



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB2100

Introduced 2/25/2005, by Sen. Jeffrey M. Schoenberg

SYNOPSIS AS INTRODUCED:

New Act

5 ILCS 120/2	from Ch. 102, par. 42
10 ILCS 5/Art. 28A heading new	
10 ILCS 5/28A-5 new	
10 ILCS 5/28A-10 new	
10 ILCS 5/28A-15 new	
10 ILCS 5/28A-20 new	
10 ILCS 5/28A-25 new	
10 ILCS 5/28A-30 new	
10 ILCS 5/28A-35 new	
10 ILCS 5/28A-40 new	
30 ILCS 105/5.640 new	
30 ILCS 105/6z-100 new	
30 ILCS 105/6z-105 new	
30 ILCS 330/2	from Ch. 127, par. 652
30 ILCS 330/6.5 new	
30 ILCS 330/12	from Ch. 127, par. 662
30 ILCS 330/19	from Ch. 127, par. 669

Creates the Illinois Regenerative Medicine Institute Act. Requires that the 2006 general election ballot include the proposition that the State issue \$1,000,000,000 in general obligation bonds in support of stem cell research. Creates the Illinois Regenerative Medicine Institute Creation Act to provide for the governance and operation of the institute, which awards grants and loans for the research. Creates the Cosmetic Medical Procedure Utilization Tax Act to impose a tax upon the privilege of using cosmetic medical procedures at the rate of 6% of gross receipts. Amends the Open Meetings Act to permit closed meetings of the Institute's Oversight Committee and advisory panels on certain confidential topics. Amends the Election Code to provide for placement on the ballot of debt issuance referenda under the Revenue Article of the Illinois Constitution. Amends the State Finance Act to provide various funds for the institute operations, the tax proceeds, and the bond proceeds and retirement. Amends the General Obligation Bond Act to provide for the issuance and use of \$1,000,000,000 in bonds. Effective January 1, 2006, except for those portions (institute creation, tax imposition, and bond issuance) conditioned upon voter approval.

LRB094 11273 JAM 42049 b

CORRECTIONAL
BUDGET AND
IMPACT NOTE ACT
MAY APPLY

FISCAL NOTE ACT
MAY APPLY

STATE DEBT
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning State government.

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

4 ARTICLE 1

5 Section 1-1. Short title. This Act may be cited as the
6 Illinois Regenerative Medicine Institute Act.

7 Section 1-5. Single law; purpose. The Illinois
8 Regenerative Medicine Institute Act and the amendatory changes
9 made in Article 90 of this Act to the Election Code, the State
10 Finance Act, and the General Obligation Bond Act shall be
11 considered a single "law" for purposes of Section 9(b) of
12 Article IX of the Illinois Constitution. The various parts of
13 this law authorize the State to issue State debt and provide
14 for the specific purposes and the manner of repayment of that
15 debt.

16 Section 1-10. Legislative intent. This Act is intended to:

17 (1) Create a research institute to support stem cell
18 research at Illinois universities and other advanced
19 medical research facilities throughout the State.

20 (2) Maximize the use of research funds by giving
21 priority to stem cell research that has the greatest
22 potential for therapies and cures that cannot or are
23 unlikely to receive timely or sufficient federal funding.

24 (3) Ensure that the research is conducted safely and
25 ethically by including provisions to require compliance
26 with standards based on national models that protect
27 patient safety, patient rights, patient privacy, and
28 prohibit the purchase or sale of embryonic or fetal tissue
29 for research purposes.

30 (4) Prohibit the use of State funds made available

1 pursuant to this Act for research involving human
2 reproductive cloning, fetuses from induced abortions, or
3 the creation of embryos through the combination of gametes
4 solely for the purpose of research.

5 (5) Reduce the long-term health care cost burden on
6 Illinois through the development of therapies that treat
7 diseases and injuries with the ultimate goal to cure them.

8 (6) Require strict fiscal and public accountability
9 through mandatory independent audits, open meetings,
10 public hearings, open access to published papers, and
11 annual reports to the public and the General Assembly.

12 (7) Establish a system of governance for the institute
13 that draws on representatives from the Illinois medical
14 research and academic community, Illinois disease advocacy
15 groups, and Illinois experts in the development of medical
16 therapies and thereby insulates research decisions from
17 partisan political concerns.

18 (8) Establish new funding sources to pay the debt
19 service on the bonds issued to fund medical and basic
20 scientific research that will eventually produce
21 royalties, patents, and licensing fees for the State and
22 significantly reduce future State health care costs; a tax
23 on the use of medical procedures raises revenue from an
24 industry that is expected to benefit from such research,
25 and using definitions from the federal tax code to exclude
26 medically-necessary procedures builds upon the public
27 policy decisions made by Congress in the field of health
28 care taxation.

29 (9) Benefit the Illinois economy by creating projects,
30 jobs, and therapies that will generate significant new
31 economic activity for the State.

32 Section 1-15. Referendum. Pursuant to Section 9(b) of
33 Article IX of the Illinois Constitution, the electors of the
34 State of Illinois shall vote in the 2006 general election
35 whether to approve this Illinois Regenerative Medicine

1 Institute Act and to incur a State debt not to exceed
2 \$1,000,000,000 as provided in this Act. The question shall be
3 substantially as follows: "Shall the State of Illinois from
4 time to time issue general obligation bonds in a principal
5 amount not to exceed \$1,000,000,000 for the purposes of
6 establishing and funding the Illinois Regenerative Medicine
7 Institute to support stem cell research at Illinois
8 universities and other research facilities throughout
9 Illinois, all pursuant to the Illinois Regenerative Medicine
10 Institute Act enacted by the 94th General Assembly and the
11 General Obligation Bond Act?". Spaces to mark the ballot "Yes"
12 or "No" shall be provided. The question shall appear under the
13 heading "The Illinois Regenerative Medicine Institute Act".

14 Section 1-20. Simple majority required. Because this Act
15 provides for approval by a majority of the electors voting on
16 the question at the next general election following passage,
17 pursuant to subsection (b) of Section 9 of Article IX of the
18 Illinois Constitution, this Act requires the affirmative vote
19 of a simple majority of the members elected to each house of
20 the General Assembly, and not a three-fifths majority.

21 ARTICLE 5

22 Section 5-1. Short title. This Article may be cited as the
23 Illinois Regenerative Medicine Institute Creation Act.

24 Section 5-5. Definitions.

25 "Adult stem cell" means an undifferentiated cell found in a
26 differentiated tissue in an adult human that can renew itself
27 and may, with certain limitations, differentiate to yield all
28 the specialized cell types of the tissue from which it
29 originated.

30 "Executive Director" means the Executive Director of the
31 institute.

32 "IRMI" or "institute" means the Illinois Regenerative

1 Medicine Institute.

2 "Oversight Committee" means the IRMI Oversight Committee.

3 "Pluripotent cells" means cells that are capable of
4 self-renewal and have broad potential to differentiate into
5 multiple cell types. Pluripotent stem cells may be derived from
6 somatic cell nuclear transfer or from surplus embryos produced
7 during in vitro fertilization treatments and donated under
8 appropriate informed consent procedures. These excess cells
9 from in vitro fertilization treatments would otherwise be
10 intended to be discarded if not used for medical research.

11 "Progenitor cells" means multipotent or precursor cells
12 that are partially differentiated but retain the ability to
13 divide and give rise to differentiated cells.

14 "Stem cells" mean nonspecialized cells that have the
15 capacity to divide in culture and to differentiate into more
16 mature cells with specialized functions.

17 Section 5-10. Institute creation; purpose; powers.

18 (a) There is established the Illinois Regenerative
19 Medicine Institute.

20 (b) The institute shall have the following purposes:

21 (1) To make grants and loans for stem cell research to
22 realize therapies, protocols, and medical procedures that
23 will result in, as speedily as possible, the cure for, and
24 substantial mitigation of, major diseases, injuries, and
25 orphan diseases.

26 (2) To support all stages of the process of developing
27 cures, from laboratory research through successful
28 clinical trials.

29 (3) To establish the appropriate regulatory standards
30 and oversight bodies for research and facilities
31 development.

32 (c) Notwithstanding any other provision of this or any
33 other law, the institute may use State issued bonds to fund
34 medical and basic scientific research involving stem cells,
35 including therapy development through clinical trials and

1 facilities.

2 Section 5-15. State policy on stem cell research; criminal
3 penalties.

4 (a) It is the policy of the State to permit stem cell
5 research that includes research involving adult stem cells,
6 cord blood stem cells, pluripotent stem cells, progenitor
7 cells, or any combination of those cells.

8 (b) No funds authorized for, or made available to, the
9 institute shall be used for research involving human
10 reproductive cloning or fetuses from induced abortions or to
11 create embryos through the combination of gametes solely for
12 the purpose of research.

13 (c) A person who knowingly engages or assists, directly or
14 indirectly, in the cloning of a human being is guilty of a
15 Class 1 felony. As used in this Section, "cloning of a human
16 being" means the asexual human reproduction by implanting or
17 attempting to implant the product of nuclear transplantation
18 into a woman's uterus to initiate a pregnancy or the
19 replication of a human being through the production of a
20 precise genetic copy of human DNA or any other molecule, cell,
21 or tissue, in order to create a new human being.

22 (d) A person may not knowingly, for valuable consideration,
23 purchase or sell embryonic or cadaveric fetal tissue for
24 research purposes.

25 For the purposes of this subsection, payment of customary
26 medical charges for the removal, processing, disposal,
27 preservation, quality control, storage, transplantation, or
28 implantation of the tissue does not constitute valuable
29 consideration. This subsection does not prohibit reimbursement
30 for removal, storage, or transportation of embryonic fetal
31 tissue for research purposes pursuant to this Act.

32 A person who knowingly purchases or sells embryonic tissue
33 for research purposes in violation of this Section is guilty of
34 a Class A misdemeanor for the first conviction and a Class 4
35 felony for subsequent convictions.

1 Section 5-20. Illinois Regenerative Medicine Institute
2 Oversight Committee.

3 (a) The Oversight Committee shall be composed of 7 members.
4 Members shall come from the medical community or the scientific
5 research community and shall have experience in peer review and
6 scientific grant making. Members shall be as follows:

7 (1) Two members to be appointed by the Governor with
8 the advice and consent of the Senate.

9 (2) Two members to be appointed by the Comptroller with
10 the advice and consent of the Senate.

11 (3) Two members to be appointed by the Treasurer with
12 the advice and consent of the Senate.

13 (4) The Director of Public Health.

14 (b) At the time of appointment, the Governor shall
15 designate one member to serve a 2-year term and one member to
16 serve a 6-year term, the Comptroller shall designate one member
17 to serve a 4-year term and one to serve a 6-year term, and the
18 Treasurer shall designate one member to serve a 2-year term and
19 one to serve a 4-year term. Thereafter, appointments, other
20 than the Director of Public Health who shall serve ex officio,
21 shall be for a term of 6 years. A member shall serve until his
22 or her successor appointed and qualified for office by filing
23 the oath and bond.

24 No member of the Oversight Committee may receive
25 compensation for his or her services, but each member may be
26 reimbursed for expenses incurred in the performance of his or
27 her duties.

28 (c) Every 4 years the Oversight Committee shall choose from
29 its membership a Chairperson, a Vice-Chairperson, and a
30 Secretary. The Chairperson shall preside at meetings of the
31 Oversight Committee and shall have other duties as provided for
32 in this Article or as provided for by the Oversight Committee.
33 The Vice-Chairperson shall preside at meetings whenever the
34 Chairperson is unable to attend or preside. The Secretary shall
35 ensure that an accurate record is made of all proceedings of

1 the Oversight Committee and shall have other duties as provided
2 for in this Article or as provided for by the Oversight
3 Committee.

4 (d) The Oversight Committee shall hold at least 4 public
5 meetings per year, one of which shall be designated as the
6 institute's annual meeting. The Oversight Committee may hold
7 additional meetings as it determines are necessary or
8 appropriate.

9 (e) The Oversight Committee shall award all grants, loans,
10 and contracts in public meetings and shall adopt and amend all
11 governance, scientific, medical, and regulatory standards in
12 public meetings.

13 (f) The Oversight Committee functions are:

14 (1) Oversee the operations of the institute and appoint
15 an Executive Director for the institute.

16 (2) Develop annual and long-term strategic research
17 and financial plans for the institute.

18 (3) Approve an annual budget for the institute.

19 (4) Make final decisions on research standards and
20 grant and loan awards.

21 (5) Approve appointments to the institute's various
22 advisory panels.

23 (6) Ensure the completion of an annual financial audit
24 of the institute's operations.

25 (7) Issue public reports on the activities of the
26 institute and to the extent possible provide open access to
27 published papers.

28 (8) Amend policies regarding intellectual property
29 rights arising from research funded by the institute.

30 (9) Amend rules and guidelines for the operation of the
31 institute.

32 (10) Adopt, amend, and rescind rules to carry out the
33 purposes and provisions of this Article, and to govern the
34 procedures of the institute.

35 The Illinois Administrative Procedure Act, including
36 review by the Joint Committee on Administrative Rules, is

1 hereby expressly adopted and shall apply to all
2 administrative rules and procedures adopted by the
3 Oversight Committee. The Oversight Committee may use its
4 emergency rulemaking authority to adopt initial rules. The
5 General Assembly finds that the adoption of rules to
6 implement this Article is deemed an emergency and necessary
7 for the public interest, safety, and welfare.

8 (11) Request the issuance of bonds pursuant to Section
9 6.5 of the General Obligation Bond Act with the proceeds to
10 be deposited into the Regenerative Medicine Bond Fund and
11 expend the proceeds of those bonds. The Oversight
12 Committee, however, shall not request the issuance of bonds
13 unless, based on estimates and reports from the Commission
14 on Government Forecasting and Accountability, the
15 Comptroller, and the Governor's Office of Management and
16 Budget, the funds in the Cosmetic Medical Procedure
17 Utilization Tax Fund and the Regenerative Medicine
18 Institute Operations Fund are reasonably estimated to be
19 sufficient to pay the debt service on such bonds issued
20 pursuant to Section 6.5 of the General Obligation Bond Act.

21 (12) Use funds from the Regenerative Medicine
22 Institute Operations Fund for its operations and
23 activities.

24 (13) Annually modify its funding and finance programs
25 to optimize the institute's ability to achieve the
26 objective that its activities be revenue-positive for the
27 State of Illinois without jeopardizing the progress of its
28 core medical and scientific research program.

29 (14) Accept additional revenue and real and personal
30 property, including but not limited to gifts, royalties,
31 interest, and appropriations that may be used to supplement
32 annual research grant funding and the operations of the
33 institute.

34 (15) At the institute's discretion, fix, determine,
35 charge, and collect any premiums, fees, charges, costs, and
36 expenses, including without limitation any application

1 fees, grant administration fees, program fees, financing
2 charges, or publication fees from any person in connection
3 with its activities.

4 (16) Perform all other acts necessary or appropriate in
5 the exercise of its power, authority, and jurisdiction over
6 the institute.

7 Section 5-25. Advisory panels.

8 (a) The Chairperson of the Oversight Committee shall
9 appoint persons, with the advice and consent of a majority of
10 the Oversight Committee, to serve on various advisory panels.

11 The Oversight Committee shall determine the number and size
12 of advisory panels to be appointed.

13 Persons appointed to advisory panels shall have expertise
14 in medical or stem cell research as researchers, physicians,
15 ethicists, or administrators.

16 (b) The advisory panels shall review and make a
17 recommendation on the merits of all grant and loan proposals
18 prior to final action by the Oversight Committee.

19 (c) The advisory panels shall follow the current Review
20 Procedures for Scientific Review Group Meetings as stipulated
21 by the National Institutes of Health, Center for Scientific
22 Review.

23 (d) Each advisory panel shall hold at least 2 public
24 meetings per year. Advisory panels may hold additional meetings
25 as necessary or appropriate.

26 Section 5-30. Applicability of open government and ethics
27 laws.

28 (a) Nothing in this Act shall exempt the Oversight
29 Committee or the various advisory panels from the Open Meetings
30 Act.

31 (b) Nothing in this Act shall exempt the institute,
32 including the Oversight Committee and the various advisory
33 panels, from the Freedom of Information Act or the State
34 Records Act.

1 (c) The State Officials and Employees Ethics Act and
2 Article 4A of the Illinois Governmental Ethics Act shall apply
3 to members of the Oversight Committee, the various advisory
4 panels, and employees of the institute.

5 (d) No member of the Oversight Committee, the various
6 advisory panels, or employee of the institute shall make,
7 participate in making, or in any way attempt to use his or her
8 official position to influence a decision to approve or award a
9 grant, loan, or contract to his or her employer (or another
10 employee of his or her employer), but a member may participate
11 in a decision to approve or award a grant, loan, or contract to
12 a nonprofit entity in the same field as his or her employer.

13 A member of the Oversight Committee, the various advisory
14 panels, or the institute may participate in a decision to
15 approve or award a grant, loan, or contract to an entity for
16 the purposes of research involving a disease from which a
17 member or his or her immediate family suffers or in which the
18 member has an interest as a representative of a disease
19 advocacy organization.

20 The adoption of standards pursuant to Section 5-40 of this
21 Article is not a decision subject to this subsection.

22 The Oversight Committee shall adopt additional policies on
23 ethics, including conflicts of interests, in order to minimize
24 possible influences of personal finances and partisan
25 political motivations on the decisions and activities of the
26 institute, the various advisory panels, and the Oversight
27 Committee. The initial policies on conflicts of interests shall
28 be based on standards applicable to members of scientific
29 review committees of the National Institutes of Health.

30 Section 5-35. Public and financial accountability
31 standards.

32 (a) The institute shall issue an annual report to the
33 public, the Governor, and the General Assembly that sets forth
34 its activities, grants awarded, grants in progress, research
35 accomplishments, and future program directions. Each annual

1 report shall include but not be limited to the following: the
2 number and dollar amounts of research grants; the grantees for
3 the prior year; the institute's administrative expenses; an
4 assessment of the available funding for stem cell research from
5 sources other than the institute; a summary of research
6 findings, including promising new research areas; an
7 assessment of the relationship between the institute's grants
8 and the overall strategy of its research program; and a report
9 of the institute's strategic research and financial plans.

10 This report shall be posted on the institute's website and
11 shall be available to the general public upon request.

12 (b) The institute shall issue quarterly reports throughout
13 the fiscal year to the public, the Governor, and the General
14 Assembly that should include the number and dollar amounts of
15 the research grants, a summary of research findings, and an
16 assessment of the relationship between the institute's grants
17 and the overall strategy of its research program.

18 This report shall be posted on the institute's website and
19 shall be available to the general public upon request.

20 (c) Subject to the Illinois State Auditing Act, the
21 institute shall annually commission an independent financial
22 audit of its activities and operations from a certified public
23 accounting firm that shall be provided to the Auditor General,
24 who shall review the audit and annually issue a public report
25 of that review.

26 Section 5-40. Medical and scientific accountability
27 standards.

28 (a) The institute and its grantees shall be governed solely
29 by the provisions of this Article in the establishment of
30 standards, the award of grants, and the conduct of grants
31 awarded pursuant to this Article.

32 (b) The institute shall establish standards for the
33 following:

34 (1) Informed consent. Standards for obtaining the
35 informed consent of research donors, patients, or

1 participants initially shall be generally based on the
2 standards in place on January 1, 2006, for all research
3 funded by the National Institutes of Health, with
4 modifications to adapt to the mission and objectives of the
5 institute.

6 (2) Controls on research involving humans. Standards
7 for the review of research involving human subjects
8 initially shall be generally based on the Institutional
9 Review Board standards promulgated by the National
10 Institutes of Health and in effect on January 1, 2006, with
11 modifications to adapt to the mission and objective of the
12 institute.

13 (3) Prohibition on compensation. Standards prohibiting
14 compensation to research donors or participants shall
15 permit reimbursement of expenses.

16 (4) Patient privacy laws. Standards shall ensure
17 compliance with State and federal patient privacy laws.

18 (5) Limitations on payments for cells. Standards shall
19 limit payments for the purchase of stem cells or stem cell
20 lines to reasonable payment for removal, processing,
21 disposal, preservation, quality control, storage,
22 transplantation, implantation, or legal transaction or
23 other administrative costs associated with these medical
24 procedures and shall specifically include any required
25 payments for medical or scientific technologies, products,
26 or processes for royalties, patent, licensing fees, or
27 other costs for intellectual property.

28 (6) Time limits for obtaining cells. Standards shall
29 set a limit on the time during which cells may be extracted
30 from blastocysts, which shall initially be 8 to 12 days
31 after cell division begins, not counting any time during
32 which the blastocysts or cells have been stored frozen.

33 Section 5-45. Institute operations.

34 (a) The institute may sue and be sued; provided that any
35 suit against the institute based upon a claim sounding in tort

1 must be filed in the Court of Claims.

2 Based upon institute standards, institute grantees shall
3 indemnify or insure, and hold the institute harmless against
4 any and all losses, claims, damages, expenses, or liabilities,
5 including attorneys' fees, arising from research conducted by
6 the grantee pursuant to the grant, or, in the alternative,
7 grantees shall name the institute as an additional insured and
8 submit proof of that insurance.

9 To the extent allowed under the Illinois Constitution and
10 given the scientific, medical, and technical nature of the
11 issues facing the institute, the institute is authorized to
12 retain outside counsel when, after consultation with the
13 Attorney General, the institute determines that the institute
14 requires specialized services not provided by the Attorney
15 General's office.

16 (a-5) The institute may enter into contracts or obligations
17 that are authorized or permitted by law.

18 (b) The Oversight Committee shall select an Executive
19 Director who shall exercise the powers delegated in this
20 subsection.

21 The Executive Director shall be the chief administrative
22 and operational officer of the institute, shall direct and
23 supervise its administrative affairs and general management
24 and perform such other duties as may be prescribed from time to
25 time by the Oversight Committee, and shall receive compensation
26 fixed by the Oversight Committee.

27 (c) The institute shall be subject to the Illinois
28 Procurement Code. For purposes of the Illinois Procurement
29 Code, the institute shall be considered an institute of higher
30 education and use the services of the higher education chief
31 procurement officer and the higher education procurement
32 bulletin.

33 The institute shall ensure that grantees purchase goods and
34 services from Illinois suppliers to the extent reasonably
35 possible, in a good faith effort to achieve a goal of more than
36 50% of those purchases from Illinois suppliers.

1 (d) All grants and loan awards issued by the institute
2 shall be subject to intellectual property agreements that
3 provide protections and incentives to encourage both the
4 discovery and development of new knowledge and its transfer for
5 the public benefit.

6 (e) The institute shall hold ownership rights in all
7 intellectual property created as a result of the grant or loan
8 received by the creator or creators from the institute.

9 "Intellectual property" as used in this subsection is
10 broadly defined to include inventions, discoveries, know-how,
11 show-how, processes, unique materials, copyrightable works,
12 original data, and other creative or artistic works that have
13 value. Intellectual property includes that which is
14 protectable by statute or legislation, such as patents,
15 copyrights, trademarks, service marks, trade secrets, and mask
16 works. It also includes the physical embodiments of
17 intellectual effort, such as models, machines, devices,
18 designs, apparatus, instrumentation, circuits, computer
19 programs and visualizations, biological materials, chemicals,
20 other compositions of matter, and records of research.

21 "Trademarks" and "service marks" are distinctive words or
22 graphic symbols identifying the source, product, producer, or
23 distributor of goods or services. Registration of trademarks or
24 service marks, at the State or federal level, shall be approved
25 by the Executive Director.

26 As used in this Section "creator" refers to an individual
27 or group of individuals who make, conceive, reduce to practice,
28 author, or otherwise make a substantive intellectual
29 contribution to the creation of intellectual property.
30 "Creator" includes the definition of "inventor" used in U.S.
31 patent law and the definition of "author" used in the U.S.
32 Copyright Act.

33 (f) All intellectual property in which the institute has an
34 ownership interest under the provisions of this Article and
35 that has the potential to be brought into practical use for
36 public benefit or for which disclosure is required by law shall

1 be reported promptly in writing by the creator or creators to
2 the institute. The disclosure shall constitute a full and
3 complete disclosure of the subject matter of the discovery or
4 the development and identify all persons participating
5 therein. The creator or creators shall furnish such additional
6 information and execute such documents from time to time as may
7 be reasonably requested.

8 (g) After evaluation of the intellectual property and
9 review of applicable contractual commitments, the institute
10 may develop the property through licensing, may release it to
11 the creator or creators if permitted by law, or may take such
12 other actions as are determined to be in the public interest.
13 Exploitation by the institute may or may not involve statutory
14 protection of the intellectual property rights, such as filing
15 for patent protection or registering the copyright.

16 (h) If there is a question as to whether the institute has
17 a valid ownership claim in intellectual property, the
18 intellectual property should be disclosed in writing to the
19 institute by the creator or creators in accordance with this
20 Section. The disclosure is without prejudice to the creator's
21 ownership claim. The institute shall provide the creator with a
22 written statement as to the institute's ownership interest.

23 (i) The institute shall inform the principal creators of
24 its substantive decisions regarding protection,
25 commercialization, or disposition of intellectual property
26 that has been disclosed. Specific terms of agreements with
27 external parties, however, may be proprietary business
28 information and subject to confidentiality restrictions.

29 (j) Should the institute decide to abandon development or
30 protection of institute-owned intellectual property, ownership
31 may be assigned to the creator or creators as allowed by law
32 subject to the rights of sponsors and to the retention of a
33 license to practice for institute purposes. The minimum terms
34 of that license shall grant the institute the right to use the
35 intellectual property in its programs of research and public
36 service on a perpetual, royalty-free, non-exclusive basis. The

1 institute may retain more than the minimum license rights, and
2 the assignment or license may be subject to additional terms
3 and conditions, such as revenue sharing with the institute or
4 reimbursement of the costs of statutory protection, when
5 justified by the circumstances of development.

6 (k) The institute may, at its discretion and consistent
7 with the public interest, license intellectual property to the
8 creator or creators on an exclusive or non-exclusive basis. The
9 creators must demonstrate technical and business capability to
10 commercialize the intellectual property. The creators may be
11 required to assume the cost of statutory protection. Agreements
12 with creators shall be subject to review and approval of
13 conflict of interest issues.

14 (l) The institute may accept assignment of intellectual
15 property from other parties, provided that the action is
16 determined to be consistent with the public interest.
17 Intellectual property so accepted shall be administered in a
18 manner consistent with the administration of other
19 institute-owned intellectual property.

20 (m) The creators of intellectual property owned by the
21 institute under the terms of this Article may be required to
22 state that to the best of their knowledge the intellectual
23 property does not infringe on any existing patent, copyright,
24 or other legal rights of third parties; that if the work is not
25 the original expression or creation of the creators, the
26 necessary permission for use has been obtained from the owner;
27 and that the work contains no libelous material nor material
28 that invades the privacy of others.

29 (n) The Oversight Committee has ultimate authority for the
30 stewardship of intellectual property developed within the
31 institute. Primary responsibility is delegated through the
32 Executive Director for establishing operational guidelines and
33 procedures for the administration of intellectual property,
34 including but not limited to determination of ownership,
35 assignment, protection, licensing, marketing, maintenance of
36 records, oversight of revenue or equity collection and

1 distribution, approval of individual exceptions, and
2 resolution of disputes among creators.

3 (o) Licenses, options for licenses, and other agreements
4 related to commercialization or exploitation of intellectual
5 property shall be granted in the name of the Illinois
6 Regenerative Medicine Institute.

7 (p) Research agreements shall provide that all
8 intellectual property developed as a result of a sponsored
9 research project shall belong to the institute unless otherwise
10 specified in writing. Outside sponsors of a research project
11 may receive an option to license the resulting intellectual
12 property on terms to be negotiated, the option to be exercised
13 within a specified period following the disclosure of the
14 intellectual property. When the nature of the proposed research
15 allows identification of a specific area of intellectual
16 property or application that is of interest to the outside
17 sponsor, the institute may accept research agreements with
18 terms that entitle the sponsor to specific commercial rights
19 within the defined field of interest. Otherwise, the specific
20 terms of licenses and rights to commercial development shall be
21 based on negotiation between the sponsor and the institute at
22 the time of exercise of an option by the outside sponsor and
23 shall depend on the nature of the intellectual property and its
24 application, the relative contributions of the institute and
25 the outside sponsor to the work, and the conditions deemed most
26 likely to advance the commercial development and acceptance of
27 the intellectual property. In all cases where exclusive
28 licensing is deemed appropriate, the license agreements shall
29 require diligent commercial development of the intellectual
30 property by the licensee. The institute may also determine, on
31 a case-by-case basis, that it is in the institute's interest to
32 assign ownership of resulting intellectual property to an
33 outside sponsor as an exception to this policy when
34 circumstances warrant that action, in accordance with
35 guidelines established by the Oversight Committee.

36 (q) Recommendations for exceptions to the provisions of the

1 policy in this Section shall be made by the Executive Director
2 to the Oversight Committee.

3 (r) For purposes of this Article, "proceeds" shall refer to
4 all revenue and equity, as defined in this subsection, received
5 by the institute from transfer, commercialization, or other
6 exploitation of institute-owned intellectual property.

7 "Revenue" shall mean cash from payments, including but not
8 limited to royalties, option fees, or license fees or from the
9 sale of the institute's equity interest.

10 "Equity" shall include but not be limited to stock,
11 securities, stock options, warrants, buildings, real or
12 personal property, or other non-cash consideration.

13 When revenue is received by the institute, all
14 out-of-pocket payments or obligations (and in some cases, a
15 reasonable reserve for anticipated future expenses)
16 attributable to protecting (including defense against
17 infringement or enforcement actions), marketing, licensing, or
18 administering the property may be deducted from the income. The
19 income remaining after the deductions is defined as "net
20 revenue".

21 The creator normally shall receive 50% of net revenue. If
22 there are joint creators, the net income shall be divided
23 equally among them absent a mutual agreement to the contrary.

24 The institute normally shall receive 50% of net revenue.
25 Distribution of the institute's share shall be allocated in
26 support of its future grant and loan making programs.

27 When the institute executes an agreement with a corporation
28 or other business entity for purposes of exploiting
29 intellectual property owned by the institute and the institute
30 receives or is entitled to receive equity, the equity or the
31 proceeds of the equity shall be shared among the creators and
32 the institute in the same proportions as revenue distributions.

33 Special facts or circumstances may warrant a different
34 distribution of proceeds than specified in this subsection, and
35 the distributions shall be determined on a case-by-case basis
36 under the authority of the Oversight Committee.

1 When the institute receives revenue from third parties that
2 results from successful actions for the purpose of defending or
3 enforcing the institute's rights in its intellectual property,
4 the revenue may first be used to reimburse the institute (or
5 the sponsor or licensee, if appropriate) for expenses incurred
6 in the actions. The creators shall be entitled to recovery of
7 lost royalties from the remaining net revenue, in the same
8 proportions as specified in this subsection or in a prior
9 written agreement. The remaining net revenue shall be allocated
10 in support of the institute's grant and loan making programs.

11 Section 5-50. Appropriation and allocation of funding.

12 (a) Moneys in the Regenerative Medicine Bond Fund shall be
13 used to make grants and loans for stem cell research pursuant
14 to this Article.

15 Grants and loans for research shall be awarded based on
16 scientific merit. When determining the scientific merit of a
17 proposal the advisory panels and the Oversight Committee should
18 consider criteria including:

19 (1) A demonstrated record of achievement in the areas
20 of pluripotent stem cell and progenitor cell biology and
21 medicine.

22 (2) The quality of the research proposal.

23 (3) The potential for achieving significant research
24 or clinical results.

25 (4) The timetable for realizing the significant
26 results.

27 (5) The importance of the research objectives.

28 (6) The innovativeness of the proposed research.

29 The grantee shall provide or demonstrate available
30 matching funds of a minimum of 20% of the grant amount.

31 The institute shall limit indirect costs to 25% of a
32 research award except that the indirect cost limitation may be
33 increased by that amount by which the grantee provides matching
34 funds in excess of 20% of the grant amount. "Indirect costs"
35 mean the recipient's costs in the administration, accounting,

1 general overhead, and general support costs for implementing a
2 grant or loan of the institute. NIH definitions of "indirect
3 costs" shall be used as one of the bases to create guidelines
4 for recipients under this definition.

5 Grants and loans for buildings, building leases, and
6 capital equipment shall be solely for facilities and equipment
7 located within Illinois.

8 (b) The institute shall have the ability to receive and
9 distribute funds in the Regenerative Medicine Institute
10 Operations Fund and the Regenerative Medicine Bond Fund on
11 December 1, 2006 in order to commence operations.

12 ARTICLE 10

13 Section 10-1. Short title. This Article may be cited as the
14 Cosmetic Medical Procedure Utilization Tax Act. The tax imposed
15 by this Article may be referred to as the "Cosmetic Medical
16 Procedure Utilization Tax".

17 Section 10-5. Tax imposed; collection of tax. Beginning on
18 January 1, 2007, a tax is imposed upon the privilege of
19 utilizing cosmetic medical procedures in this State. The
20 subject of the cosmetic medical procedure shall pay the tax,
21 which shall be collected from the procedure subject by the
22 person billing the gross receipts from the cosmetic medical
23 procedure when collecting the payment for the cosmetic medical
24 procedure in the manner prescribed by the Department of
25 Revenue. If more than one person bills gross receipts from a
26 single cosmetic medical procedure, each person shall be
27 responsible for the collection of the gross receipts tax on the
28 portion of the gross receipts billed.

29 Section 10-10. Rate of tax. The tax imposed by this Article
30 is at the rate of 6% of the gross receipts from a cosmetic
31 medical procedure.

1 Section 10-15. Definitions. For the purposes of this
2 Article, the following terms shall have the following meanings:

3 "Cosmetic medical procedure" means any medical procedure
4 performed on an individual that is directed at improving the
5 procedure subject's appearance and that does not meaningfully
6 promote the proper function of the body or prevent or treat
7 illness or disease. "Cosmetic medical procedure" includes but
8 is not limited to cosmetic surgery, hair transplants, cosmetic
9 injections, cosmetic soft tissue fillers, dermabrasion and
10 chemical peel, laser hair removal, laser skin resurfacing,
11 laser treatment of leg veins, sclerotherapy, and cosmetic
12 dentistry. "Cosmetic medical procedure" does not include
13 reconstructive surgery or dentistry.

14 "Cosmetic surgery" means any procedure that is directed at
15 improving the patient's appearance and does not meaningfully
16 promote the proper function of the body or prevent or treat
17 illness or disease.

18 "Department" means the Department of Revenue.

19 "Gross receipts from a cosmetic medical procedure" means
20 all amounts paid for services, property, or occupancy required
21 for or associated with the performance of a cosmetic medical
22 procedure and billed to the procedure subject's account.

23 "Person" means any natural individual, firm, partnership,
24 association, joint stock company, joint venture, public or
25 private corporation, limited liability company, and any
26 receiver, executor, trustee, guardian, or other representative
27 appointed by order of any court.

28 "Reconstructive surgery or dentistry" includes any surgery
29 or dentistry necessary to ameliorate a deformity arising from,
30 or directly related to, a congenital abnormality, a personal
31 injury resulting from an accident or trauma, or disfiguring
32 disease.

33 Section 10-20. Reporting of tax. The Department shall
34 collect and administer the tax imposed pursuant to this
35 Article. The tax shall be reported and paid on a quarterly

1 basis in a manner prescribed by the Department.

2 Section 10-25. Rules. The Department shall promulgate such
3 rules and procedures as are required to implement this Article
4 and may use its emergency rulemaking authority to adopt initial
5 rules. The General Assembly finds that the adoption of rules to
6 implement this Article is deemed an emergency and necessary for
7 the public interest, safety, and welfare. The Illinois
8 Administrative Procedure Act is hereby expressly adopted and
9 shall apply to all administrative rules and procedures of the
10 Department of Revenue under this Article, except that (1)
11 paragraph (b) of Section 5-10 of the Illinois Administrative
12 Procedure Act does not apply to final orders, decisions, and
13 opinions of the Department, (2) item (ii) of subsection (a) of
14 Section 5-10 of the Illinois Administrative Procedure Act does
15 not apply to forms established by the Department for use under
16 this Article, and (3) the provisions of Section 10-45 of the
17 Illinois Administrative Procedure Act regarding proposals for
18 decision are excluded and not applicable to the Department
19 under this Article.

20 Section 10-30. Tax as billing item. The tax imposed by this
21 Article may be stated as a distinct item separate and apart on
22 any billing for the procedure, and shall be so stated when
23 requested by the procedure subject.

24 Section 10-35. Registration. Every person required to
25 collect the tax imposed by this Article shall apply to the
26 Department (upon a form prescribed and furnished by the
27 Department) for a Certificate of Registration under this
28 Article. In completing the application, the applicant shall
29 furnish such information as the Department may reasonably
30 require. Upon approval of an application for Certificate of
31 Registration, the Department shall issue, without charge, a
32 Certificate of Registration to the applicant. The Certificate
33 of Registration shall be displayed at the address that the

1 applicant states in his or her application to be the principal
2 place of business or location from which he or she will perform
3 cosmetic medical procedures in this State. If the applicant
4 will perform cosmetic medical procedures in this State from
5 other places of business or locations, he or she shall list the
6 addresses of the additional places of business or locations in
7 his or her application for Certificate of Registration, and the
8 Department shall issue a Sub-Certificate of Registration to the
9 applicant for each additional place of business or location.
10 Each Sub-Certificate of Registration shall be conspicuously
11 displayed at the place for which it is issued. Each
12 Sub-Certificate of Registration shall bear the same
13 registration number as that appearing upon the Certificate of
14 Registration to which the Sub-Certificate relates. Where an
15 applicant operates more than one place of business that is
16 subject to registration under this Section and those businesses
17 are substantially different in character or are engaged in
18 under different trade names or are engaged in under other
19 substantially dissimilar circumstances (so that it is more
20 practical, from an accounting, auditing, or bookkeeping
21 standpoint, for the businesses to be separately registered),
22 the Department may require or permit the person to apply for
23 and obtain a separate Certificate of Registration for each
24 business or for any of the businesses instead of registering
25 the person, as to all those businesses, under a single
26 Certificate of Registration supplemented by related
27 Sub-Certificates of Registration. No Certificate of
28 Registration shall be issued to any person who is in default to
29 the State of Illinois for moneys due under this Article.

30 Section 10-40. Returns. Every person required to collect
31 the tax imposed by this Article shall file a return in
32 accordance with reasonable rules promulgated by the Department
33 in accordance with Section 10-25. The return shall be filed on
34 a form prescribed by the Department and shall contain such
35 information as the Department may reasonably require. The

1 Department shall require returns to be filed on a quarterly
2 basis. A return for each calendar quarter shall be filed on or
3 before the twentieth day of the calendar month following the
4 end of that calendar quarter.

5 Section 10-45. Tax proceeds. All moneys received by the
6 Department pursuant to this Article shall be paid into the
7 Cosmetic Medical Procedure Utilization Tax Fund of the State
8 treasury, except that 5% of moneys received, up to a maximum
9 per fiscal year of \$1,000,000, shall be paid into the
10 Regenerative Medicine Institute Operations Fund.

11 Section 10-50. Records. Every person required to collect
12 the tax imposed by this Article shall keep such records,
13 receipts, invoices, and other pertinent books, documents,
14 memoranda, and papers as the Department shall require, in the
15 form the Department shall require. In accordance with Section
16 10-25, the Department may adopt rules that establish
17 requirements, including record forms and formats, for records
18 required to be kept and maintained by taxpayers. For the
19 purpose of administering and enforcing the provisions of this
20 Article, the Department, or any officer or employee of the
21 Department designated in writing by the Director of Revenue,
22 may hold investigations and hearings concerning any matters
23 covered in this Article and may examine any relevant books,
24 papers, records, documents, or memoranda of any person required
25 to collect the tax imposed by this Article or any taxable
26 purchaser, and may require the attendance of that person or any
27 officer or employee of that person, or of any person having
28 knowledge of the facts, and may take testimony and require
29 proof for its information.

30 Section 10-55. Tax additional to other taxes. The tax
31 imposed by this Article shall be in addition to all other
32 occupation or privilege taxes imposed by the State of Illinois
33 or by any municipal corporation or political subdivision of the

1 State of Illinois.

2 Section 10-60. Liability for tax. Any person required to
3 collect the tax imposed by this Article shall be liable to the
4 Department for the tax, whether or not the person has collected
5 the tax. To the extent that a person required to collect the
6 tax imposed by this Article has actually collected that tax,
7 the tax is held in trust for the benefit of the Department. The
8 Department may adopt rules necessary to effectuate a program of
9 electronic funds transfer for the payment of the tax imposed by
10 this Article.

11 Section 10-65. Uniform Penalty and Interest Act. The
12 Uniform Penalty and Interest Act shall apply, as far as
13 practical, to the subject matter of this Article to the same
14 extent as if those provisions were included in this Article.

15 Section 10-90. Severability. It is the purpose of Section
16 10-5 of this Article to impose a tax upon the privilege of
17 utilizing cosmetic medical procedures in this State, the tax to
18 be based upon the gross receipts from cosmetic medical
19 procedures, so far as the same may be done, under the
20 Constitution and statutes of the United States, and the
21 Constitution of the State of Illinois. The tax is not imposed
22 upon the privilege of engaging in any business in interstate
23 commerce or otherwise, however, which business may not, under
24 the Constitution and statutes of the United States, be made the
25 subject of taxation by this State. If any clause, sentence,
26 Section, provision, or part of this Article or its application
27 to any person or circumstance shall be adjudged to be
28 unconstitutional, the remainder of this Article or its
29 application to persons or circumstances, other than those to
30 which it is held invalid, shall not be affected thereby.

31

ARTICLE 90

1 Section 90-2. The Open Meetings Act is amended by changing
2 Section 2 as follows:

3 (5 ILCS 120/2) (from Ch. 102, par. 42)

4 Sec. 2. Open meetings.

5 (a) Openness required. All meetings of public bodies shall
6 be open to the public unless excepted in subsection (c) and
7 closed in accordance with Section 2a.

8 (b) Construction of exceptions. The exceptions contained
9 in subsection (c) are in derogation of the requirement that
10 public bodies meet in the open, and therefore, the exceptions
11 are to be strictly construed, extending only to subjects
12 clearly within their scope. The exceptions authorize but do not
13 require the holding of a closed meeting to discuss a subject
14 included within an enumerated exception.

15 (c) Exceptions. A public body may hold closed meetings to
16 consider the following subjects:

17 (1) The appointment, employment, compensation,
18 discipline, performance, or dismissal of specific
19 employees of the public body or legal counsel for the
20 public body, including hearing testimony on a complaint
21 lodged against an employee of the public body or against
22 legal counsel for the public body to determine its
23 validity.

24 (2) Collective negotiating matters between the public
25 body and its employees or their representatives, or
26 deliberations concerning salary schedules for one or more
27 classes of employees.

28 (3) The selection of a person to fill a public office,
29 as defined in this Act, including a vacancy in a public
30 office, when the public body is given power to appoint
31 under law or ordinance, or the discipline, performance or
32 removal of the occupant of a public office, when the public
33 body is given power to remove the occupant under law or
34 ordinance.

35 (4) Evidence or testimony presented in open hearing, or

1 in closed hearing where specifically authorized by law, to
2 a quasi-adjudicative body, as defined in this Act, provided
3 that the body prepares and makes available for public
4 inspection a written decision setting forth its
5 determinative reasoning.

6 (5) The purchase or lease of real property for the use
7 of the public body, including meetings held for the purpose
8 of discussing whether a particular parcel should be
9 acquired.

10 (6) The setting of a price for sale or lease of
11 property owned by the public body.

12 (7) The sale or purchase of securities, investments, or
13 investment contracts.

14 (8) Security procedures and the use of personnel and
15 equipment to respond to an actual, a threatened, or a
16 reasonably potential danger to the safety of employees,
17 students, staff, the public, or public property.

18 (9) Student disciplinary cases.

19 (10) The placement of individual students in special
20 education programs and other matters relating to
21 individual students.

22 (11) Litigation, when an action against, affecting or
23 on behalf of the particular public body has been filed and
24 is pending before a court or administrative tribunal, or
25 when the public body finds that an action is probable or
26 imminent, in which case the basis for the finding shall be
27 recorded and entered into the minutes of the closed
28 meeting.

29 (12) The establishment of reserves or settlement of
30 claims as provided in the Local Governmental and
31 Governmental Employees Tort Immunity Act, if otherwise the
32 disposition of a claim or potential claim might be
33 prejudiced, or the review or discussion of claims, loss or
34 risk management information, records, data, advice or
35 communications from or with respect to any insurer of the
36 public body or any intergovernmental risk management

1 association or self insurance pool of which the public body
2 is a member.

3 (13) Conciliation of complaints of discrimination in
4 the sale or rental of housing, when closed meetings are
5 authorized by the law or ordinance prescribing fair housing
6 practices and creating a commission or administrative
7 agency for their enforcement.

8 (14) Informant sources, the hiring or assignment of
9 undercover personnel or equipment, or ongoing, prior or
10 future criminal investigations, when discussed by a public
11 body with criminal investigatory responsibilities.

12 (15) Professional ethics or performance when
13 considered by an advisory body appointed to advise a
14 licensing or regulatory agency on matters germane to the
15 advisory body's field of competence.

16 (16) Self evaluation, practices and procedures or
17 professional ethics, when meeting with a representative of
18 a statewide association of which the public body is a
19 member.

20 (17) The recruitment, credentialing, discipline or
21 formal peer review of physicians or other health care
22 professionals for a hospital, or other institution
23 providing medical care, that is operated by the public
24 body.

25 (18) Deliberations for decisions of the Prisoner
26 Review Board.

27 (19) Review or discussion of applications received
28 under the Experimental Organ Transplantation Procedures
29 Act.

30 (20) The classification and discussion of matters
31 classified as confidential or continued confidential by
32 the State Employees Suggestion Award Board.

33 (21) Discussion of minutes of meetings lawfully closed
34 under this Act, whether for purposes of approval by the
35 body of the minutes or semi-annual review of the minutes as
36 mandated by Section 2.06.

1 (22) Deliberations for decisions of the State
2 Emergency Medical Services Disciplinary Review Board.

3 (23) The operation by a municipality of a municipal
4 utility or the operation of a municipal power agency or
5 municipal natural gas agency when the discussion involves
6 (i) contracts relating to the purchase, sale, or delivery
7 of electricity or natural gas or (ii) the results or
8 conclusions of load forecast studies.

9 (24) Meetings of a residential health care facility
10 resident sexual assault and death review team or the
11 Residential Health Care Facility Resident Sexual Assault
12 and Death Review Teams Executive Council under the
13 Residential Health Care Facility Resident Sexual Assault
14 and Death Review Team Act.

15 (25) Discussions of the Illinois Regenerative Medicine
16 Institute Oversight Committee or its advisory panels that
17 involve (i) personally identifiable information relating
18 to patients or medical subjects or (ii) matters concerning
19 confidential intellectual property and confidential
20 scientific research or data.

21 (d) Definitions. For purposes of this Section:

22 "Employee" means a person employed by a public body whose
23 relationship with the public body constitutes an
24 employer-employee relationship under the usual common law
25 rules, and who is not an independent contractor.

26 "Public office" means a position created by or under the
27 Constitution or laws of this State, the occupant of which is
28 charged with the exercise of some portion of the sovereign
29 power of this State. The term "public office" shall include
30 members of the public body, but it shall not include
31 organizational positions filled by members thereof, whether
32 established by law or by a public body itself, that exist to
33 assist the body in the conduct of its business.

34 "Quasi-adjudicative body" means an administrative body
35 charged by law or ordinance with the responsibility to conduct
36 hearings, receive evidence or testimony and make

1 determinations based thereon, but does not include local
2 electoral boards when such bodies are considering petition
3 challenges.

4 (e) Final action. No final action may be taken at a closed
5 meeting. Final action shall be preceded by a public recital of
6 the nature of the matter being considered and other information
7 that will inform the public of the business being conducted.

8 (Source: P.A. 93-57, eff. 7-1-03; 93-79, eff. 7-2-03; 93-422,
9 eff. 8-5-03; 93-577, eff. 8-21-03; revised 9-8-03.)

10 Section 90-5. The Election Code is amended by adding
11 Article 28A as follows:

12 (10 ILCS 5/Art. 28A heading new)

13 ARTICLE 28A

14 DEBT REFERENDA

15 (10 ILCS 5/28A-5 new)

16 Sec. 28A-5. Legislative intent. Section 9(b) of Article IX
17 of the Illinois Constitution provides that State debt may be
18 incurred "as may be provided either in a law passed by the vote
19 of three-fifths of the members elected to each house of the
20 General Assembly or in a law approved by a majority of the
21 electors voting on the question at the next general election
22 following passage." This amendatory Act of the 94th General
23 Assembly provides the statutory framework for the incurring of
24 State debt through the approval of a law in a referendum.

25 (10 ILCS 5/28A-10 new)

26 Sec. 28A-10. General election law. To the extent not
27 inconsistent with this Act, the general election law shall
28 govern referendums held pursuant to Section 9(b) of Article IX
29 of the Illinois Constitution.

30 (10 ILCS 5/28A-15 new)

31 Sec. 28A-15. Question. The law passed by the General

1 Assembly shall provide for the form of the question to be
2 submitted to the electors as it will appear on the ballot.

3 (10 ILCS 5/28A-20 new)

4 Sec. 28A-20. Limit on number of questions inapplicable. The
5 limitation on the number of public questions contained in
6 Section 28-1 of this Code shall not apply to questions
7 submitted pursuant to Section 9(b) of Article IX of the
8 Constitution.

9 (10 ILCS 5/28A-25 new)

10 Sec. 28A-25. Certification. Not less than 67 days before
11 the general election, the State Board of Elections shall
12 certify all questions submitted pursuant to Section 9(b) of
13 Article IX of the Illinois Constitution to the respective
14 county clerks. Not less than 61 days before the general
15 election, the county clerk shall certify such question or
16 questions to the board of election commissioners, if any, in
17 his or her county. The certification shall include the form of
18 the question or questions to be placed on the ballot.

19 (10 ILCS 5/28A-30 new)

20 Sec. 28A-30. Notice. It is the duty of the election
21 authority to have the questions published and posted at the
22 same time, in the same manner, and at the same places that
23 sample ballots and instructions to voters are required by law
24 to be posted.

25 (10 ILCS 5/28A-35 new)

26 Sec. 28A-35. Votes; canvassing; returns. The votes cast for
27 and against the question or questions shall be by the judges of
28 such election received, canvassed, and returned to the county
29 clerks of their respective counties, at the same time and in
30 the same manner as the votes cast at the election for members
31 of the General Assembly are by law required to be received,
32 canvassed, and returned to the clerks. The clerks shall prepare

1 and transmit to the State Board of Elections an abstract of the
2 votes at the same time and in the same manner as the votes cast
3 at the election for members of the General Assembly are by law
4 required to be abstracted and transmitted.

5 (10 ILCS 5/28A-40 new)

6 Sec. 28A-40. Proclamation. The State Board of Elections
7 shall canvass the votes given for and against the question or
8 questions in the same manner as it canvasses the votes cast
9 upon amendments to the Illinois Constitution, and if it appears
10 that a majority of the electors voting on any question have
11 voted for the question, the State Board shall declare that
12 question approved and the Governor shall cause a proclamation
13 to be made of the result of the vote, which proclamation shall
14 be filed with the Secretary of State.

15 Section 90-10. The State Finance Act is amended by adding
16 Sections 5.640, 6z-100, and 6z-105 as follows:

17 (30 ILCS 105/5.640 new)

18 Sec. 5.640. The Regenerative Medicine Bond Fund.

19 (30 ILCS 105/6z-100 new)

20 Sec. 6z-100. The Cosmetic Medical Procedure Utilization
21 Tax Fund.

22 (a) The Cosmetic Medical Procedure Utilization Tax Fund is
23 created as a special fund in the State Treasury.

24 (b) Subject to the transfer provisions set forth in this
25 Section, money in the Cosmetic Medical Procedure Utilization
26 Tax Fund shall, if and when bonds are issued pursuant to
27 Section 6.5 of the General Obligation Bond Act, be transferred
28 to the General Obligation Bond Retirement and Interest Fund.

29 In addition to other transfers to the General Obligation
30 Bond Retirement and Interest Fund made pursuant to Section 15
31 of the General Obligation Bond Act, upon each issuance of bonds
32 under Section 6.5 of the General Obligation Bond Act, the State

1 Comptroller shall compute and certify to the State Treasurer
2 the total amount of principal of, interest on, and premium, if
3 any, on such bonds during the then current and each succeeding
4 fiscal year. With respect to the interest payable on variable
5 rate bonds, such certifications shall be calculated at the
6 maximum rate of interest that may be payable during the fiscal
7 year, after taking into account any credits permitted in the
8 related indenture or other instrument against the amount of
9 such interest required to be appropriated for that period.

10 On or before the last day of each month, the State
11 Treasurer and State Comptroller shall transfer from the
12 Cosmetic Medical Procedure Utilization Tax Fund to the General
13 Obligation Bond Retirement and Interest Fund an amount
14 sufficient to pay the aggregate of the principal of, interest
15 on, and premium, if any, on the bonds payable on their next
16 payment date, divided by the number of monthly transfers
17 occurring between the last previous payment date (or the
18 delivery date if no payment date has yet occurred) and the next
19 succeeding payment date, plus any deficiency accumulated from a
20 preceding month. Interest payable on variable rate bonds shall
21 be calculated at the maximum rate of interest that may be
22 payable for the relevant period, after taking into account any
23 credits permitted in the related indenture or other instrument
24 against the amount of such interest required to be appropriated
25 for that period.

26 (c) Any surplus, as determined by the Comptroller, in the
27 Cosmetic Medical Procedure Utilization Tax Fund after the
28 payment of principal and interest on bonded indebtedness then
29 annually due and after paying any refunds due to taxpayers
30 under the Cosmetic Medical Procedure Utilization Tax Act shall,
31 subject to appropriation, be used to pay the expenses of the
32 Illinois Regenerative Medicine Institute in administering
33 programs under the Illinois Regenerative Medicine Institute
34 Creation Act or pay for any grants and loans under the Illinois
35 Regenerative Medicine Institute Creation Act. Funds remaining
36 after the payment of principal and interest on bonds issued

1 under Section 6.5 of the General Obligation Bond Act then
2 annually due and after paying any refunds due to taxpayers
3 under the Cosmetic Medical Procedure Utilization Tax Act shall
4 not be considered surplus if such funds are reasonably required
5 for future payments of principal and interest on bonds issued
6 under Section 6.5 of the General Obligation Bond Act. The State
7 Treasurer and State Comptroller shall transfer the surplus to
8 the Regenerative Medicine Institute Operations Fund.

9 (d) Investment income that is attributable to the
10 investment of moneys of the Cosmetic Medical Procedure
11 Utilization Tax Fund shall be retained in that fund. Moneys in
12 this Fund shall not be transferred to the General Revenue Fund
13 for any purposes other than those outlined in this Section.

14 (30 ILCS 105/6z-105 new)

15 Sec. 6z-105. Regenerative Medicine Institute Operations
16 Fund.

17 (a) The Regenerative Medicine Institute Operations Fund is
18 created as a special fund in the State Treasury.

19 (b) The following items of income for the Illinois
20 Institute for Regenerative Medicine shall be deposited into the
21 Fund: funds received pursuant to the Cosmetic Medical Procedure
22 Utilization Tax Act; the fees charged by the institute;
23 payments received as repayment of loans made by the institute;
24 funds received in connection with the retention, receipt,
25 assignment, license, sale or transfer of interests in, rights
26 to, or income from discoveries, inventions, patents, or
27 copyrightable works; donations, monetary gifts, or other
28 financial assistance from private sources of individuals; and
29 any other funds appropriated or transferred into the Fund.

30 (c) Pursuant to appropriation the institute may use those
31 funds for activities and purposes provided in the Illinois
32 Regenerative Medicine Institute Creation Act, including
33 activities and operations of the institute. Further, the
34 Oversight Committee of the Illinois Institute for Regenerative
35 Medicine may request that the Comptroller and the Treasurer

1 transfer funds from the Regenerative Medicine Institute
2 Operations Fund to the Cosmetic Medical Procedure Utilization
3 Tax Fund in order to pay debt service on bonds issued pursuant
4 to the Illinois Regenerative Medicine Institute Act.

5 (d) Investment income that is attributable to the
6 investment of moneys of the Regenerative Medicine Institute
7 Operations Fund shall be retained in the Fund.

8 Section 90-15. The General Obligation Bond Act is amended
9 by changing Sections 2, 12, and 19 and by adding Section 6.5 as
10 follows:

11 (30 ILCS 330/2) (from Ch. 127, par. 652)

12 Sec. 2. Authorization for Bonds. The State of Illinois is
13 authorized to issue, sell and provide for the retirement of
14 General Obligation Bonds of the State of Illinois for the
15 categories and specific purposes expressed in Sections 2
16 through 8 of this Act, in the total amount of \$28,658,149,369
17 ~~\$27,658,149,369~~.

18 The bonds authorized in this Section 2 and in Section 16 of
19 this Act are herein called "Bonds".

20 Of the total amount of Bonds authorized in this Act, up to
21 \$2,200,000,000 in aggregate original principal amount may be
22 issued and sold in accordance with the Baccalaureate Savings
23 Act in the form of General Obligation College Savings Bonds.

24 Of the total amount of Bonds authorized in this Act, up to
25 \$300,000,000 in aggregate original principal amount may be
26 issued and sold in accordance with the Retirement Savings Act
27 in the form of General Obligation Retirement Savings Bonds.

28 Of the total amount of Bonds authorized in this Act, the
29 additional \$10,000,000,000 authorized by this amendatory Act
30 of the 93rd General Assembly shall be used solely as provided
31 in Section 7.2.

32 The issuance and sale of Bonds pursuant to the General
33 Obligation Bond Act is an economical and efficient method of
34 financing the long-term capital needs of the State. This Act

1 will permit the issuance of a multi-purpose General Obligation
2 Bond with uniform terms and features. This will not only lower
3 the cost of registration but also reduce the overall cost of
4 issuing debt by improving the marketability of Illinois General
5 Obligation Bonds.

6 (Source: P.A. 92-13, eff. 6-22-01; 92-596, eff. 6-28-02;
7 92-598, eff. 6-28-02; 93-2, eff. 4-7-03; 93-839, eff. 7-30-04.)

8 (30 ILCS 330/6.5 new)

9 Sec. 6.5. Illinois Regenerative Medicine Research Funding.
10 The amount of \$1,000,000,000 for grants and loans to facilities
11 is authorized pursuant to the Illinois Regenerative Medicine
12 Institute Creation Act and for the making of deposits into the
13 Regenerative Medicine Institute Operations Fund for the making
14 of loans. The bonds shall be issued in an aggregate original
15 principal amount (excluding the amount of any bonds issued to
16 refund or advance refund bonds issued under the Illinois
17 Regenerative Medicine Institute Act) not to exceed
18 \$100,000,000 per fiscal year, except that this \$100,000,000 per
19 fiscal year limit may be increased by the difference between
20 the cumulative total of the \$100,000,000 limits for all prior
21 fiscal years and the cumulative aggregate original principal
22 amount (excluding the amount of any bonds issued to refund or
23 advance refund bonds issued under the Illinois Regenerative
24 Medicine Institute Act) of bonds issued during all prior fiscal
25 years.

26 (30 ILCS 330/12) (from Ch. 127, par. 662)

27 Sec. 12. Allocation of Proceeds from Sale of Bonds.

28 (a) Proceeds from the sale of Bonds, authorized by Section
29 3 of this Act, shall be deposited in the separate fund known as
30 the Capital Development Fund.

31 (b) Proceeds from the sale of Bonds, authorized by
32 paragraph (a) of Section 4 of this Act, shall be deposited in
33 the separate fund known as the Transportation Bond, Series A
34 Fund.

1 (c) Proceeds from the sale of Bonds, authorized by
2 paragraphs (b) and (c) of Section 4 of this Act, shall be
3 deposited in the separate fund known as the Transportation
4 Bond, Series B Fund.

5 (d) Proceeds from the sale of Bonds, authorized by Section
6 5 of this Act, shall be deposited in the separate fund known as
7 the School Construction Fund.

8 (e) Proceeds from the sale of Bonds, authorized by Section
9 6 of this Act, shall be deposited in the separate fund known as
10 the Anti-Pollution Fund.

11 (e-5) Proceeds from the sale of bonds, authorized by
12 Section 6.5 of this Act, shall be deposited into the separate
13 fund known as the Regenerative Medicine Bond Fund.

14 (f) Proceeds from the sale of Bonds, authorized by Section
15 7 of this Act, shall be deposited in the separate fund known as
16 the Coal Development Fund.

17 (f-2) Proceeds from the sale of Bonds, authorized by
18 Section 7.2 of this Act, shall be deposited as set forth in
19 Section 7.2.

20 (f-5) Proceeds from the sale of Bonds, authorized by
21 Section 7.5 of this Act, shall be deposited as set forth in
22 Section 7.5.

23 (g) Proceeds from the sale of Bonds, authorized by Section
24 8 of this Act, shall be deposited in the Capital Development
25 Fund.

26 (h) Subsequent to the issuance of any Bonds for the
27 purposes described in Sections 2 through 8 of this Act, the
28 Governor and the Director of the Governor's Office of
29 Management and Budget ~~Bureau of the Budget~~ may provide for the
30 reallocation of unspent proceeds of such Bonds to any other
31 purposes authorized under said Sections of this Act, subject to
32 the limitations on aggregate principal amounts contained
33 therein. Upon any such reallocation, such unspent proceeds
34 shall be transferred to the appropriate funds as determined by
35 reference to paragraphs (a) through (g) of this Section.

36 (Source: P.A. 92-596, eff. 6-28-02; 93-2, eff. 4-7-03; revised

1 8-23-03.)

2 (30 ILCS 330/19) (from Ch. 127, par. 669)

3 Sec. 19. Investment of Money Not Needed for Current
4 Expenditures - Application of Earnings.

5 (a) The State Treasurer may, with the Governor's approval,
6 invest and reinvest any money from the Capital Development
7 Fund, the Transportation Bond, Series A Fund, the
8 Transportation Bond, Series B Fund, the School Construction
9 Fund, the Anti-Pollution Fund, the Coal Development Fund, the
10 Regenerative Medicine Bond Fund, and the General Obligation
11 Bond Retirement and Interest Fund, in the State Treasury, which
12 is not needed for current expenditures due or about to become
13 due from these funds.

14 (b) Monies received from the sale or redemption of
15 investments from the Transportation Bond, Series A Fund shall
16 be deposited by the State Treasurer in the Road Fund.

17 Monies received from the sale or redemption of investments
18 from the Capital Development Fund, the Transportation Bond,
19 Series B Fund, the School Construction Fund, the Anti-Pollution
20 Fund, and the Coal Development Fund shall be deposited by the
21 State Treasurer in the General Revenue Fund.

22 Moneys received from the sale or redemption of investments
23 from the Regenerative Medicine Bond Fund shall be deposited by
24 the State Treasurer into the Cosmetic Medical Procedure
25 Utilization Tax Fund.

26 Monies from the sale or redemption of investments from the
27 General Obligation Bond Retirement and Interest Fund shall be
28 deposited in the General Obligation Bond Retirement and
29 Interest Fund.

30 (c) Monies from the Capital Development Fund, the
31 Transportation Bond, Series A Fund, the Transportation Bond,
32 Series B Fund, the School Construction Fund, the Anti-Pollution
33 Fund, ~~and~~ the Coal Development Fund, and the Regenerative
34 Medicine Bond Fund may be invested as permitted in "AN ACT in
35 relation to State moneys", approved June 28, 1919, as amended

1 and in "AN ACT relating to certain investments of public funds
2 by public agencies", approved July 23, 1943, as amended. Monies
3 from the General Obligation Bond Retirement and Interest Fund
4 may be invested in securities constituting direct obligations
5 of the United States Government, or obligations, the principal
6 of and interest on which are guaranteed by the United States
7 Government, or certificates of deposit of any state or national
8 bank or savings and loan association. For amounts not insured
9 by the Federal Deposit Insurance Corporation or the Federal
10 Savings and Loan Insurance Corporation, as security the State
11 Treasurer shall accept securities constituting direct
12 obligations of the United States Government, or obligations,
13 the principal of and interest on which are guaranteed by the
14 United States Government.

15 (d) Accrued interest paid to the State at the time of the
16 delivery of the Bonds shall be deposited into the General
17 Obligation Bond Retirement and Interest Fund in the State
18 Treasury.

19 (Source: P.A. 84-1248; 84-1474.)

20 ARTICLE 99

21 Section 99-5. Effective date. Articles 1, 15, and 99 of
22 this Act and the amendatory changes to the Election Code
23 contained in Section 90-5 of Article 90 of this Act take effect
24 January 1, 2006. The remainder of this Act takes effect upon
25 certification by the State Board of Elections by January 1,
26 2007 that the question described in Section 1-15 of Article 1
27 of the Illinois Regenerative Medicine Institute Act has been
28 approved by a majority of electors voting on that question at
29 the 2006 general election.