

1 AN ACT concerning regulation.

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

4 Section 1. The Regulatory Sunset Act is amended by changing
5 Section 4.23 and by adding Section 4.33 as follows:

6 (5 ILCS 80/4.23)

7 Sec. 4.23. Acts and Sections repealed on January 1, 2013.

8 The following Acts and Sections of Acts are repealed on January
9 1, 2013:

10 The Dietetic and Nutrition Services Practice Act.

11 The Elevator Safety and Regulation Act.

12 The Fire Equipment Distributor and Employee Regulation Act
13 of 2011.

14 The Funeral Directors and Embalmers Licensing Code.

15 The Naprapathic Practice Act.

16 The Professional Counselor and Clinical Professional
17 Counselor Licensing Act.

18 ~~The Wholesale Drug Distribution Licensing Act.~~

19 Section 2.5 of the Illinois Plumbing License Law.

20 (Source: P.A. 95-331, eff. 8-21-07; 96-1499, eff. 1-18-11.)

21 (5 ILCS 80/4.33 new)

22 Sec. 4.33. Act repealed on January 1, 2023. The following

1 Act is repealed on January 1, 2023:

2 The Wholesale Drug Distribution Licensing Act.

3 Section 5. The Wholesale Drug Distribution Licensing Act is
4 amended by changing Sections 15, 20, 25, 26, 50, 55, and 59 and
5 by adding Section 173 as follows:

6 (225 ILCS 120/15) (from Ch. 111, par. 8301-15)

7 (Section scheduled to be repealed on January 1, 2013)

8 Sec. 15. Definitions. As used in this Act:

9 "Authentication" means the affirmative verification,
10 before any wholesale distribution of a prescription drug
11 occurs, that each transaction listed on the pedigree has
12 occurred.

13 "Authorized distributor of record" means a wholesale
14 distributor with whom a manufacturer has established an ongoing
15 relationship to distribute the manufacturer's prescription
16 drug. An ongoing relationship is deemed to exist between a
17 wholesale distributor and a manufacturer when the wholesale
18 distributor, including any affiliated group of the wholesale
19 distributor, as defined in Section 1504 of the Internal Revenue
20 Code, complies with the following:

21 (1) The wholesale distributor has a written agreement
22 currently in effect with the manufacturer evidencing the
23 ongoing relationship; and

24 (2) The wholesale distributor is listed on the

1 manufacturer's current list of authorized distributors of
2 record, which is updated by the manufacturer on no less
3 than a monthly basis.

4 "Blood" means whole blood collected from a single donor and
5 processed either for transfusion or further manufacturing.

6 "Blood component" means that part of blood separated by
7 physical or mechanical means.

8 "Board" means the State Board of Pharmacy of the Department
9 of Professional Regulation.

10 "Chain pharmacy warehouse" means a physical location for
11 prescription drugs that acts as a central warehouse and
12 performs intracompany sales or transfers of the drugs to a
13 group of chain or mail order pharmacies that have the same
14 common ownership and control. Notwithstanding any other
15 provision of this Act, a chain pharmacy warehouse shall be
16 considered part of the normal distribution channel.

17 "Co-licensed partner or product" means an instance where
18 one or more parties have the right to engage in the
19 manufacturing or marketing of a prescription drug, consistent
20 with the FDA's implementation of the Prescription Drug
21 Marketing Act.

22 "Department" means the Department of Financial and
23 Professional Regulation.

24 "Drop shipment" means the sale of a prescription drug to a
25 wholesale distributor by the manufacturer of the prescription
26 drug or that manufacturer's co-licensed product partner, that

1 manufacturer's third party logistics provider, or that
2 manufacturer's exclusive distributor or by an authorized
3 distributor of record that purchased the product directly from
4 the manufacturer or one of these entities whereby the wholesale
5 distributor or chain pharmacy warehouse takes title but not
6 physical possession of such prescription drug and the wholesale
7 distributor invoices the pharmacy, chain pharmacy warehouse,
8 or other person authorized by law to dispense or administer
9 such drug to a patient and the pharmacy, chain pharmacy
10 warehouse, or other authorized person receives delivery of the
11 prescription drug directly from the manufacturer, that
12 manufacturer's third party logistics provider, or that
13 manufacturer's exclusive distributor or from an authorized
14 distributor of record that purchased the product directly from
15 the manufacturer or one of these entities.

16 "Drug sample" means a unit of a prescription drug that is
17 not intended to be sold and is intended to promote the sale of
18 the drug.

19 "Facility" means a facility of a wholesale distributor
20 where prescription drugs are stored, handled, repackaged, or
21 offered for sale.

22 "FDA" means the United States Food and Drug Administration.

23 "Manufacturer" means a person licensed or approved by the
24 FDA to engage in the manufacture of drugs or devices,
25 consistent with the definition of "manufacturer" set forth in
26 the FDA's regulations and guidances implementing the

1 Prescription Drug Marketing Act.

2 "Manufacturer's exclusive distributor" means anyone who
3 contracts with a manufacturer to provide or coordinate
4 warehousing, distribution, or other services on behalf of a
5 manufacturer and who takes title to that manufacturer's
6 prescription drug, but who does not have general responsibility
7 to direct the sale or disposition of the manufacturer's
8 prescription drug. A manufacturer's exclusive distributor must
9 be licensed as a wholesale distributor under this Act and, in
10 order to be considered part of the normal distribution channel,
11 must also be an authorized distributor of record.

12 "Normal distribution channel" means a chain of custody for
13 a prescription drug that goes, directly or by drop shipment,
14 from (i) a manufacturer of the prescription drug, (ii) that
15 manufacturer to that manufacturer's co-licensed partner, (iii)
16 that manufacturer to that manufacturer's third party logistics
17 provider, or (iv) that manufacturer to that manufacturer's
18 exclusive distributor to:

19 (1) a pharmacy or to other designated persons
20 authorized by law to dispense or administer the drug to a
21 patient;

22 (2) a wholesale distributor to a pharmacy or other
23 designated persons authorized by law to dispense or
24 administer the drug to a patient;

25 (3) a wholesale distributor to a chain pharmacy
26 warehouse to that chain pharmacy warehouse's intracompany

1 pharmacy to a patient or other designated persons
2 authorized by law to dispense or administer the drug to a
3 patient;

4 (4) a chain pharmacy warehouse to the chain pharmacy
5 warehouse's intracompany pharmacy or other designated
6 persons authorized by law to dispense or administer the
7 drug to the patient;

8 (5) an authorized distributor of record to one other
9 authorized distributor of record to an office-based health
10 care practitioner authorized by law to dispense or
11 administer the drug to the patient; or

12 (6) an authorized distributor to a pharmacy or other
13 persons licensed to dispense or administer the drug.

14 "Pedigree" means a document or electronic file containing
15 information that records each wholesale distribution of any
16 given prescription drug from the point of origin to the final
17 wholesale distribution point of any given prescription drug.

18 "Person" means and includes a natural person, partnership,
19 association, ~~or~~ corporation, or any other legal business
20 entity.

21 "Pharmacy distributor" means any pharmacy licensed in this
22 State or hospital pharmacy that is engaged in the delivery or
23 distribution of prescription drugs either to any other pharmacy
24 licensed in this State or to any other person or entity
25 including, but not limited to, a wholesale drug distributor
26 engaged in the delivery or distribution of prescription drugs

1 who is involved in the actual, constructive, or attempted
2 transfer of a drug in this State to other than the ultimate
3 consumer except as otherwise provided for by law.

4 "Prescription drug" means any human drug, including any
5 biological product (except for blood and blood components
6 intended for transfusion or biological products that are also
7 medical devices), required by federal law or regulation to be
8 dispensed only by a prescription, including finished dosage
9 forms and bulk drug substances subject to Section 503 of the
10 Federal Food, Drug and Cosmetic Act.

11 "Repackage" means repackaging or otherwise changing the
12 container, wrapper, or labeling to further the distribution of
13 a prescription drug, excluding that completed by the pharmacist
14 responsible for dispensing the product to a patient.

15 "Secretary" means the Secretary of Financial and
16 Professional Regulation.

17 "Third party logistics provider" means anyone who
18 contracts with a prescription drug manufacturer to provide or
19 coordinate warehousing, distribution, or other services on
20 behalf of a manufacturer, but does not take title to the
21 prescription drug or have general responsibility to direct the
22 prescription drug's sale or disposition. A third party
23 logistics provider must be licensed as a wholesale distributor
24 under this Act and, in order to be considered part of the
25 normal distribution channel, must also be an authorized
26 distributor of record.

1 "Wholesale distribution" means the distribution of
2 prescription drugs to persons other than a consumer or patient,
3 but does not include any of the following:

4 (1) Intracompany sales of prescription drugs, meaning
5 (i) any transaction or transfer between any division,
6 subsidiary, parent, or affiliated or related company under
7 the common ownership and control of a corporate entity or
8 (ii) any transaction or transfer between co-licensees of a
9 co-licensed product.

10 (2) The sale, purchase, distribution, trade, or
11 transfer of a prescription drug or offer to sell, purchase,
12 distribute, trade, or transfer a prescription drug for
13 emergency medical reasons.

14 (3) The distribution of prescription drug samples by
15 manufacturers' representatives.

16 (4) Drug returns, when conducted by a hospital, health
17 care entity, or charitable institution in accordance with
18 federal regulation.

19 (5) The sale of minimal quantities of prescription
20 drugs by licensed ~~retail~~ pharmacies to licensed
21 practitioners for office use or other licensed pharmacies.

22 (6) The sale, purchase, or trade of a drug, an offer to
23 sell, purchase, or trade a drug, or the dispensing of a
24 drug pursuant to a prescription.

25 (7) The sale, transfer, merger, or consolidation of all
26 or part of the business of a pharmacy or pharmacies from or

1 with another pharmacy or pharmacies, whether accomplished
2 as a purchase and sale of stock or business assets.

3 (8) The sale, purchase, distribution, trade, or
4 transfer of a prescription drug from one authorized
5 distributor of record to one additional authorized
6 distributor of record when the manufacturer has stated in
7 writing to the receiving authorized distributor of record
8 that the manufacturer is unable to supply the prescription
9 drug and the supplying authorized distributor of record
10 states in writing that the prescription drug being supplied
11 had until that time been exclusively in the normal
12 distribution channel.

13 (9) The delivery of or the offer to deliver a
14 prescription drug by a common carrier solely in the common
15 carrier's usual course of business of transporting
16 prescription drugs when the common carrier does not store,
17 warehouse, or take legal ownership of the prescription
18 drug.

19 (10) The sale or transfer from a retail pharmacy, mail
20 order pharmacy, or chain pharmacy warehouse of expired,
21 damaged, returned, or recalled prescription drugs to the
22 original manufacturer, the originating wholesale
23 distributor, or a third party returns processor.

24 "Wholesale drug distributor" means anyone engaged in the
25 wholesale distribution of prescription drugs into, out of, or
26 within the State, including without limitation manufacturers;

1 repackers; own label distributors; jobbers; private label
2 distributors; brokers; warehouses, including manufacturers'
3 and distributors' warehouses; manufacturer's exclusive
4 distributors; and authorized distributors of record; drug
5 wholesalers or distributors; independent wholesale drug
6 traders; specialty wholesale distributors; third party
7 logistics providers; and retail pharmacies that conduct
8 wholesale distribution; and chain pharmacy warehouses that
9 conduct wholesale distribution. In order to be considered part
10 of the normal distribution channel, a wholesale distributor
11 must also be an authorized distributor of record.

12 (Source: P.A. 95-689, eff. 10-29-07.)

13 (225 ILCS 120/20) (from Ch. 111, par. 8301-20)

14 (Section scheduled to be repealed on January 1, 2013)

15 Sec. 20. Prohibited drug purchases or receipt. It shall be
16 unlawful for any person or entity located in this State to
17 knowingly ~~purchase or~~ receive any prescription drug from any
18 source other than a person or entity required by the laws of
19 this State to be licensed to ship into, out of, or within this
20 State licensed under the laws of this State or the state of
21 ~~domicile except where otherwise provided~~. A person or entity
22 licensed under the laws of this State shall include, but is not
23 limited to, a wholesale distributor, manufacturer, pharmacy
24 distributor, or pharmacy. Any person violating this Section
25 shall, upon conviction, be adjudged guilty of a Class C

1 misdemeanor. A second violation shall constitute a Class 4
2 felony.

3 (Source: P.A. 87-594.)

4 (225 ILCS 120/25) (from Ch. 111, par. 8301-25)

5 (Section scheduled to be repealed on January 1, 2013)

6 Sec. 25. Wholesale drug distributor licensing
7 requirements.

8 (a) Every resident wholesale distributor who engages in the
9 wholesale distribution of prescription drugs must be licensed
10 by the Department, and every non-resident wholesale
11 distributor must be licensed in this State if it ships
12 prescription drugs into this State, in accordance with this
13 Act, before engaging in wholesale distributions of wholesale
14 prescription drugs.

15 (b) The Department shall require without limitation all of
16 the following information from each applicant for licensure
17 under this Act:

18 (1) The name, full business address, and telephone
19 number of the licensee.

20 (2) All trade or business names used by the licensee.

21 (3) Addresses, telephone numbers, and the names of
22 contact persons for all facilities used by the licensee for
23 the storage, handling, and distribution of prescription
24 drugs.

25 (4) The type of ownership or operation, such as a

1 partnership, corporation, or sole proprietorship.

2 (5) The name of the owner or operator of the wholesale
3 distributor, including:

4 (A) if a natural person, the name of the natural
5 person;

6 (B) if a partnership, the name of each partner and
7 the name of the partnership;

8 (C) if a corporation, the name and title of each
9 corporate officer and director, the corporate names,
10 and the name of the state of incorporation; and

11 (D) if a sole proprietorship, the full name of the
12 sole proprietor and the name of the business entity.

13 (6) A list of all licenses and permits issued to the
14 applicant by any other state that authorizes the applicant
15 to purchase or possess prescription drugs.

16 (7) The name of the designated representative for the
17 wholesale distributor, together with the personal
18 information statement and fingerprints, as required under
19 subsection (c) of this Section.

20 (8) Minimum liability insurance and other insurance as
21 defined by rule.

22 (9) Any additional information required by the
23 Department.

24 (c) Each wholesale distributor must designate an
25 individual representative who shall serve as the contact person
26 for the Department. This representative must provide the

1 Department with all of the following information:

2 (1) Information concerning whether the person has been
3 enjoined, either temporarily or permanently, by a court of
4 competent jurisdiction from violating any federal or State
5 law regulating the possession, control, or distribution of
6 prescription drugs or criminal violations, together with
7 details concerning any such event.

8 (2) A description of any involvement by the person with
9 any business, including any investments, other than the
10 ownership of stock in a publicly traded company or mutual
11 fund which manufactured, administered, prescribed,
12 distributed, or stored pharmaceutical products and any
13 lawsuits in which such businesses were named as a party.

14 (3) A description of any misdemeanor or felony criminal
15 offense of which the person, as an adult, was found guilty,
16 regardless of whether adjudication of guilt was withheld or
17 whether the person pled guilty or nolo contendere. If the
18 person indicates that a criminal conviction is under appeal
19 and submits a copy of the notice of appeal of that criminal
20 offense, the applicant must, within 15 days after the
21 disposition of the appeal, submit to the Department a copy
22 of the final written order of disposition.

23 (4) The designated representative of an applicant for
24 licensure as a wholesale drug distributor shall have his or
25 her fingerprints submitted to the Department of State
26 Police in an electronic format that complies with the form

1 and manner for requesting and furnishing criminal history
2 record information as prescribed by the Department of State
3 Police. These fingerprints shall be checked against the
4 Department of State Police and Federal Bureau of
5 Investigation criminal history record databases now and
6 hereafter filed. The Department of State Police shall
7 charge applicants a fee for conducting the criminal history
8 records check, which shall be deposited into the State
9 Police Services Fund and shall not exceed the actual cost
10 of the records check. The Department of State Police shall
11 furnish, pursuant to positive identification, records of
12 Illinois convictions to the Department. The Department may
13 require applicants to pay a separate fingerprinting fee,
14 either to the Department or to a vendor. The Department, in
15 its discretion, may allow an applicant who does not have
16 reasonable access to a designated vendor to provide his or
17 her fingerprints in an alternative manner. The Department
18 may adopt any rules necessary to implement this Section.

19 The designated representative of a licensee shall
20 receive and complete continuing training in applicable
21 federal and State laws governing the wholesale
22 distribution of prescription drugs.

23 (d) The Department may not issue a wholesale distributor
24 license to an applicant, unless the Department first:

25 (1) ensures that a physical inspection of the facility
26 satisfactory to the Department has occurred at the address

1 provided by the applicant, as required under item (1) of
2 subsection (b) of this Section; and

3 (2) determines that the designated representative
4 meets each of the following qualifications:

5 (A) He or she is at least 21 years of age.

6 (B) He or she has been employed full-time for at
7 least 3 years in a pharmacy or with a wholesale
8 distributor in a capacity related to the dispensing and
9 distribution of, and recordkeeping relating to,
10 prescription drugs.

11 (C) He or she is employed by the applicant full
12 time in a managerial level position.

13 (D) He or she is actively involved in and aware of
14 the actual daily operation of the wholesale
15 distributor.

16 (E) He or she is physically present at the facility
17 of the applicant during regular business hours, except
18 when the absence of the designated representative is
19 authorized, including without limitation sick leave
20 and vacation leave.

21 (F) He or she is serving in the capacity of a
22 designated representative for only one applicant at a
23 time, except where more than one licensed wholesale
24 distributor is co-located in the same facility and such
25 wholesale distributors are members of an affiliated
26 group, as defined in Section 1504 of the Internal

1 Revenue Code.

2 (e) If a wholesale distributor distributes prescription
3 drugs from more than one facility, the wholesale distributor
4 shall obtain a license for each facility.

5 (f) The information provided under this Section may not be
6 disclosed to any person or entity other than the Department or
7 another government entity in need of such information for
8 licensing or monitoring purposes.

9 (Source: P.A. 94-942, eff. 1-1-07; 95-689, eff. 10-29-07.)

10 (225 ILCS 120/26)

11 (Section scheduled to be repealed on January 1, 2013)

12 Sec. 26. Unlicensed practice; violation; civil penalty.

13 (a) Any person who practices, offers to practice, attempts
14 to practice, or holds oneself out to practice as a wholesale
15 drug distributor or pharmacy distributor without being
16 licensed to ship into, out of, or within the State under this
17 Act shall, in addition to any other penalty provided by law,
18 pay a civil penalty to the Department in an amount not to
19 exceed \$10,000 ~~\$5,000~~ for each offense as determined by the
20 Department. The civil penalty shall be assessed by the
21 Department after a hearing is held in accordance with the
22 provisions set forth in this Act regarding the provision of a
23 hearing for the discipline of a licensee.

24 (b) The Department has the authority and power to
25 investigate any and all unlicensed activity.

1 (c) The civil penalty shall be paid within 60 days after
2 the effective date of the order imposing the civil penalty. The
3 order shall constitute a judgment and may be filed and
4 execution had thereon in the same manner as any judgment from
5 any court of record.

6 (Source: P.A. 89-474, eff. 6-18-96.)

7 (225 ILCS 120/50) (from Ch. 111, par. 8301-50)

8 (Section scheduled to be repealed on January 1, 2013)

9 Sec. 50. Inspection powers; access to records.

10 (a) Any pharmacy investigator authorized by the Department
11 has the right of entry for inspection during normal business
12 hours of premises purporting or appearing to be used by a
13 wholesale drug distributor in this State, including the
14 business premises of a person licensed pursuant to this Act.
15 This right of entry shall permit the authorized pharmacy
16 investigator unfettered access to the entire business
17 premises. Any attempt to hinder an authorized pharmacy
18 investigator from inspecting the business premises and
19 documenting the inspection shall be a violation of this Act.

20 The duly authorized investigators shall be required to show
21 appropriate identification before being given access to a
22 wholesale drug distributor's premises and delivery vehicles.
23 ~~Any wholesale drug distributor providing adequate~~
24 ~~documentation of the most recent satisfactory inspection less~~
25 ~~than 3 years old of the distributor's wholesale drug~~

1 ~~distribution activities and facilities by either the U.S. FDA,~~
2 ~~a State agency, or any person or entity lawfully designated by~~
3 ~~a State agency to perform an inspection determined to be~~
4 ~~comparable by the Department shall be exempt from further~~
5 ~~inspection for a period of time to be determined by the~~
6 ~~Department. The exemption shall not bar the Department from~~
7 ~~initiating an investigation of a public or governmental~~
8 ~~complaint received by the Department regarding a wholesale drug~~
9 ~~distributor. Wholesale drug distributors shall be given an~~
10 ~~opportunity to correct minor violations determined by these~~
11 ~~investigations.~~

12 (b) With the exception of the most recent 12 months of
13 records that must be kept on the premises where the drugs are
14 stored, wholesale ~~Wholesale~~ drug distributors may keep records
15 regarding purchase and sales transactions electronically at a
16 central location apart from the principal office of the
17 wholesale drug distributor or the location at which the drugs
18 were stored and from which they were shipped, provided that the
19 records shall be made readily available for inspection within 2
20 working days of a request by the Department. The records may be
21 kept in any form permissible under federal law applicable to
22 prescription drugs record keeping.

23 (c) (Blank).

24 (Source: P.A. 94-942, eff. 1-1-07.)

25 (225 ILCS 120/55) (from Ch. 111, par. 8301-55)

1 (Section scheduled to be repealed on January 1, 2013)

2 Sec. 55. Discipline; grounds.

3 (a) The Department may refuse to issue, restore, or renew,
4 or may revoke, suspend, place on probation, reprimand or take
5 other disciplinary or non-disciplinary action as the
6 Department may deem appropriate, including imposing fines not
7 to exceed \$10,000 for each violation, with regard to any
8 applicant or licensee or any officer, director, manager, or
9 shareholder who owns 5% or more interest in the business that
10 holds the license ~~proper~~ for any one or a combination of the
11 following reasons:

12 (1) Violation of this Act or of the ~~its~~ rules adopted
13 under this Act.

14 (2) Aiding or assisting another person in violating any
15 provision of this Act or the ~~its~~ rules adopted under this
16 Act.

17 (3) Failing, within 60 days, to provide information in
18 response ~~respond~~ to a written requirement made by the
19 Department ~~for information.~~

20 (4) Engaging in dishonorable, unethical, or
21 unprofessional conduct of a character likely to deceive,
22 defraud, or harm the public. This includes violations of
23 "good faith" as defined by the Illinois Controlled
24 Substances Act and applies to all prescription drugs.

25 (5) Discipline by another U.S. jurisdiction or foreign
26 nation, if at least one of the grounds for the discipline

1 is the same or substantially equivalent to those set forth
2 in this Act.

3 (6) Selling or engaging in the sale of drug samples
4 provided at no cost by drug manufacturers.

5 (7) Conviction by ~~of or entry of a~~ plea of guilty or
6 nolo contendere, finding of guilt, jury verdict, or entry
7 of judgment or by sentencing of any crime, including, but
8 not limited to, convictions, preceding sentences of
9 supervision, conditional discharge, or first offender
10 probation, under the laws of any jurisdiction of the United
11 States (i) by the applicant or licensee, or any officer,
12 director, manager or shareholder who owns more than 5% of
13 stock, to any crime under the laws of the United States or
14 any state or territory of the United States that is a
15 felony or (ii) a misdemeanor, of which an essential element
16 of which is dishonesty, or ~~any crime~~ that is directly
17 related to the practice of this profession.

18 (8) Habitual or excessive use or addiction to alcohol,
19 narcotics, stimulants, or any other chemical agent or drug
20 by the designated representative, as provided for in item
21 (7) of subsection (b) of Section 25 of this Act, any
22 officer, or director that results in the inability to
23 function with reasonable judgment, skill, or safety.

24 ~~(b) The Department may refuse to issue, restore, or renew,~~
25 ~~or may revoke, suspend, place on probation, reprimand or take~~
26 ~~other disciplinary action as the Department may deem property~~

1 ~~including fines not to exceed \$10,000 per offense for any of~~
2 ~~the following reasons:~~

3 (9) ~~(1)~~ Material misstatement in furnishing
4 information to the Department.

5 ~~(2) Making any misrepresentation for the purpose of~~
6 ~~obtaining a license.~~

7 (10) ~~(3)~~ A finding by the Department that the licensee,
8 after having his or her license placed on probationary
9 status, has violated the terms of probation.

10 (11) Fraud or misrepresentation in applying for, or
11 procuring, a license under this Act or in connection with
12 applying for renewal of a license under this Act. ~~(4) A~~
13 ~~finding that licensure or registration has been applied for~~
14 ~~or obtained by fraudulent means.~~

15 (12) ~~(5)~~ Willfully making or filing false records or
16 reports.

17 (13) ~~(6)~~ A finding of a substantial discrepancy in a
18 Department audit of a prescription drug, including a
19 controlled substance as that term is defined in this Act or
20 in the Illinois Controlled Substances Act.

21 (14) Falsifying a pedigree or selling, distributing,
22 transferring, manufacturing, repackaging, handling, or
23 holding a counterfeit prescription drug intended for human
24 use.

25 (15) Interfering with a Department investigation.

26 (16) Failing to adequately secure controlled

1 substances or other prescription drugs from diversion.

2 (17) Acquiring or distributing prescription drugs not
3 obtained from a source licensed by the Department.

4 (18) Failing to properly store drugs.

5 (19) Failing to maintain the licensed premises with
6 proper storage and security controls.

7 (b) ~~(e)~~ The Department may refuse to issue or may suspend
8 the license or registration of any person who fails to file a
9 return, or to pay the tax, penalty or interest shown in a filed
10 return, or to pay any final assessment of tax, penalty or
11 interest, as required by any tax Act administered by the
12 Illinois Department of Revenue, until the time the requirements
13 of the tax Act are satisfied.

14 (c) ~~(d)~~ The Department shall revoke the license or
15 certificate of registration issued under this Act or any prior
16 Act of this State of any person who has been convicted a second
17 time of committing any felony under the Illinois Controlled
18 Substances Act or the Methamphetamine Control and Community
19 Protection Act or who has been convicted a second time of
20 committing a Class 1 felony under Sections 8A-3 and 8A-6 of the
21 Illinois Public Aid Code. A person whose license or certificate
22 of registration issued under this Act or any prior Act of this
23 State is revoked under this subsection (b) ~~(e)~~ shall be
24 prohibited from engaging in the practice of pharmacy in this
25 State.

26 (Source: P.A. 94-556, eff. 9-11-05; 95-689, eff. 10-29-07;

1 revised 11-18-11.)

2 (225 ILCS 120/59)

3 (Section scheduled to be repealed on January 1, 2013)

4 Sec. 59. Injunctive action; cease and desist order.

5 ~~Enforcement; order to cease distribution of a drug.~~

6 (a) If any person violates the provisions of this Act, the
7 Secretary, in the name of the People of the State of Illinois,
8 through the Attorney General or the State's Attorney of the
9 county where the violation is alleged to have occurred, may
10 petition for an order enjoining the violation or for an order
11 enforcing compliance with this Act. Upon the filing of a
12 verified petition, the court with appropriate jurisdiction may
13 issue a temporary restraining order, without notice or bond,
14 and may preliminarily and permanently enjoin the violation. If
15 it is established that the person has violated or is violating
16 the injunction, then the court may punish the offender for
17 contempt of court. Proceedings under this Section are in
18 addition to, and not in lieu of, all other remedies and
19 penalties provided by this Act. ~~The Department shall issue an~~
20 ~~order requiring the appropriate person, including the~~
21 ~~distributors or retailers of a drug, to immediately cease~~
22 ~~distribution of the drug within this State, if the Department~~
23 ~~finds that there is a reasonable probability that:~~

24 ~~(1) a wholesale distributor has (i) violated a~~
25 ~~provision in this Act or (ii) falsified a pedigree or sold,~~

1 ~~distributed, transferred, manufactured, repackaged,~~
2 ~~handled, or held a counterfeit prescription drug intended~~
3 ~~for human use;~~

4 ~~(2) the prescription drug at issue, as a result of a~~
5 ~~violation in paragraph (1) of this subsection (a), could~~
6 ~~cause serious, adverse health consequences or death; and~~

7 ~~(3) other procedures would result in unreasonable~~
8 ~~delay.~~

9 (b) Whenever, in the opinion of the Department, a person
10 violates any provision of this Act, the Department may issue a
11 rule to show cause why an order to cease and desist shall not
12 be entered against that person. The rule shall clearly set
13 forth the grounds relied upon by the Department and shall allow
14 a person at least 7 days after the date of the rule to file an
15 answer satisfactory to the Department. Failure to answer to the
16 satisfaction of the Department shall cause an order to cease
17 and desist to be issued. An order issued under this Section
18 shall provide the person subject to the order with an
19 opportunity for an informal hearing, to be held not later than
20 10 days after the date of the issuance of the order, on the
21 actions required by the order. If, after providing an
22 opportunity for a hearing, the Department determines that
23 inadequate grounds exist to support the actions required by the
24 order, the Department shall vacate the order.

25 (Source: P.A. 95-689, eff. 10-29-07.)

1 (225 ILCS 120/173 new)

2 Sec. 173. Confidentiality. All information collected by
3 the Department in the course of an examination or investigation
4 of a licensee or applicant, including, but not limited to, any
5 complaint against a licensee filed with the Department and
6 information collected to investigate any such complaint, shall
7 be maintained for the confidential use of the Department and
8 shall not be disclosed. The Department may not disclose the
9 information to anyone other than law enforcement officials,
10 other regulatory agencies that have an appropriate regulatory
11 interest as determined by the Secretary, or a party presenting
12 a lawful subpoena to the Department. Information and documents
13 disclosed to a federal, State, county, or local law enforcement
14 agency shall not be disclosed by the agency for any purpose to
15 any other agency or person. A formal complaint filed against a
16 licensee by the Department or any order issued by the
17 Department against a licensee or applicant shall be a public
18 record, except as otherwise prohibited by law.

19 Section 99. Effective date. This Act takes effect on
20 January 1, 2013.

1 INDEX

2 Statutes amended in order of appearance

3 5 ILCS 80/4.23

4 5 ILCS 80/4.33 new

5 225 ILCS 120/15 from Ch. 111, par. 8301-15

6 225 ILCS 120/20 from Ch. 111, par. 8301-20

7 225 ILCS 120/25 from Ch. 111, par. 8301-25

8 225 ILCS 120/26

9 225 ILCS 120/50 from Ch. 111, par. 8301-50

10 225 ILCS 120/55 from Ch. 111, par. 8301-55

11 225 ILCS 120/59

12 225 ILCS 120/173 new