On August 22, the House Energy and Commerce Committee released its second draft of NIH reauthorization legislation, following up on an initial July 12 draft reported on in the Spring/Summer 2005 Contributor Report. Although the second draft clarified some issues of concern raised by the medical research community and NAEVR (in both June 30 and July 14 comments), the draft still contained provisions to reduce the NIH budget to three line items: the Office of the Director; a cluster of 14 “mission-specific” Institutes, which includes the NEI; and a cluster of 10 “science-enabling” Institutes/Centers. This proposed structure would eliminate Congressional review of individual Institute line item budgets—a move NAEVR strongly opposes, as this serves as an important “check and balance” to the extensively-revised internal NIH budget-development process. NAEVR is also concerned that the draft legislation plans to authorize funding levels for each of the next three fiscal years, FY2007-2009, and the current fiscal environment is not favorable to these ceilings being set so as to reflect the medical research advocacy community’s requested eight percent annual increases to the NIH budget.

On August 25, NAEVR joined more than 100 other coalition partners in a Town Hall meeting sponsored by the American Association of Medical Colleges (AAMC) and Federation of American Societies for Experimental Biology (FASEB). This Town Hall (which followed NAEVR’s August 10 Town Hall of network members) was the first gathering of the medical research advocacy community in which to express both support and concern over various provisions. Clearly, support for the draft centered on greater transparency, uniform metrics/reporting and increased Director discretion, per the recommendations in the 2003 Institute of Medicine (IOM) report. Concerns focused on the authorizing levels for FY2007-2009, the proposed clusters/elimination of individual Institute line item budgets, the management of a “common fund” for trans-Institute collaborative research and a potential increase in the NIH Director’s transfer authority, currently capped at one percent.

On October 20, NIH Director Dr. Elias Zerhouni hosted a Town Hall meeting at which he addressed future NIH plans, including the formalization of the new Office of Portfolio Analysis and Strategic Initiatives (OPASI) within the Office of the Director to coordinate trans-Institute initiatives, including the NIH Roadmap. Dr. Zerhouni noted that what he most wanted in any legislative activity was the establishment of the OPASI Office as a Division that managed an NIH common fund to conduct collaborative research. He characterized the common fund as IC Director-driven, not NIH Director-led, and that IC Directors would use a set-aside of their budgets (up to 5 percent, per an IOM recommendation) in combination with other Institutes to pursue collaborative research within a context provided by the OPASI Division. Unfortunately, Dr. Zerhouni’s concept for the common fund is not as currently presented in the second draft of NIH reauthorization legislation. Dr. Zerhouni concluded by offering his personal opinion that line item budgets for individual Institutes should be retained.

In light of the medical research community’s opposition to budget clusters/elimination of line item budgets, which has translated into concern by both Republican and Democratic Members of Congress, NIH reauthorization legislation has stalled. The legislation is still officially under negotiation with Democratic leaders and the House appropriations “cardinals.”