your reference, this is the appropriation language from 2019 SB 25:

Sec. 107.

UNIVERSITY OF KANSAS MEDICAL CENTER

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2020, the following:

[...]

Cancer center research (683-00-1000-0700).....\$4,957,327

Provided, That any unencumbered balance in the cancer center research account in excess of \$100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020: Provided further, That all moneys in the cancer center research account expended for fiscal year 2020 shall be matched by the university of Kansas medical center on a \$1 for \$1 basis from other moneys of the university of Kansas medical center: And provided further, That the university of Kansas medical center shall submit a plan to the house committee on appropriations, the senate committee on ways and means and the governor as to how cancer center research-related activities create additional jobs in the state and other economic value, particularly for and with the private sector, for fiscal year 2020.