

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Health and Human Services Appropriations Committee

BILL: CS/CS/SB 1080

INTRODUCER: Committee on Health and Human Services Appropriations, Higher Education Committee and Senator Peaden and others

SUBJECT: The Johnnie B. Byrd, Sr., Alzheimer's Center and Research Institute

DATE: April 2, 2008

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Harkey	Matthews	HE	Fav/CS
2.	Peters	Peters	HA	Fav/CS
3.			HI	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|--|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="checked" type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

The bill revises the statute that governs the Johnnie B. Byrd, Sr., Alzheimer's Center and Research Institute, to:

- Establish the center within the University of South Florida;
- Require the President of USF to appoint a director of operations to administer the center and a director of research to administer the center's research activities;
- Require the center to work collaboratively with other state universities on research, education, treatment, prevention, and early detection of Alzheimer's disease;
- Create a 7-member research advisory board appointed by the Governor, Legislative leaders, and the President of USF to recommend research priorities and oversee the administration of the center's research activities by the director of research;
- Limit the amount of appropriated funds to be used for administrative expenses to no more than 20 percent;
- Require USF to establish a separate account for the center in the university's foundation;
- Require an annual report;

- Preserve the center's public records exemption for personal identifying information, medical records, materials that relate to methods of manufacture, etc.;
- Provide for repeal of the statute that establishes the center on January 1, 2013, unless it is reviewed and reenacted before that date;
- Require the center's board of directors to provide a final audit of its assets to the president of USF and the chair of the Board of Governors no later than June 1, 2008;
- Require the center's board of directors to transfer all assets and functions of the institute to USF by July 1, 2008;
- Transfer to USF by July 1, 2008, all contracts held by the corporation, and its subsidiaries, that administers the center; and
- Dissolve the current board of directors of the center and the not-for-profit corporation that administers the center by July 1, 2008.

This bill amends section 1004.445, Florida Statutes.

II. Present Situation:

The Johnnie B. Byrd, Sr., Alzheimer's Center and Research Institute – Current Law

The 2004 Legislature amended s. 1004.445, F.S., to rename the Florida Alzheimer's Center and Research Institute at the University of South Florida (USF) as the Johnnie B. Byrd, Sr., Alzheimer's Center and Research Institute, in honor of the late father of Johnnie Byrd, Jr., who was the Speaker of the Florida House of Representatives from 2002-2004. A not-for-profit corporation governs the center in accordance with an agreement with the State Board of Education for the use of the facilities on the campus of the University of South Florida. The not-for-profit corporation, acting as an instrumentality of the state, operates the center in accordance with an agreement between the State Board of Education and the corporation.

The board of directors is comprised of the president of USF and the chair of the Board of Governors or their designees and 14 members appointed by the Governor, the President of the Senate, and the Speaker of the House of Representatives. Five of the appointed members must be representatives of state universities and nine must be representatives of the public who are not medical doctors or state employees.

A chief executive officer, who serves at the pleasure of the board of directors, administers the center. The chief executive officer's duties include:

- Establishing programs that fulfill the mission of the institute in research, education, treatment, prevention, and early detection of Alzheimer's disease;
- Controlling the budget and the monies appropriated to the institute from private, state, local, and federal sources;
- Appointing representatives of the institute to carry out the research, patient care, and educational activities of the institute and establishing the compensation, benefits, and terms of service of the representatives;
- Controlling the use and assignment of space and equipment within the facilities;
- Creating the administrative structure necessary to carry out the mission of the institute;
- Reporting to the Board of Governors or its designees;

- Providing the institute's annual report to the Governor and Cabinet, Legislature, and Board of Governors; and
- Developing the annual operating budget detailing the planned use of state, federal, and private funds for the fiscal year and submitting it by August 1 of each year to the Governor and Cabinet, Legislature, and Board of Governors.

The board of directors must create a council of scientific advisors to assist the chief executive officer. Comprised of leading researchers, physicians, and scientists, the council must review programs and recommend research priorities and initiatives to maximize the state's investment in the institute. Members of the council serve 2-year terms and may be reappointed.

Any university or established research institute in Florida may apply to the institute for funding of their research, and all qualified investigators must have equal opportunity to compete for the research funding. Grants must be awarded by the board of directors on the basis of scientific merit and preference will be given to proposals that foster collaboration among institutions, researchers, and community practitioners. Proposals must be evaluated on the basis of scientific merit by a peer review panel of independent, scientifically qualified individuals appointed by the council of scientific advisors. The council of scientific advisors and the peer review panel must establish and follow rigorous guidelines for ethical conduct and adhere to a strict policy with regard to conflict of interest.

Section 1004.445, F.S., will expire January 1, 2011, unless reviewed and reenacted by the Legislature before that date.

Governance Disputes

There have been public disputes regarding the administration and governance of the center. In particular, concerns have arisen regarding the day-to-day administration of the center, the center's recurring state appropriation, the use and expense of lobbyists, and whether the center would be better served by state university oversight.¹

III. Effect of Proposed Changes:

The bill revises the statute that governs the Johnnie B. Byrd, Sr., Alzheimer's Center and Research Institute, to establish the center within the University of South Florida. The President of USF would be required to appoint a director of operations to administer the center and a director of research, as recommended by the research advisory board, to administer the center's research activities. The center will be required to work cooperatively with other state universities on research, education, treatment, prevention, and early detection of Alzheimer's disease.

The bill creates a 7-member research advisory board of leading researchers, physicians, and scientists. Two members of the board would be appointed by the Governor, one member would be appointed by the President of the Senate, one member would be appointed by the Speaker of the House of Representatives and three members would be appointed by the president of USF.

¹ See *Byrd Alzheimer's Center Opens Amid Funding War*, Tampa Tribune, September 15, 2007, available at <http://news.tbo.com/news/metro/MGBNLHULL6F.html>.

The research advisory board would recommend research priorities and oversee the administration of the center's research activities by the director of research.

The bill requires that no more than 20 percent of appropriated funds be used for administrative expenses. The university must establish a separate account for the center in the university's foundation. The center must provide an annual report to the Governor and Cabinet, Legislative leaders, and the chair of the Board of governors.

The bill preserves the center's public records exemption for personal identifying information, medical records, materials that relate to methods of manufacture, personal identifying information of a donor or prospective donor, and any information received by the center from a person from another state or nation or from the federal government that is confidential and exempt under the laws of that state or nation or under federal law.

The statute that establishes the center would be repealed on January 1, 2013, unless it is reviewed and reenacted before that date.

The center's board of directors must provide a final audit of its assets to the president of USF and the chair of the Board of Governors by June 1, 2008, and must transfer all assets and functions of the center to USF by July 1, 2008. All contracts held by the corporation, and its subsidiaries, that administers the center must be transferred to USF by July 1, 2008.

The current board of directors of the center and the not-for-profit corporation that administers the center would be dissolved on July 1, 2008.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. **Government Sector Impact:**

The bill repeals the requirement in s. 1004.445(12), F.S., for an annual appropriation of \$13.5 million to the Grants and Donations Trust Fund in the Department of Elderly Affairs for the Johnnie B. Byrd, Sr., Alzheimer's Center and Research Institute.

VI. **Technical Deficiencies:**

None.

VII. **Related Issues:**

None.

VIII. **Additional Information:**

A. **Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Committee on Health and Human Services Appropriations on April 2, 2008:

Revises the membership of the advisory board to two members appointed by the Governor, one member appointed by the President of the Senate, one member appointed by the Speaker of the House of Representatives and three members appointed by the president of USF.

CS by Education Pre-K – 12 on March 19, 2008:

The CS for SB 1080:

- Establishes the Johnnie B. Byrd, Sr., Alzheimer's Center and Research Institute within the University of South Florida, establishes a governance structure for operation and research at the center, limits administrative expenses, requires a report, dissolves the current board of directors and provides a method for appointment of a new board.

B. **Amendments:**

None.