

1           (1) prior to making the amendments under  
2           paragraph (2), by striking “IIB” each place it ap-  
3           pears and inserting “III”; and

4           (2) by striking “IIA” each place it appears and  
5           inserting “IIB”.

6 **SEC. 1028. HIGH-RISK, HIGH-REWARD RESEARCH.**

7           Part B of title IV of the Public Health Service Act  
8           (42 U.S.C. 284 et seq.) is amended by adding at the end  
9           the following:

10 **“SEC. 409K. HIGH-RISK, HIGH-REWARD RESEARCH PRO-**  
11 **GRAM.**

12           “The director of each national research institute  
13 shall, as appropriate—

14           “(1) establish programs to conduct or support  
15           research projects that pursue innovative approaches  
16           to major contemporary challenges in biomedical re-  
17           search that involve inherent high risk, but have the  
18           potential to lead to breakthroughs; and

19           “(2) set aside a specific percentage of funding,  
20           to be determined by the Director of NIH for each  
21           national research institute, for such projects.”.