
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 993 Session of
2007

INTRODUCED BY WONDERLING, ORIE, CORMAN, BROWNE AND PIPPY,
JUNE 25, 2007

REFERRED TO FINANCE, JUNE 25, 2007

AN ACT

1 Amending the act of June 26, 2001 (P.L.755, No.77), entitled "An
2 act establishing a special fund and account for money
3 received by the Commonwealth from the Master Settlement
4 Agreement with tobacco manufacturers; providing for home and
5 community-based care, for tobacco use prevention and
6 cessation efforts, for Commonwealth universal research
7 enhancement, for hospital uncompensated care, for health
8 investment insurance, for medical assistance for workers with
9 disabilities, for regional biotechnology research centers,
10 for the HealthLink Program, for community-based health care
11 assistance programs, for PACE reinstatement and PACENET
12 expansion, for medical education loan assistance and for
13 percentage allocation and appropriation of moneys," further
14 providing for definitions, for membership on the advisory
15 committee and for department responsibilities; providing for
16 the Small Business Innovation Research Commercialization Peer
17 Review Committee; and further providing for the use of funds.

18 The General Assembly of the Commonwealth of Pennsylvania
19 hereby enacts as follows:

20 Section 1. The definition of "applicant" in section 902 of
21 the act of June 26, 2001 (P.L.755, No.77), known as the Tobacco
22 Settlement Act, is amended and the section is amended by adding
23 a definition to read:

24 Section 902. Definitions.

25 The following words and phrases when used in this chapter

1 shall have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 * * *

4 "Applicant." Any of the following located in this
5 Commonwealth:

6 (1) A person.

7 (2) An institution.

8 (3) An entity established under the act of August 24,
9 1951 (P.L.1304, No.315), known as the Local Health
10 Administration Law.

11 (4) A small business.

12 * * *

13 "Small business." Any for-profit business located in this
14 Commonwealth employing fewer than 500 employees.

15 Section 2. Sections 903(b)(3) and 904(3) of the act are
16 amended to read:

17 Section 903. Health research program.

18 * * *

19 (b) Advisory committee.--

20 * * *

21 (3) [Members] At least one member appointed by the
22 Governor must be a small business leader with experience in
23 commercializing life sciences-focused research. Remaining
24 members appointed to the committee by the Governor must
25 possess expertise in health care or research, with
26 representation by institution-based research specialists,
27 practicing clinicians, clinical investigators [and] or public
28 health professionals.

29 * * *

30 Section 904. Department responsibilities.

1 The department has the following powers and duties:

2 * * *

3 (3) Except as provided in [section] sections 905(f) and
4 (g) and 906(3)(i), review applications and award research
5 grants to applicants consistent with the priorities
6 established under paragraph (2). Projects funded under
7 section 906(3)(i) shall be evaluated by a peer review panel
8 established under section 905(h). Research grants may be
9 awarded for a period not to exceed four years for each
10 project.

11 * * *

12 Section 3. Section 905 of the act is amended by adding a
13 subsection to read:

14 Section 905. Peer review procedures.

15 * * *

16 (g.1) Small Business Innovative Research Commercialization
17 Peer Review Committee.--

18 (1) As it relates to applications considered under
19 section 906(3), the department shall establish a committee of
20 experienced business leaders with expertise in the
21 commercialization of life sciences-focused research and
22 development. Additionally, the department should seek input
23 from existing commercialization experts from appropriate
24 business assistance organizations, including the Small
25 Business Development Centers, the Life Sciences Greenhouses,
26 the Ben Franklin Technology Partners and the Pennsylvania
27 Industrial Resource Centers.

28 (2) The Small Business Innovative Research
29 Commercialization Peer Review Committee shall rank research
30 projects in a manner that maximizes the health benefit to the

1 Commonwealth, and by the strength of the applicant's
2 commercialization strategy.

3 * * *

4 Section 4. Section 906 of the act is amended to read:

5 Section 906. Use of funds.

6 Research projects conducted under [this section] paragraphs
7 (1) and (2) shall be consistent with the priorities established
8 under section 904(2). Funds under this section shall be
9 allocated for the following purposes:

10 (1) Seventy percent of the funds appropriated under this
11 section shall be used to fund research pursuant to section
12 908.

13 (2) Fifteen percent of the funds appropriated under this
14 section shall be used to fund clinical and health services
15 research projects by eligible applicants.

16 (3) Fifteen percent of the funds appropriated under this
17 section shall be used to [fund other research projects by
18 eligible applicants.] provide matching grants to entities
19 conducting research through the Small Business Innovative
20 Research program of the National Institutes of Health and
21 Small Business Innovative Research programs operated by all
22 other Federal agencies pursuant to the following provisions:

23 (i) Awards provided under this paragraph shall be
24 used to provide matching funds, up to \$100,000, to small
25 businesses conducting Phase I research and development
26 through the Small Business Innovative Research program of
27 the National Institutes of Health.

28 (ii) Awards may be provided to recipients of Phase I
29 Small Business Innovative Research grants from other
30 Federal agencies provided that the project is focused on

1 clinical and health-related research.

2 (iii) No more than 75% of an awardee's funding shall
3 be released prior to the entity's submission of a Phase
4 II application through the appropriate Small Business
5 Innovative Research program.

6 (iv) Remaining funds not allocated under the
7 provisions of subparagraphs (i) and (ii) shall be made
8 available to support additional health and clinical
9 research and development activities in small businesses
10 to the extent that those activities are consistent with
11 the research priorities established under section 904(2).

12 Section 5. This act shall take effect in 60 days.