AN ACT concerning pharmaceuticals.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Illinois Food, Drug and Cosmetic Act is amended by adding Section 3.23 as follows:

(410 ILCS 620/3.23 new)

Sec. 3.23. Pharmaceutical marketers.

(a) On or before January 1 of each year, every pharmaceutical manufacturing company shall disclose to the State Board of Pharmacy the value, nature, and purpose of any gift, fee, payment, subsidy, or other economic benefit provided in connection with detailing, promotional, or other marketing activities by the company, directly or through its pharmaceutical marketers, to any physician, hospital, nursing home, pharmacist, health benefit plan administrator, or other person in Illinois authorized to prescribe, dispense, or purchase prescription drugs. Disclosure shall be made on a form and in a manner prescribed by the Board. Initial disclosure shall be made on or before January 1, 2005 for the 12-month period ending June 30, 2004. The Board shall provide to the Office of the Attorney General complete access to the information required to be disclosed under this Section. The Office of the Attorney General shall report annually on the disclosures made under this Section to the General Assembly and the Governor on or before March 1.

(b) On or before October 1, 2003 and each year thereafter, each pharmaceutical manufacturing company subject to the provisions of this Section shall also disclose to the Board the name and address of the individual responsible for the company's compliance with this Section.

The Board and the Office of the Attorney General shall

keep confidential all trade secret information. The disclosure form prescribed by the Board shall permit the company to identify any information that is a trade secret.

All of the following shall be exempt from disclosure:

(1) Free samples of prescription drugs intended to be distributed to patients.

(2) The payment of reasonable compensation and reimbursement of expenses in connection with bona fide clinical trials. As used in this item (2), "clinical trial" means an approved clinical trial conducted in connection with a research study designed to answer specific questions about vaccines, new therapies, or new ways of using known treatments.

(3) Any gift, fee, payment, subsidy, or other economic benefit the value of which is less than $25.

(4) Scholarship or other support for medical students, residents, and fellows to attend a significant educational, scientific, or policy-making conference of a national, regional, or specialty medical or other professional association if the recipient of the scholarship or other support is selected by the association.

(c) The Attorney General may bring an action for injunctive relief, costs, and attorney fees and to impose on a pharmaceutical manufacturing company that fails to disclose as required by subsection (a) of this Section a civil penalty of no more than $10,000 per violation. Each unlawful failure to disclose shall constitute a separate violation.

(d) As used in this Section:

"Pharmaceutical marketer" means a person who, while employed by or under contract to represent a pharmaceutical manufacturing company, engages in pharmaceutical detailing, promotional activities, or other marketing of prescription drugs in this State to any physician, hospital, nursing home,

pharmacist, health benefit plan administrator, or other person authorized to prescribe, dispense, or purchase prescription drugs. "Pharmaceutical marketer" does not include a wholesale drug distributor or the distributor's representative who promotes or otherwise markets the services of the wholesale drug distributor in connection with a prescription drug.

"Pharmaceutical manufacturing company" means (i) an entity that is engaged in the production, preparation, propagation, compounding, conversion, or processing of prescription drugs, either directly or indirectly by extraction from substances of natural origin, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, or (ii) an entity engaged in the packaging, repackaging, labeling, relabeling, or distribution of prescription drugs. "Pharmaceutical manufacturing company" does not include a wholesale drug distributor or pharmacist licensed under the Pharmacy Practice Act of 1987.

Section 99. Effective date. This Act takes effect upon becoming law.