

105TH CONGRESS  
1ST SESSION

# S. 728

To amend title IV of the Public Health Service Act to establish a Cancer Research Trust Fund for the conduct of biomedical research.

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## IN THE SENATE OF THE UNITED STATES

MAY 8, 1997

Mrs. FEINSTEIN (for herself, Mr. MACK, Mr. D'AMATO, Mr. REID, and Mr. JOHNSON) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend title IV of the Public Health Service Act to establish a Cancer Research Trust Fund for the conduct of biomedical research.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Cancer Research Fund  
5 Act of 1997”.

1 **SEC. 2. ESTABLISHMENT OF CANCER RESEARCH TRUST**  
2 **FUND.**

3 Part A of title IV of the Public Health Service Act  
4 (42 U.S.C. 281 et seq.) is amended by adding at the end  
5 thereof the following new section:

6 **“SEC. 404F. ESTABLISHMENT OF CANCER RESEARCH**  
7 **TRUST FUND.**

8 “(a) **ESTABLISHMENT.**—There is established in the  
9 Treasury of the United States a trust fund, to be known  
10 as the ‘Cancer Research Trust Fund’ (hereafter in this  
11 section referred to as the ‘Fund’), consisting of such  
12 amounts as are credited or paid to the Fund as provided  
13 for in section 6098 of the Internal Revenue Code of 1986  
14 and any interest earned on investment of amounts in the  
15 Fund.

16 “(b) **INVESTMENT OF TRUST FUND.**—

17 “(1) **IN GENERAL.**—It shall be the duty of the  
18 Secretary of the Treasury to invest such portion of  
19 the Fund as is not, in the Secretary’s judgment, re-  
20 quired to meet current withdrawals. Such invest-  
21 ments may be made only in interest-bearing obliga-  
22 tions of the United States or in obligations guaran-  
23 teed as to both principal and interest by the United  
24 States. For such purpose, such obligations may be  
25 acquired—

26 “(A) on original issue at the issue price, or

1           “(B) by purchase of outstanding obliga-  
2           tions at the market price.

3           The purposes for which obligations of the United  
4           States may be issued under chapter 31 of title 31,  
5           of the United States Code, are hereby extended to  
6           authorize the issuance at par of special obligations  
7           exclusively to the Fund. Such special obligations  
8           shall bear interest at a rate equal to the average  
9           rate of interest, computed as to the end of the cal-  
10          endar month next preceding the date of such issue,  
11          borne by all marketable interest-bearing obligations  
12          of the United States then forming a part of the Pub-  
13          lic Debt; except that where such average rate is not  
14          a multiple of one-eighth of 1 percent, the rate of in-  
15          terest of such special obligations shall be the mul-  
16          tiple of one-eighth of 1 percent next lower than such  
17          average rate. Such special obligations shall be issued  
18          only if the Secretary of the Treasury determines  
19          that the purchase of other interest-bearing obliga-  
20          tions of the United States, or of obligations guaran-  
21          teed as to both principal and interest by the United  
22          States on original issue or at the market price, is  
23          not in the public interest.

24           “(2) SALE OF OBLIGATION.—Any obligation ac-  
25          quired by the Fund (except special obligations issued

1 exclusively to the Fund) may be sold by the Sec-  
2 retary of the Treasury at the market price, and such  
3 special obligations may be redeemed at par plus ac-  
4 crued interest.

5 “(3) CREDITS TO TRUST FUND.—The interest  
6 on, and the proceeds from the sale or redemption of,  
7 any obligations held in the Fund shall be credited to  
8 and form a part of the Fund.

9 “(c) OBLIGATIONS FROM FUND.—

10 “(1) IN GENERAL.—The Secretary of Health  
11 and Human Services shall annually make available  
12 such sums as are available in the Fund (including  
13 any amounts not obligated in previous fiscal years)  
14 to the National Institutes of Health for the conduct  
15 of biomedical, intramural and extramural research.

16 “(2) DIRECTOR OF NIH.—The Director of the  
17 National Institutes of Health may distribute  
18 amounts made available under paragraph (1) among  
19 the various research institutes and centers of the  
20 National Institutes of Health to enable such insti-  
21 tutes and centers to conduct research that the Di-  
22 rector determines is appropriate. The Director shall  
23 make awards from amounts available under para-  
24 graph (1) for research on cancer.

1       “(d) SUPPLEMENT NOT SUPPLANT.—Amounts pro-  
 2       vided to an institute or center under subsection (c) shall  
 3       be used to supplement and not supplant other research  
 4       conducted with Federal funds.

5       “(e) LIMITATION.—No expenditure shall be made  
 6       under subsection (c)(1) during any fiscal year in which  
 7       the annual amount appropriated for the National Insti-  
 8       tutes of Health is less than the amount so appropriated  
 9       for the prior fiscal year.”.

10   **SEC. 3. AMENDMENT TO INTERNAL REVENUE CODE OF**  
 11                                   **1986.**

12       (a) IN GENERAL.—Subchapter A of chapter 61 of the  
 13       Internal Revenue Code of 1986 (relating to information  
 14       and returns) is amended by adding at the end the follow-  
 15       ing new part:

16   **“PART IX—DESIGNATION OF OVERPAYMENTS**  
 17       **AND CONTRIBUTIONS TO CANCER RE-**  
 18       **SEARCH TRUST FUND**

“Sec. 6098. Designation to Cancer Research Trust Fund.

19   **“SEC. 6098. DESIGNATION TO CANCER RESEARCH TRUST**  
 20                                   **FUND.**

21       “(a) IN GENERAL.—Every individual (other than a  
 22       nonresident alien) may—

1           “(1) designate that a portion (not less than \$1)  
2           of any overpayment of the tax imposed by chapter  
3           1 for the taxable year, and

4           “(2) provide that a cash contribution (not less  
5           than \$1),

6 be paid over to the Cancer Research Trust Fund in ac-  
7 cordance with the provisions of section 404F of the Public  
8 Health Service Act. In the case of a joint return of a hus-  
9 band and wife, each spouse may designate one-half of any  
10 such overpayment of tax (not less than \$2).

11       “(b) MANNER AND TIME OF DESIGNATION.—Any  
12 designation or payment under subsection (a) may be made  
13 with respect to any taxable year only at the time of filing  
14 the original return of the tax imposed by chapter 1 for  
15 such taxable year. Such designation shall be made on the  
16 page bearing the taxpayer’s signature, and in close prox-  
17 imity to such signature, and shall be labeled ‘Cancer Re-  
18 search Fund’.

19       “(c) OVERPAYMENTS TREATED AS REFUNDED.—For  
20 purposes of this section, any overpayment of tax des-  
21 ignated under subsection (a) shall be treated as being re-  
22 funded to the taxpayer as of the last day prescribed for  
23 filing the return of tax imposed by chapter 1 (determined  
24 with regard to extensions) or, if later, the date the return  
25 is filed.”

1           (b) CLERICAL AMENDMENT.—The table of parts for  
2 subchapter A of chapter 61 of the Internal Revenue Code  
3 of 1986 is amended by adding at the end the following  
4 new item:

                  “Part IX. Designation of overpayments and contributions to Can-  
                  cer Research Trust Fund.”.

5           (c) EFFECTIVE DATE.—The amendments made by  
6 this section shall apply to taxable years beginning after  
7 December 31, 1996.

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