

1 AN ACT in relation to tobacco.

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

4 Article 1. General Provisions

5 Section 1-1. Short title. This Act may be cited as the  
6 Tobacco Settlement Recovery Fund Uses Act.

7 Section 1-5. Findings. The General Assembly finds that  
8 as a result of a national settlement, tobacco companies have  
9 agreed to make substantial payments to Illinois. These  
10 moneys are being paid to reimburse the State for expenses  
11 related to smoking and to help prevent future tobacco-related  
12 expenses to the State. The General Assembly further finds  
13 that all of the moneys received as a result of the tobacco  
14 settlement should be deposited into the Tobacco Settlement  
15 Recovery Fund and that the proceeds of this fund shall be  
16 used to promote tobacco use prevention and reduction and to  
17 improve the health of the citizens of Illinois.

18 Article 5. Tobacco Use Prevention and Reduction Program

19 Section 5-5. Findings. The General Assembly finds that  
20 tobacco use in Illinois is a significant economic and social  
21 burden and that tobacco use remains the number one  
22 preventable cause of death in Illinois and across the United  
23 States.

24 Section 5-10. Definitions. In this Article:

25 "Advisory council" means the Comprehensive Tobacco Use  
26 Prevention and Reduction Program Advisory Council.

27 "CDC" means the federal Centers for Disease Control and

1 Prevention.

2 "CDC guidelines" means the CDC tobacco use prevention and  
3 reduction guidelines.

4 "Department" means the Department of Public Health.

5 "Director" means the Director of Public Health.

6 "Program" means the Comprehensive Tobacco Use Prevention  
7 and Reduction Program created under Section 5-15.

8 Section 5-15. Program created. The Tobacco Use Prevention  
9 and Reduction Program is created in the Department of Public  
10 Health. The purpose of the program is to reduce tobacco  
11 consumption in Illinois and prevent and control chronic  
12 diseases with respect to which tobacco is a risk factor. The  
13 Director must coordinate tobacco use prevention and reduction  
14 activities among all State agencies. All activities funded  
15 under the program must be gender-neutral.

16 Section 5-20. Program goal. The goal of the program is to  
17 implement the CDC guidelines and to promote health and reduce  
18 tobacco-related disease, disability, and death.

19 Section 5-25. Strategic plan.

20 (a) The Department must prepare a strategic plan in  
21 accordance with the CDC guidelines for comprehensive tobacco  
22 use prevention and reduction. The strategic plan must do the  
23 following:

24 (1) Put emphasis on prevention and reduction of  
25 tobacco use by minorities, pregnant women, children, and  
26 youth.

27 (2) Encourage teen and adult smoking cessation.

28 (3) Produce and distribute information concerning  
29 the dangers of tobacco use and concerning tobacco-related  
30 diseases.

31 (4) Provide research on issues related to the

1 reduction of tobacco use.

2 (5) Address enforcement of laws concerning sales of  
3 tobacco to youth.

4 (6) Review the health and economic impact of  
5 second-hand smoke.

6 (7) Undertake other activities that the Department,  
7 in consultation with the advisory council, considers  
8 necessary and appropriate in accordance with the CDC  
9 guidelines.

10 (b) The strategic plan must set goals for 5 years and  
11 must, at a minimum, include the following 4 components:

12 (1) Community interventions.

13 (2) Public awareness and education.

14 (3) Program policy and regulation.

15 (4) Surveillance and evaluation.

16 (c) The strategic plan must be updated at least once  
17 every 2 years and must be provided to the General Assembly  
18 and the Governor. The strategic plan must be made available  
19 to the public.

20 (d) The Department must submit an annual report to the  
21 Governor and the General Assembly concerning program  
22 activities. These annual reports must be made available to  
23 the public.

24 Section 5-30. Funding. Pursuant to the strategic plan,  
25 the Department must carry out, or provide funding to other  
26 governmental agencies or not-for-profit organizations, or  
27 both, to carry out, research and programs related to tobacco  
28 use prevention and reduction. The Department, in  
29 consultation with the advisory council, must establish a  
30 process, including guidelines and evaluation criteria, to  
31 ensure program funding that meets the intent of this Section.

32 Section 5-35. Advisory council.

1 (a) The Comprehensive Tobacco Use Prevention and  
2 Reduction Program Advisory Council is established to advise  
3 the Department on issues related to the program, including  
4 the development and implementation of the strategic plan  
5 under Section 5-25.

6 (b) The advisory council must consist of the following 14  
7 members appointed by the Governor with the approval of the  
8 Senate:

9 (1) One representative from the American Lung  
10 Association.

11 (2) One representative from the American Cancer  
12 Society.

13 (3) One representative from the American Heart  
14 Association.

15 (4) One representative from the Illinois Coalition  
16 Against Tobacco.

17 (5) One representative from the Illinois Association  
18 of Public Health Administrators.

19 (6) One representative from the Illinois Academy of  
20 Family Physicians.

21 (7) One representative from the Illinois Chapter of  
22 the American Academy of Pediatrics.

23 (8) One representative from the Illinois State  
24 Medical Society.

25 (9) One representative of the Illinois Nurses  
26 Association.

27 (10) Three representatives of community-based  
28 organizations who have demonstrated a commitment to  
29 reducing tobacco use.

30 (11) One representative from the Illinois research  
31 community with expertise in tobacco research.

32 (12) One representative with experience in mass  
33 marketing and media.

34 (c) The advisory council members must have experience and

1 expertise in tobacco use prevention and control.

2 (d) The advisory council must select a chairperson from  
3 its members and must meet at least once each calendar quarter  
4 or at times determined by the Director.

5 (e) The members of the advisory council must serve  
6 without compensation but are entitled to reimbursement for  
7 their reasonable and necessary expenses actually incurred in  
8 conducting program business.

9 (f) Members must serve for terms of 3 years, except that  
10 the initial appointments must be made as follows:

11 (1) Five members must be appointed for 3 years.

12 (2) Five members must be appointed for 4 years.

13 (3) Four members must be appointed for 5 years.

14 Members appointed to fill vacancies occurring before  
15 expiration of the predecessors' term are entitled to hold  
16 office for the remainder of the term.

17 Section 5-40. Department of Public Aid tobacco cessation  
18 programs. The Department of Public Aid must implement tobacco  
19 use cessation programs for recipients of public aid under the  
20 Illinois Public Aid Code. The programs must cover counseling  
21 by health care professionals or providers and pharmacological  
22 support as indicated.

23 Article 15. Community Health Center Expansion

24 Section 15-5. Definitions. In this Article:

25 "Community health center site" means a new physical site  
26 where a community health center will provide primary health  
27 care services to either a medically underserved population or  
28 area or the uninsured population of this State.

29 "Community provider" means a not-for-profit health clinic  
30 in Illinois providing services to a medically underserved  
31 population in a medically underserved area.

1 "Department" means the Illinois Department of Public  
2 Health.

3 "Medically underserved area" means an urban or rural area  
4 designated by the Secretary of the United States Department  
5 of Health and Human Services as an area with a shortage of  
6 personal health services.

7 "Medically underserved population" means (i) the  
8 population of an urban or rural area designated by the  
9 Secretary of the United States Department of Health and Human  
10 Services as an area with a shortage of personal health  
11 services or (ii) a population group designated by the  
12 Secretary as having a shortage of those services.

13 "Primary health care services" means the following:

14 (1) Basic health services consisting of the  
15 following:

16 (A) Health services related to family  
17 medicine, internal medicine, pediatrics, obstetrics,  
18 or gynecology that are furnished by physicians and,  
19 if appropriate, physician assistants, nurse  
20 practitioners, and nurse midwives.

21 (B) Diagnostic laboratory and radiologic  
22 services.

23 (C) Preventive health services, including the  
24 following:

25 (i) Prenatal and perinatal services.

26 (ii) Screenings for breast and cervical  
27 cancer.

28 (iii) Well-child services.

29 (iv) Immunizations against  
30 vaccine-preventable diseases.

31 (v) Screenings for elevated blood lead  
32 levels, communicable diseases, and cholesterol.

33 (vi) Pediatric eye, ear, and dental  
34 screenings to determine the need for vision and

1 hearing correction and dental care.

2 (vii) Voluntary family planning services.

3 (viii) Preventive dental services.

4 (D) Emergency medical services.

5 (E) Pharmaceutical services as appropriate for  
6 particular health centers.

7 (2) Referrals to providers of medical services and  
8 other health-related services (including substance abuse  
9 and mental health services).

10 (3) Patient case management services (including  
11 counseling, referral, and follow-up services) and other  
12 services designed to assist health center patients in  
13 establishing eligibility for and gaining access to  
14 federal, State, and local programs that provide or  
15 financially support the provision of medical, social,  
16 educational, or other related services.

17 (4) Services that enable individuals to use the  
18 services of the health center (including outreach and  
19 transportation services and, if a substantial number of  
20 the individuals in the population are of limited  
21 English-speaking ability, the services of appropriate  
22 personnel fluent in the language spoken by a predominant  
23 number of those individuals).

24 (5) Education of patients and the general  
25 population served by the health center regarding the  
26 availability and proper use of health services.

27 (6) Additional health services consisting of  
28 services that are appropriate to meet the health needs of  
29 the population served by the health center involved and  
30 that may include the following:

31 (A) Environmental health services, including  
32 the following:

33 (i) Detection and alleviation of  
34 unhealthful conditions associated with water

- 1 supply.
- 2 (ii) Sewage treatment.
- 3 (iii) Solid waste disposal.
- 4 (iv) Detection and alleviation of rodent
- 5 and parasite infestation.
- 6 (v) Field sanitation.
- 7 (vi) Housing.
- 8 (vii) Other environmental factors related
- 9 to health.

10 (B) Special occupation-related health services  
11 for migratory and seasonal agricultural workers,  
12 including the following:

- 13 (i) Screening for and control of
- 14 infectious diseases, including parasitic
- 15 diseases.
- 16 (ii) Injury prevention programs, which
- 17 may include prevention of exposure to unsafe
- 18 levels of agricultural chemicals, including
- 19 pesticides.

20 "Uninsured population" means persons who do not own  
21 private health care insurance, are not part of a group  
22 insurance plan, and are not eligible for any State or federal  
23 government-sponsored health care program.

24 Section 15-10. Grants. The Department shall establish a  
25 community health center expansion grant program and may make  
26 grants to eligible community providers subject to  
27 appropriations for that purpose. The grants shall be for the  
28 purpose of (i) establishing new community health center sites  
29 to provide primary health care services to medically  
30 underserved populations or areas as defined in Section 15-5  
31 or (ii) providing primary health care services to the  
32 uninsured population of Illinois. Grants under this Section  
33 shall be for periods of 3 years. The Department may make new



1 grants whenever the total amount appropriated for grants is  
2 sufficient to fund both the new grants and the grants already  
3 in effect. A recipient of a grant to establish a new  
4 community health center site must add each such site to the  
5 recipient's established service network. The grant recipient  
6 must complete this process by the end of the second year of  
7 the grant.

8 Section 15-13. Public notice and comment. The  
9 Department shall adopt, by rule, public notice and comment  
10 procedures. Public notice of a grant request must be given  
11 to the health care professionals, the health care facilities,  
12 and the public in the general area served by the entity  
13 requesting the grant. This notice may be given by  
14 publication in a newspaper of general circulation in the  
15 general area. Comments must be accepted for a minimum of a  
16 30-day period. Any comments that are received must be  
17 reviewed by the Department in determining whether or not to  
18 make a grant.

19 Section 15-15. Eligibility for grant. To be eligible for  
20 a grant under this Article, a recipient must be a community  
21 provider as defined in Section 15-5.

22 Section 15-20. Use of grant moneys. A recipient of a  
23 grant under this Article may use the grant moneys to do any  
24 one or more of the following:

- 25 (1) Purchase equipment.
- 26 (2) Acquire a new physical location for the  
27 purposes of delivering primary health care services.
- 28 (3) Hire and train staff.
- 29 (4) Develop new practice networks.
- 30 (5) Purchase services or products that will  
31 facilitate the provision of health care services at a new

1 community health center site.

2 Section 15-25. Reporting. Within 60 days after the first  
3 and second years of the grant made pursuant to this Article,  
4 the grant recipient must submit a progress report to the  
5 Office of Rural Health within the Department. The Department  
6 shall ensure that each grant recipient is meeting the goals  
7 and objectives stated in the original grant proposal  
8 submitted by the recipient, that grant moneys are being used  
9 for appropriate purposes, and that residents of the community  
10 are being served by the new community health center site  
11 established with grant moneys.

12 Article 20. Local Public Health Priorities

13 Section 20-5. Findings. The General Assembly finds that  
14 local public health departments develop plans for addressing  
15 significant public health concerns, including, but not  
16 limited to, access to care, asthma, breast and cervical  
17 cancer, cardiovascular disease, depression, infant health,  
18 infectious diseases including HIV, immunization,  
19 tuberculosis, injury, substance abuse, and violence  
20 prevention.

21 Section 20-10. Definitions. In this Article:

22 "Department" means the Department of Public Health.

23 "Program" means the Local Public Health Priorities  
24 Program created under Section 20-15.

25 Section 20-15. Program established. The Local Public  
26 Health Priorities Program is established in the Department to  
27 fund the local public health department priorities identified  
28 in Section 20-5.

1           Section 20-20. Grants to certified local health  
2 departments. The program must provide grants to any certified  
3 local health department in the State meeting the criteria  
4 established by the Department, to work with local  
5 community-based organizations to allow the certified local  
6 health departments to achieve local priorities as outlined in  
7 the certified local health department's Illinois Project for  
8 Local Assessment of Needs approved by the Department. Grants  
9 must be made to each certified local health department using  
10 a distribution plan based on the formula used to distribute  
11 moneys under the Local Health Protection Grants. Sixty  
12 percent of the moneys allocated to the program must be spent  
13 for the grants.

14           Section 20-25. Health department system development. The  
15 program must provide competitive grants to any certified  
16 local health department in the State meeting the criteria  
17 established by the Department, to allow the local health  
18 departments to develop systems to improve preparedness for  
19 and responses to both acute and chronic threats to the health  
20 of Illinois citizens, including, but not limited to, emerging  
21 infections, disparities in health status, and chronic injury  
22 rates. Grants must be made to each certified local health  
23 department based on the need for the improvement. Forty  
24 percent of the moneys allocated to the program must be spent  
25 for the grants.

26                           Article 25. Biomedical research

27           Section 25-5. Definition. In this Article, "program"  
28 means the Biomedical Research Program established under  
29 Section 25-10.

30           Section 25-10. Establishment of program. The Biomedical

1 Research Program is established. The program must be  
2 administered by the Illinois Board of Higher Education, which  
3 must establish a program office with a director and other  
4 necessary staff in order to conduct the program. With respect  
5 to the program, the Board of Higher Education must do all of  
6 the following:

- 7 (1) Set policy for the program.
- 8 (2) Provide overall direction and coordination of  
9 the program.
- 10 (3) Award grants under the program.
- 11 (4) Provide staff assistance to the Biomedical  
12 Research Program Advisory Council and peer review panels  
13 as necessary.
- 14 (5) Provide for periodic program evaluation to  
15 ensure that work funded is consistent with program goals.
- 16 (6) Maintain a system of financial reporting and  
17 accountability.
- 18 (7) Transmit periodic programmatic and financial  
19 reports to the State.
- 20 (8) Provide for the systematic dissemination of  
21 research results to the health care community and to the  
22 public.
- 23 (9) Develop policies and procedures to facilitate  
24 the translation of research results into commercial  
25 applications.
- 26 (10) Inform interested parties of the availability  
27 of research grants under the program.

28 Section 25-15. Goals. The Biomedical Research Program has  
29 the following goals:

- 30 (1) To improve the health of the citizens of  
31 Illinois.
- 32 (2) To improve scientific understanding with regard  
33 to the mechanisms that cause disease, especially

1 tobacco-related diseases and other conditions linked to  
2 smoking and tobacco use (for example, addiction).

3 (3) To improve treatments for disease, especially  
4 tobacco-related diseases.

5 (4) To increase capacity for biomedical research.

6 (5) To increase applications of biomedical research  
7 discoveries and technology transfer to the biotechnology  
8 industry.

9 Section 25-20. Advisory council.

10 (a) The Biomedical Research Program Advisory Council is  
11 established. The advisory council must consist of the  
12 following members:

13 (1) One member from each university with a medical  
14 school located in Illinois and its affiliated hospital,  
15 nominated in consultation with the president of the  
16 university.

17 (2) Three members representing professional medical  
18 organizations.

19 (3) One member each from an Illinois chapter of each  
20 of the 3 national voluntary health organizations leading  
21 efforts to reduce tobacco use: the American Cancer  
22 Society, the American Heart Association, and the American  
23 Lung Association.

24 (4) One member from a State agency concerned with  
25 tobacco use control.

26 (5) One member representing the biotechnology  
27 industry.

28 (b) Each of the members described in subsection (a) must  
29 be appointed by the Governor with the advise and consent of  
30 the Senate.

31 (c) Members are entitled only to reimbursement of their  
32 reasonable travel expenses actually incurred in performing  
33 their duties.

1 (d) The advisory council is responsible for the  
2 following:

3 (1) Providing advice to the Board of Higher  
4 Education on priorities and emphases of the Biomedical  
5 Research Program.

6 (2) Providing advice on the overall program budget.

7 (3) Participating in periodic program evaluation.

8 (4) Assisting in the development of guidelines to  
9 ensure fairness, neutrality, and quality in the conduct  
10 of the program.

11 (5) Assisting in the development of appropriate  
12 linkages to nonacademic entities including, but not  
13 limited to, voluntary organizations, health care service  
14 providers, industry, government agencies, and public  
15 officials.

16 (6) Overseeing the formula funding process under  
17 subsection (a) of Section 25-30, including reviewing  
18 proposals for funding and making recommendations to the  
19 Board of Higher Education for grant awards.

20 (7) Overseeing the competitive funding process under  
21 Section 25-30, including determining the focus of and  
22 procedures for solicitations and peer review; selecting  
23 qualified and appropriate reviewers for peer review  
24 panels from outside Illinois in order to avoid conflicts  
25 of interest; and reviewing peer review panel reports and  
26 making recommendations to the Board of Higher Education  
27 for grant awards.

28 Section 25-25. Eligible expenditures.

29 (a) Expenditures from the program are allowable based on  
30 the criteria set forth in subsections (b) through (d).

31 (b) Eligible biomedical research is defined as including  
32 not only basic and clinical research but also basic  
33 behavioral research and epidemiological research that address

1 topics such as those described in subsection (c).

2 (c) Eligible biomedical research topics include, but are  
3 not limited to, the following diseases or conditions, for  
4 which smoking or tobacco use has been established to be a  
5 risk factor contributing to illness or disability:

6 (1) Coronary heart disease.

7 (2) Cerebrovascular disease.

8 (3) Cancer, including cancers of the mouth, larynx,  
9 esophagus, lung, bladder, kidney, and pancreas.

10 (4) Chronic obstructive lung disease, including  
11 emphysema, chronic bronchitis, asthma, and related lung  
12 disorders.

13 (5) Other diseases or conditions that have an  
14 established link or a probable link (for example, breast  
15 cancer, prostate cancer, colon cancer) to smoking or  
16 tobacco use.

17 (d) "Eligible biomedical research costs" mean the  
18 following:

19 (1) Direct costs of performing eligible biomedical  
20 research.

21 (2) Indirect costs of performing eligible biomedical  
22 research as defined by federal cost-accounting guidelines  
23 for federally sponsored research and reimbursable at each  
24 institution's current negotiated rate for federal  
25 indirect cost recovery.

26 (3) Capital costs of performing eligible biomedical  
27 research under the program, including related laboratory  
28 expansion or renovation and purchase of equipment. These  
29 capital expenditures are not eligible for indirect cost  
30 recovery.

31 (4) Capital costs that are not related to a specific  
32 research project but that enhance the institution's  
33 capacity for biomedical research. These capital  
34 expenditures are not eligible for indirect cost recovery.

1           (5) Expenses of up to 5% of the moneys awarded to  
2 each institution for translational research that  
3 facilitates the application of biomedical research  
4 discoveries and technology transfer to the biotechnology  
5 industry and ultimately to the public. These expenses are  
6 eligible for indirect cost recovery as defined in  
7 paragraph (2).

8           Section 25-30. Distribution of moneys.

9           (a) Illinois universities with medical schools and  
10 affiliated hospitals as a group are to be allocated 50% of  
11 the total amount appropriated for the program. These moneys  
12 must be distributed among these universities using the  
13 following formula:

14           (1) Each university must be allocated base funding  
15 equal to 5% of the 50% allocated under this subsection.

16           (2) Each university must then be allocated, from the  
17 remainder of the 50% allocated under this subsection, a  
18 proportionate amount based on the ratio of the total  
19 previous federal fiscal year National Institutes of  
20 Health funding for each university with a medical school  
21 and affiliated hospital to the total previous federal  
22 fiscal year National Institutes of Health funding for all  
23 the Illinois universities with medical schools and  
24 affiliated hospitals in aggregate.

25           (3) Each university, in order to receive and spend  
26 its formula-allocated moneys, must submit proposals and  
27 must receive approval by the advisory council based  
28 solely on compliance with the eligibility criteria set  
29 forth in Section 25-25.

30           (b) The remaining 50% of the total amount appropriated  
31 for the program must be available for competitive funding of  
32 biomedical research among all not-for-profit organizations in  
33 the State that perform biomedical research, including those



1 universities included in subsection (a). Each applicant, in  
2 order to receive and spend these moneys, must submit  
3 proposals for biomedical research based on the eligibility  
4 criteria set forth in Section 25-25 and must receive approval  
5 by the advisory council. The competitive funding shall be  
6 awarded by the Illinois Board of Higher Education based on  
7 the recommendations of the advisory council after reviewing  
8 the reports of the peer review panels.

9 Article 35. Advisory Panel

10 Section 35-5. The Tobacco Settlement Recovery Fund  
11 Advisory Panel is established. The advisory panel must be  
12 comprised of the following 7 members: one member representing  
13 the Comprehensive Tobacco Use Prevention and Reduction  
14 Program Advisory Council, one member representing the  
15 Department of Public Aid, one member representing a Certified  
16 Local Health Department, one member representing the  
17 Biomedical Research Program Advisory Council, one member  
18 representing the Illinois State Medical Society, one member  
19 representing a voluntary health organization dedicated to the  
20 reduction of tobacco use, and the Director of Public Health  
21 or his or her designee. Members are entitled only to  
22 reimbursement of their reasonable travel expenses actually  
23 incurred in performing their duties.

24 Section 35-10. Meetings; report. The advisory panel must  
25 meet at least once each calendar quarter and must monitor the  
26 programs established under this Act. The advisory panel must  
27 submit an annual a report to the Governor and the General  
28 Assembly. The report must include a recommendation regarding  
29 the appropriations necessary to fund the programs established  
30 in Articles 5 through 25 of this Act.

1 Article 40. Miscellaneous Provisions

2 Section 40-5. Administration of Act.

3 (a) The Department of Public Health must administer  
4 Articles 5, 15, 20, and 35 and may adopt reasonable and  
5 necessary rules to implement each of those Articles.

6 (b) The Illinois Board of Higher Education must  
7 administer Article 25 of this Act and may adopt reasonable  
8 and necessary rules to implement that Article.

9 Section 40-10. Judicial review prohibited. The  
10 Department of Public Health's final decisions on grants under  
11 Articles 5, 10, and 20 are not appealable under the Illinois  
12 Administrative Review Law. The Illinois Board of Higher  
13 Education's final decisions on grants under Article 25 are  
14 not appealable under the Illinois Administrative Review Law.

15 Section 40-15. Severability. The provisions of this Act  
16 and each Article are severable under Section 1.31 of the  
17 Statute on Statutes.

18 Article 90. Amendatory Provisions

19 Section 90-5. The Civil Administrative Code of Illinois  
20 is amended by adding Section 2310-295 as follows:

21 (20 ILCS 2310/2310-295 new)

22 Sec. 2310-295. Free medical clinic grants. From moneys  
23 appropriated from the Tobacco Settlement Recovery Fund, the  
24 Department must make grants to free medical clinics as  
25 defined in Section 30 of the Good Samaritan Act for  
26 purposes of funding health care services. Sixty percent of  
27 the total amount appropriated under this Section must be  
28 disbursed to all eligible applicants. Forty percent of

1 that total amount must be disbursed to eligible applicants  
2 based on specific criteria prescribed by the Department.  
3 The Department must adopt rules to implement this Section.

4 Section 90-7. The State Finance Act is amended by  
5 changing Section 6z-43 as follows:

6 (30 ILCS 105/6z-43)

7 Sec. 6z-43. Tobacco Settlement Recovery Fund.

8 (a) There is created in the State Treasury a special  
9 fund to be known as the Tobacco Settlement Recovery Fund,  
10 into which shall be deposited all monies paid to the State  
11 pursuant to (1) the Master Settlement Agreement entered in  
12 the case of People of the State of Illinois v. Philip Morris,  
13 et al. (Circuit Court of Cook County, No. 96-L13146) and (2)  
14 any settlement with or judgment against any tobacco product  
15 manufacturer other than one participating in the Master  
16 Settlement Agreement in satisfaction of any released claim as  
17 defined in the Master Settlement Agreement, as well as any  
18 other monies as provided by law. All earnings on Fund  
19 investments shall be deposited into the Fund. Upon the  
20 creation of the Fund, the State Comptroller shall order the  
21 State Treasurer to transfer into the Fund any monies paid to  
22 the State as described in item (1) or (2) of this Section  
23 before the creation of the Fund plus any interest earned on  
24 the investment of those monies. The Treasurer may invest the  
25 moneys in the Fund in the same manner, in the same types of  
26 investments, and subject to the same limitations provided in  
27 the Illinois Pension Code for the investment of pension funds  
28 other than those established under Article 3 or 4 of the  
29 Code.

30 (b) As soon as may be practical after June 30, 2001, the  
31 State Comptroller shall direct and the State Treasurer shall  
32 transfer the unencumbered balance in the Tobacco Settlement

1 Recovery Fund as of June 30, 2001 into the Budget  
 2 Stabilization Fund. The Treasurer may invest the moneys in  
 3 the Budget Stabilization Fund in the same manner, in the same  
 4 types of investments, and subject to the same limitations  
 5 provided in the Illinois Pension Code for the investment of  
 6 pension funds other than those established under Article 3 or  
 7 4 of the Code.

8 (c) Appropriations from the Tobacco Settlement Recovery  
 9 Fund are subject to the Tobacco Settlement Recovery Fund  
 10 Appropriations Act and the Tobacco Settlement Recovery Fund  
 11 Uses Act.

12 (Source: P.A. 91-646, eff. 11-19-99; 91-704, eff. 7-1-00;  
 13 91-797, eff. 6-9-00; revised 6-28-00.)

14 Section 90-15. The Senior Citizens and Disabled Persons  
 15 Property Tax Relief and Pharmaceutical Assistance Act is  
 16 amended by changing Section 4 as follows:

17 (320 ILCS 25/4) (from Ch. 67 1/2, par. 404)

18 Sec. 4. Amount of Grant.

19 (a) In general. Any individual 65 years or older or any  
 20 individual who will become 65 years old during the calendar  
 21 year in which a claim is filed, and any surviving spouse of  
 22 such a claimant, who at the time of death received or was  
 23 entitled to receive a grant pursuant to this Section, which  
 24 surviving spouse will become 65 years of age within the 24  
 25 months immediately following the death of such claimant and  
 26 which surviving spouse but for his or her age is otherwise  
 27 qualified to receive a grant pursuant to this Section, and  
 28 any disabled person whose annual household income is less  
 29 than \$14,000 for grant years before the 1998 grant year, less  
 30 than \$16,000 for the 1998 and 1999 grant years, and less than  
 31 (i) \$21,218 for a household containing one person, (ii)  
 32 \$28,480 for a household containing 2 persons, or (iii)

1 \$35,740 for a household containing 3 or more persons for the  
2 2000 grant year, and less than (i) 24,000 for a household  
3 containing one person, (ii) \$30,000 for a household  
4 containing 2 persons, or (iii) \$33,000 for a household  
5 containing 3 or more persons for the 2001 grant year and  
6 thereafter and whose household is liable for payment of  
7 property taxes accrued or has paid rent constituting property  
8 taxes accrued and is domiciled in this State at the time he  
9 files his claim is entitled to claim a grant under this Act.  
10 With respect to claims filed by individuals who will become  
11 65 years old during the calendar year in which a claim is  
12 filed, the amount of any grant to which that household is  
13 entitled shall be an amount equal to 1/12 of the amount to  
14 which the claimant would otherwise be entitled as provided in  
15 this Section, multiplied by the number of months in which the  
16 claimant was 65 in the calendar year in which the claim is  
17 filed.

18 (b) Limitation. Except as otherwise provided in  
19 subsections (a) and (f) of this Section, the maximum amount  
20 of grant which a claimant is entitled to claim is the amount  
21 by which the property taxes accrued which were paid or  
22 payable during the last preceding tax year or rent  
23 constituting property taxes accrued upon the claimant's  
24 residence for the last preceding taxable year exceeds 3 1/2%  
25 of the claimant's household income for that year but in no  
26 event is the grant to exceed (i) \$700 less 4.5% of household  
27 income for that year for those with a household income of  
28 \$14,000 or less or (ii) \$70 if household income for that year  
29 is more than \$14,000.

30 (c) Public aid recipients. If household income in one  
31 or more months during a year includes cash assistance in  
32 excess of \$55 per month from the Department of Public Aid or  
33 the Department of Human Services (acting as successor to the  
34 Department of Public Aid under the Department of Human

1 Services Act) which was determined under regulations of that  
2 Department on a measure of need that included an allowance  
3 for actual rent or property taxes paid by the recipient of  
4 that assistance, the amount of grant to which that household  
5 is entitled, except as otherwise provided in subsection (a),  
6 shall be the product of (1) the maximum amount computed as  
7 specified in subsection (b) of this Section and (2) the ratio  
8 of the number of months in which household income did not  
9 include such cash assistance over \$55 to the number twelve.  
10 If household income did not include such cash assistance over  
11 \$55 for any months during the year, the amount of the grant  
12 to which the household is entitled shall be the maximum  
13 amount computed as specified in subsection (b) of this  
14 Section. For purposes of this paragraph (c), "cash  
15 assistance" does not include any amount received under the  
16 federal Supplemental Security Income (SSI) program.

17 (d) Joint ownership. If title to the residence is held  
18 jointly by the claimant with a person who is not a member of  
19 his household, the amount of property taxes accrued used in  
20 computing the amount of grant to which he is entitled shall  
21 be the same percentage of property taxes accrued as is the  
22 percentage of ownership held by the claimant in the  
23 residence.

24 (e) More than one residence. If a claimant has occupied  
25 more than one residence in the taxable year, he may claim  
26 only one residence for any part of a month. In the case of  
27 property taxes accrued, he shall pro rate 1/12 of the total  
28 property taxes accrued on his residence to each month that he  
29 owned and occupied that residence; and, in the case of rent  
30 constituting property taxes accrued, shall pro rate each  
31 month's rent payments to the residence actually occupied  
32 during that month.

33 (f) There is hereby established a program of  
34 pharmaceutical assistance to the aged and disabled which

1 shall be administered by the Department in accordance with  
2 this Act, to consist of payments to authorized pharmacies, on  
3 behalf of beneficiaries of the program, for the reasonable  
4 costs of covered prescription drugs. Each beneficiary who  
5 pays \$5 for an identification card shall pay no additional  
6 prescription costs. Each beneficiary who pays \$25 for an  
7 identification card shall pay \$3 per prescription. In  
8 addition, after a beneficiary receives \$2,000 in benefits  
9 during a State fiscal year through December 31, 2001 and, on  
10 and after January 1, 2002, after a beneficiary receives  
11 \$2,000 in benefits during a calendar year, that beneficiary  
12 shall also be charged 20% of the cost of each prescription  
13 for which payments are made by the program during the  
14 remainder of the fiscal year through December 31, 2001 and,  
15 on and after January 1, 2002, during the remainder of the  
16 calendar year. To become a beneficiary under this program a  
17 person must be: (1) (i) 65 years or older, or (ii) the  
18 surviving spouse of such a claimant, who at the time of death  
19 received or was entitled to receive benefits pursuant to this  
20 subsection, which surviving spouse will become 65 years of  
21 age within the 24 months immediately following the death of  
22 such claimant and which surviving spouse but for his or her  
23 age is otherwise qualified to receive benefits pursuant to  
24 this subsection, or (iii) disabled, and (2) is domiciled in  
25 this State at the time he files his or her claim, and (3) has  
26 a maximum household income of less than \$14,000 for grant  
27 years before the 1998 grant year, less than \$16,000 for the  
28 1998 and 1999 grant years, and less than (i) \$21,218 for a  
29 household containing one person, (ii) \$28,480 for a household  
30 containing 2 persons, or (iii) \$35,740 for a household  
31 containing 3 more persons for the 2000 grant year, and less  
32 than (i) 24,000 for a household containing one person, (ii)  
33 \$30,000 for a household containing 2 persons, or (iii)  
34 \$33,000 for a household containing 3 or more persons for the

1 2001 grant year and thereafter. In addition, each eligible  
2 person must (1) obtain an identification card from the  
3 Department, (2) at the time the card is obtained, sign a  
4 statement assigning to the State of Illinois benefits which  
5 may be otherwise claimed under any private insurance plans,  
6 (3) present the identification card to the dispensing  
7 pharmacist.

8 Whenever a generic equivalent for a covered prescription  
9 drug is available, the Department shall reimburse only for  
10 the reasonable costs of the generic equivalent, less the  
11 co-pay established in this Section, unless (i) the covered  
12 prescription drug contains one or more ingredients defined as  
13 a narrow therapeutic index drug at 21 CFR 320.33, (ii) the  
14 prescriber indicates on the face of the prescription "brand  
15 medically necessary", and (iii) the prescriber specifies that  
16 a substitution is not permitted. When issuing an oral  
17 prescription for covered prescription medication described in  
18 item (i) of this paragraph, the prescriber shall stipulate  
19 "brand medically necessary" and that a substitution is not  
20 permitted. If the covered prescription drug and its  
21 authorizing prescription do not meet the criteria listed  
22 above, the beneficiary may purchase the non-generic  
23 equivalent of the covered prescription drug by paying the  
24 difference between the generic cost and the non-generic cost  
25 plus the beneficiary co-pay.

26 Any person otherwise eligible for pharmaceutical  
27 assistance under this Act whose covered drugs are covered by  
28 any public program for assistance in purchasing any covered  
29 prescription drugs shall be ineligible for assistance under  
30 this Act to the extent such costs are covered by such other  
31 plan.

32 The fee to be charged by the Department for the  
33 identification card shall be equal to \$5 per coverage year  
34 for persons below the official poverty line as defined by the



1 United States Department of Health and Human Services and \$25  
2 per coverage year for all other persons. On and before  
3 December 31, 2001, coverage under this pharmaceutical  
4 assistance program shall begin on the date of application  
5 approval and be in effect for 12 months. On and after January  
6 1, 2002, coverage under this pharmaceutical assistance  
7 program shall be in effect on a calendar year basis.

8 In the event that 2 or more persons are eligible for any  
9 benefit under this Act, and are members of the same  
10 household, (1) each such person shall be entitled to  
11 participate in the pharmaceutical assistance program,  
12 provided that he or she meets all other requirements imposed  
13 by this subsection and (2) each participating household  
14 member contributes the fee required for that person by the  
15 preceding paragraph for the purpose of obtaining an  
16 identification card.

17 (Source: P.A. 90-650, eff. 7-27-98; 91-357, eff. 7-29-99;  
18 91-699, eff. 1-1-01.)

19 Article 99. Effective Date

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