

Arizona Biomedical Research Commission

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	FY 2009 ACTUAL	FY 2010 ESTIMATE	FY 2011 BASELINE
SPECIAL LINE ITEMS			
Biotechnology	500,000	500,000	500,000
AGENCY TOTAL	500,000	500,000	500,000

FUND SOURCES

Other Appropriated Funds

Tobacco Tax and Health Care Fund - Health Research Account	500,000	500,000	500,000
SUBTOTAL - Other Appropriated Funds	500,000	500,000	500,000
SUBTOTAL - Appropriated Funds	500,000	500,000	500,000

Other Non-Appropriated Funds	14,592,000	12,119,500	12,119,500
TOTAL - ALL SOURCES	15,092,000	12,619,500	12,619,500

CHANGE IN FUNDING SUMMARY

	FY 2010 to FY 2011 Baseline	
	\$ Change	% Change
Other Appropriated Funds	0	0.0%
Total Appropriated Funds	0	0.0%
Non-Appropriated Funds	0	0.0%
Total - All Sources	0	0.0%

AGENCY DESCRIPTION — The commission advances medical research by contracting with individuals, organizations, corporations, and institutions in Arizona for projects that may advance research into the causes, the epidemiology and diagnosis, the formulation of cures, the medically-accepted treatment or the prevention of diseases including new drug discovery and development. Approximately 75% of the monies the commission receives are directed towards the prevention and treatment of tobacco-related disease and prevention.

The Arizona Biomedical Research Commission receives funding through 2 non-appropriated sources: the Health Research Account of the Tobacco Tax and lottery revenues. Of the taxes levied on cigarettes, \$1 per pack is utilized for various health care programs, as approved by voter initiatives. From these monies, 5% (approximately \$11,816,100 in FY 2009) is deposited into the Health Research Account, which is used for research on preventing and treating tobacco-related disease and addiction. The Arizona Biomedical Research Commission administers the Health Research Account.

The remainder of the commission's non-appropriated funding comes from state lottery revenues. A 1996 voter-approved initiative allocated up to \$2,006,000, adjusted for inflation, from the state lottery to the Arizona Biomedical Research Commission. Monies are awarded to this fund after certain other lottery beneficiaries receive their maximum allocation. The Arizona Biomedical Research Commission first received lottery revenues in FY 2004. From FY 2005 through FY 2008, the commission received its full allocation. In FY 2009, the commission received \$2,465,900 of its \$2,573,700 allocation. The JLBC Staff

estimates that the commission will receive \$2,623,700 in FY 2010.

Additionally, the commission receives appropriated funding for the item discussed below.

Biotechnology

The Baseline includes \$500,000 from the Health Research Account of the Tobacco Tax and Health Care Fund for Biotechnology in FY 2011. This amount is unchanged from FY 2010.

Laws 2002, Chapter 186 appropriated \$500,000 from the Health Research Fund annually from FY 2003 to FY 2012 for biotechnology. Funding is to be allocated to a nonprofit medical research foundation that specializes in biotechnology and that collaborates with universities, hospitals, and other public and private biotechnology businesses and research centers. These monies are being distributed to the Translational Genomics Research Institute (TGen). As a result of the appropriation in Laws 2002, Chapter 186, this funding does not appear in the General Appropriation Act.

SUMMARY OF FUNDS	FY 2009 Actual	FY 2010 Estimate
Disease Control Research Fund (DIA2090/A.R.S. § 36-274)		Non-Appropriated
Source of Revenue: Monies appropriated by the Legislature and any gifts, contributions or other monies received by the Disease Control Research Commission from any other source, including Proposition 204.		
Purpose of Fund: To be used for projects or services that may advance research in the causes, epidemiology and prevention of disease, including discovery and development.		
Funds Expended	3,117,500	3,161,800
Year-End Fund Balance	4,857,800	1,461,700
Tobacco Tax and Health Care Fund - Health Research Account (DIA2096/A.R.S. § 36-275, A.R.S. § 36-773)		Partially-Appropriated
Source of Revenue: The fund receives 5¢ of each dollar deposited in the Tobacco Products Tax Fund. In addition, all monies in the Health Research Account (which receives 5¢ of each dollar deposited into the Tobacco Tax and Health Care Fund) are deposited into the fund.		
Purpose of Fund: Monies are used for research into the prevention and treatment of tobacco-related disease and addiction.		
Appropriated Funds Expended	500,000	500,000
Non-Appropriated Funds Expended	11,474,500	8,957,700
Year-End Fund Balance	3,715,700	726,700