

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 3. The Pharmacy Practice Act is amended by changing  
5 Section 4 as follows:

6 (225 ILCS 85/4) (from Ch. 111, par. 4124)

7 (Section scheduled to be repealed on January 1, 2020)

8 Sec. 4. Exemptions. Nothing contained in any Section of  
9 this Act shall apply to, or in any manner interfere with:

10 (a) the lawful practice of any physician licensed to  
11 practice medicine in all of its branches, dentist,  
12 podiatric physician, veterinarian, or therapeutically or  
13 diagnostically certified optometrist within the limits of  
14 his or her license, or prevent him or her from supplying to  
15 his or her bona fide patients such drugs, medicines, or  
16 poisons as may seem to him appropriate;

17 (b) the sale of compressed gases;

18 (c) the sale of patent or proprietary medicines and  
19 household remedies when sold in original and unbroken  
20 packages only, if such patent or proprietary medicines and  
21 household remedies be properly and adequately labeled as to  
22 content and usage and generally considered and accepted as  
23 harmless and nonpoisonous when used according to the

1 directions on the label, and also do not contain opium or  
2 coca leaves, or any compound, salt or derivative thereof,  
3 or any drug which, according to the latest editions of the  
4 following authoritative pharmaceutical treatises and  
5 standards, namely, The United States  
6 Pharmacopoeia/National Formulary (USP/NF), the United  
7 States Dispensatory, and the Accepted Dental Remedies of  
8 the Council of Dental Therapeutics of the American Dental  
9 Association or any or either of them, in use on the  
10 effective date of this Act, or according to the existing  
11 provisions of the Federal Food, Drug, and Cosmetic Act and  
12 Regulations of the Department of Health and Human Services,  
13 Food and Drug Administration, promulgated thereunder now  
14 in effect, is designated, described or considered as a  
15 narcotic, hypnotic, habit forming, dangerous, or poisonous  
16 drug;

17 (d) the sale of poultry and livestock remedies in  
18 original and unbroken packages only, labeled for poultry  
19 and livestock medication;

20 (e) the sale of poisonous substances or mixture of  
21 poisonous substances, in unbroken packages, for  
22 nonmedicinal use in the arts or industries or for  
23 insecticide purposes; provided, they are properly and  
24 adequately labeled as to content and such nonmedicinal  
25 usage, in conformity with the provisions of all applicable  
26 federal, state and local laws and regulations promulgated

1           thereunder now in effect relating thereto and governing the  
2           same, and those which are required under such applicable  
3           laws and regulations to be labeled with the word "Poison",  
4           are also labeled with the word "Poison" printed thereon in  
5           prominent type and the name of a readily obtainable  
6           antidote with directions for its administration;

7           (f) the delegation of limited prescriptive authority  
8           by a physician licensed to practice medicine in all its  
9           branches to a physician assistant under Section 7.5 of the  
10          Physician Assistant Practice Act of 1987. This delegated  
11          authority under Section 7.5 of the Physician Assistant  
12          Practice Act of 1987 may, but is not required to, include  
13          prescription of controlled substances, as defined in  
14          Article II of the Illinois Controlled Substances Act, in  
15          accordance with a written supervision agreement;

16          (g) the delegation of prescriptive authority by a  
17          physician licensed to practice medicine in all its branches  
18          or a licensed podiatric physician to an advanced practice  
19          registered nurse in accordance with a written  
20          collaborative agreement under Sections 65-35 and 65-40 of  
21          the Nurse Practice Act; and

22          (h) the sale or distribution of dialysate or devices  
23          necessary to perform home peritoneal renal dialysis for  
24          patients with end-stage renal disease, provided that all of  
25          the following conditions are met:

26                 (1) the dialysate, comprised of dextrose or

1 icodextrin, or devices are approved or cleared by the  
2 federal Food and Drug Administration, as required by  
3 federal law;

4 (2) the dialysate or devices are lawfully held by a  
5 manufacturer or the manufacturer's agent, which is  
6 properly registered with the Board as a manufacturer,  
7 third-party logistics provider, or wholesaler;

8 (3) the dialysate or devices are held and delivered  
9 to the manufacturer or the manufacturer's agent in the  
10 original, sealed packaging from the manufacturing  
11 facility;

12 (4) the dialysate or devices are delivered only  
13 upon receipt of a physician's prescription by a  
14 licensed pharmacy in which the prescription is  
15 processed in accordance with provisions set forth in  
16 this Act, and the transmittal of an order from the  
17 licensed pharmacy to the manufacturer or the  
18 manufacturer's agent; and

19 (5) the manufacturer or the manufacturer's agent  
20 delivers the dialysate or devices directly to: (i) a  
21 patient with end-stage renal disease, or his or her  
22 designee, for the patient's self-administration of the  
23 dialysis therapy or (ii) a health care provider or  
24 institution for administration or delivery of the  
25 dialysis therapy to a patient with end-stage renal  
26 disease.

1           This paragraph (h) does not include any other drugs for  
2           peritoneal dialysis, except dialysate, as described in  
3           item (1) of this paragraph (h). All records of sales and  
4           distribution of dialysate to patients made pursuant to this  
5           paragraph (h) must be retained in accordance with Section  
6           18 of this Act.

7           (Source: P.A. 100-218, eff. 8-18-17; 100-513, eff. 1-1-18;  
8           100-863, eff. 8-14-18.)

9           Section 10. The Wholesale Drug Distribution Licensing Act  
10          is amended by changing Sections 15, 20, 26, 30, 35, 40, 57, 80,  
11          and 155 and by adding Section 25.5 as follows:

12           (225 ILCS 120/15) (from Ch. 111, par. 8301-15)

13           (Section scheduled to be repealed on January 1, 2023)

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

15           "Authentication" means the affirmative verification,  
16          before any wholesale distribution of a prescription drug  
17          occurs, that each transaction listed on the pedigree has  
18          occurred.

19           "Authorized distributor of record" means a wholesale  
20          distributor with whom a manufacturer has established an ongoing  
21          relationship to distribute the manufacturer's prescription  
22          drug. An ongoing relationship is deemed to exist between a  
23          wholesale distributor and a manufacturer when the wholesale  
24          distributor, including any affiliated group of the wholesale

1 distributor, as defined in Section 1504 of the Internal Revenue  
2 Code, complies with the following:

3 (1) The wholesale distributor has a written agreement  
4 currently in effect with the manufacturer evidencing the  
5 ongoing relationship; and

6 (2) The wholesale distributor is listed on the  
7 manufacturer's current list of authorized distributors of  
8 record, which is updated by the manufacturer on no less  
9 than a monthly basis.

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

12 "Blood component" means that part of blood separated by  
13 physical or mechanical means.

14 "Board" means the State Board of Pharmacy of the Department  
15 of Professional Regulation.

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

23 "Co-licensed partner or product" means an instance where  
24 one or more parties have the right to engage in the  
25 manufacturing or marketing of a prescription drug, consistent  
26 with the FDA's implementation of the Prescription Drug

1 Marketing Act.

2 "Department" means the Department of Financial and  
3 Professional Regulation.

4 "Drop shipment" means the sale of a prescription drug to a  
5 wholesale distributor by the manufacturer of the prescription  
6 drug or that manufacturer's co-licensed product partner, that  
7 manufacturer's third party logistics provider, or that  
8 manufacturer's exclusive distributor or by an authorized  
9 distributor of record that purchased the product directly from  
10 the manufacturer or one of these entities whereby the wholesale  
11 distributor or chain pharmacy warehouse takes title but not  
12 physical possession of such prescription drug and the wholesale  
13 distributor invoices the pharmacy, chain pharmacy warehouse,  
14 or other person authorized by law to dispense or administer  
15 such drug to a patient and the pharmacy, chain pharmacy  
16 warehouse, or other authorized person receives delivery of the  
17 prescription drug directly from the manufacturer, that  
18 manufacturer's third party logistics provider, or that  
19 manufacturer's exclusive distributor or from an authorized  
20 distributor of record that purchased the product directly from  
21 the manufacturer or one of these entities.

22 "Drug sample" means a unit of a prescription drug that is  
23 not intended to be sold and is intended to promote the sale of  
24 the drug.

25 "Facility" means a facility of a wholesale distributor  
26 where prescription drugs are stored, handled, repackaged, or

1 offered for sale, or a facility of a third-party logistics  
2 provider where prescription drugs are stored or handled.

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

4 "Manufacturer" means a person licensed or approved by the  
5 FDA to engage in the manufacture of drugs or devices,  
6 consistent with the definition of "manufacturer" set forth in  
7 the FDA's regulations and guidances implementing the  
8 Prescription Drug Marketing Act.

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

19 "Normal distribution channel" means a chain of custody for  
20 a prescription drug that goes, directly or by drop shipment,  
21 from (i) a manufacturer of the prescription drug, (ii) that  
22 manufacturer to that manufacturer's co-licensed partner, (iii)  
23 that manufacturer to that manufacturer's third party logistics  
24 provider, or (iv) that manufacturer to that manufacturer's  
25 exclusive distributor to:

26 (1) a pharmacy or to other designated persons



1 authorized by law to dispense or administer the drug to a  
2 patient;

3 (2) a wholesale distributor to a pharmacy or other  
4 designated persons authorized by law to dispense or  
5 administer the drug to a patient;

6 (3) a wholesale distributor to a chain pharmacy  
7 warehouse to that chain pharmacy warehouse's intracompany  
8 pharmacy to a patient or other designated persons  
9 authorized by law to dispense or administer the drug to a  
10 patient;

11 (4) a chain pharmacy warehouse to the chain pharmacy  
12 warehouse's intracompany pharmacy or other designated  
13 persons authorized by law to dispense or administer the  
14 drug to the patient;

15 (5) an authorized distributor of record to one other  
16 authorized distributor of record to an office-based health  
17 care practitioner authorized by law to dispense or  
18 administer the drug to the patient; or

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

21 "Pedigree" means a document or electronic file containing  
22 information that records each wholesale distribution of any  
23 given prescription drug from the point of origin to the final  
24 wholesale distribution point of any given prescription drug.

25 "Person" means and includes a natural person, partnership,  
26 association, corporation, or any other legal business entity.

1 "Pharmacy distributor" means any pharmacy licensed in this  
2 State or hospital pharmacy that is engaged in the delivery or  
3 distribution of prescription drugs either to any other pharmacy  
4 licensed in this State or to any other person or entity  
5 including, but not limited to, a wholesale drug distributor  
6 engaged in the delivery or distribution of prescription drugs  
7 who is involved in the actual, constructive, or attempted  
8 transfer of a drug in this State to other than the ultimate  
9 consumer except as otherwise provided for by law.

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

17 "Repackage" means repackaging or otherwise changing the  
18 container, wrapper, or labeling to further the distribution of  
19 a prescription drug, excluding that completed by the pharmacist  
20 responsible for dispensing the product to a patient.

21 "Secretary" means the Secretary of Financial and  
22 Professional Regulation.

23 "Third-party ~~Third-party~~ logistics provider" means anyone  
24 who contracts with a prescription drug manufacturer to provide  
25 or coordinate warehousing, distribution, or other services on  
26 behalf of a manufacturer, but does not take title to the

1 prescription drug or have general responsibility to direct the  
2 prescription drug's sale or disposition. ~~A third party~~  
3 ~~logistics provider must be licensed as a wholesale distributor~~  
4 ~~under this Act and, in order to be considered part of the~~  
5 ~~normal distribution channel, must also be an authorized~~  
6 ~~distributor of record.~~

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

10 (1) Intracompany sales of prescription drugs, meaning

11 (i) any transaction or transfer between any division,  
12 subsidiary, parent, or affiliated or related company under  
13 the common ownership and control of a corporate entity or  
14 (ii) any transaction or transfer between co-licensees of a  
15 co-licensed product.

16 (2) The sale, purchase, distribution, trade, or  
17 transfer of a prescription drug or offer to sell, purchase,  
18 distribute, trade, or transfer a prescription drug for  
19 emergency medical reasons.

20 (3) The distribution of prescription drug samples by  
21 manufacturers' representatives.

22 (4) Drug returns, when conducted by a hospital, health  
23 care entity, or charitable institution in accordance with  
24 federal regulation.

25 (5) The sale of minimal quantities of prescription  
26 drugs by licensed pharmacies to licensed practitioners for

1 office use or other licensed pharmacies.

2 (6) The sale, purchase, or trade of a drug, an offer to  
3 sell, purchase, or trade a drug, or the dispensing of a  
4 drug pursuant to a prescription.

5 (7) The sale, transfer, merger, or consolidation of all  
6 or part of the business of a pharmacy or pharmacies from or  
7 with another pharmacy or pharmacies, whether accomplished  
8 as a purchase and sale of stock or business assets.

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

19 (9) The delivery of or the offer to deliver a  
20 prescription drug by a common carrier solely in the common  
21 carrier's usual course of business of transporting  
22 prescription drugs when the common carrier does not store,  
23 warehouse, or take legal ownership of the prescription  
24 drug.

25 (10) The sale or transfer from a retail pharmacy, mail  
26 order pharmacy, or chain pharmacy warehouse of expired,

1 damaged, returned, or recalled prescription drugs to the  
2 original manufacturer, the originating wholesale  
3 distributor, or a third party returns processor.

4 "Wholesale drug distributor" means anyone engaged in the  
5 wholesale distribution of prescription drugs into, out of, or  
6 within the State, including without limitation manufacturers;  
7 repackers; own label distributors; jobbers; private label  
8 distributors; brokers; warehouses, including manufacturers'  
9 and distributors' warehouses; manufacturer's exclusive  
10 distributors; and authorized distributors of record; drug  
11 wholesalers or distributors; independent wholesale drug  
12 traders; specialty wholesale distributors; ~~third-party~~  
13 ~~logistics providers;~~ and retail pharmacies that conduct  
14 wholesale distribution; and chain pharmacy warehouses that  
15 conduct wholesale distribution. In order to be considered part  
16 of the normal distribution channel, a wholesale distributor  
17 must also be an authorized distributor of record.

18 (Source: P.A. 97-804, eff. 1-1-13.)

19 (225 ILCS 120/20) (from Ch. 111, par. 8301-20)

20 (Section scheduled to be repealed on January 1, 2023)

21 Sec. 20. Prohibited drug purchases or receipt. It shall be  
22 unlawful for any person or entity located in this State to  
23 knowingly receive any prescription drug from any source other  
24 than a person or entity required by the laws of this State to  
25 be licensed to ship into, out of, or within this State. A

1 person or entity licensed under the laws of this State shall  
2 include, but is not limited to, a wholesale distributor,  
3 manufacturer, third-party logistics provider, pharmacy  
4 distributor, or pharmacy. Any person violating this Section  
5 shall, upon conviction, be adjudged guilty of a Class C  
6 misdemeanor. A second violation shall constitute a Class 4  
7 felony.

8 (Source: P.A. 97-804, eff. 1-1-13.)

9 (225 ILCS 120/25.5 new)

10 Sec. 25.5. Third-party logistics providers.

11 (a) Each resident third-party logistics provider must be  
12 licensed by the Department, and every non-resident third-party  
13 logistics provider must be licensed in this State, in  
14 accordance with this Act, prior to shipping a prescription drug  
15 into this State.

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

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

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

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

1           (4) The type of ownership or operation, such as a  
2           partnership, corporation, or sole proprietorship.

3           (5) The name of the owner or operator of the  
4           third-party logistics provider, including:

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

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

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

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

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

17           (7) The name of the designated representative for the  
18           third-party logistics provider, together with the personal  
19           information statement and fingerprints, as required under  
20           subsection (c) of this Section.

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

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

25           (c) Each third-party logistics provider must designate an  
26           individual representative who shall serve as the contact person

1 for the Department. This representative must provide the  
2 Department with all of the following information:

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

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

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

24 (4) The designated representative of an applicant for  
25 licensure as a third-party logistics provider shall have  
26 his or her fingerprints submitted to the Department of



1       State Police in an electronic format that complies with the  
2       form and manner for requesting and furnishing criminal  
3       history record information as prescribed by the Department  
4       of State Police. These fingerprints shall be checked  
5       against the Department of State Police and Federal Bureau  
6       of Investigation criminal history record databases now and  
7       hereafter filed. The Department of State Police shall  
8       charge applicants a fee for conducting the criminal history  
9       records check, which shall be deposited into the State  
10       Police Services Fund and shall not exceed the actual cost  
11       of the records check. The Department of State Police shall  
12       furnish, pursuant to positive identification, records of  
13       Illinois convictions to the Department. The Department may  
14       require applicants to pay a separate fingerprinting fee,  
15       either to the Department or to a vendor. The Department, in  
16       its discretion, may allow an applicant who does not have  
17       reasonable access to a designated vendor to provide his or  
18       her fingerprints in an alternative manner. The Department  
19       may adopt any rules necessary to implement this paragraph  
20       (4).

21       (d) A third-party logistics provider shall not operate from  
22       a place of residence.

23       (e) A third-party logistics provider facility shall be  
24       located apart and separate from any retail pharmacy licensed by  
25       the Department.

26       (f) The Department may not issue a third-party logistics

1 provider license to an applicant, unless the Department first:

2 (1) ensures that a physical inspection of the facility  
3 satisfactory to the Department has occurred at the address  
4 provided by the applicant, as required under item (1) of  
5 subsection (b) of this Section; such inspection is not  
6 required if the resident state of the third-party logistics  
7 provider facility does not license third-party logistics  
8 providers or if the resident state does not inspect  
9 third-party logistics providers. If the resident state  
10 does not inspect third-party logistics providers, a  
11 Verified Accredited Wholesale Distributors Accreditation  
12 or other inspection approved by the Department meets this  
13 requirement; and

14 (2) determines that the designated representative  
15 meets each of the following qualifications:

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

17 (B) He or she is employed by the applicant full  
18 time in a managerial level position.

19 (C) He or she is actively involved in and aware of  
20 the actual daily operation of third-party logistics  
21 provider.

22 (g) A third-party logistics provider shall publicly  
23 display all licenses and have the most recent state and federal  
24 inspection reports readily available.

1 (Section scheduled to be repealed on January 1, 2023)

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

3 (a) Any person who practices, offers to practice, attempts  
4 to practice, or holds oneself out to practice as a wholesale  
5 drug distributor, ~~or~~ pharmacy distributor, or third-party  
6 logistics provider without being licensed to ship into, out of,  
7 or within the State under this Act shall, in addition to any  
8 other penalty provided by law, pay a civil penalty to the  
9 Department in an amount not to exceed \$10,000 for each offense  
10 as determined by the Department. The civil penalty shall be  
11 assessed by the Department after a hearing is held in  
12 accordance with the provisions set forth in this Act regarding  
13 the provision of a hearing for the discipline of a licensee.

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

16 (c) The civil penalty shall be paid within 60 days after  
17 the effective date of the order imposing the civil penalty. The  
18 order shall constitute a judgment and may be filed and  
19 execution had thereon in the same manner as any judgment from  
20 any court of record.

21 (Source: P.A. 97-804, eff. 1-1-13.)

22 (225 ILCS 120/30) (from Ch. 111, par. 8301-30)

23 (Section scheduled to be repealed on January 1, 2023)

24 Sec. 30. License renewal application procedures.  
25 Application ~~blanks~~ for renewal of any license required by this

1 Act shall be mailed or emailed to each licensee at least 60  
2 days before the license expires. If the application for renewal  
3 with the required fee is not received by the Department before  
4 the expiration date, the existing license shall lapse and  
5 become null and void. Failure to renew before the expiration  
6 date is cause for a late payment penalty, discipline, or both.  
7 (Source: P.A. 87-594.)

8 (225 ILCS 120/35) (from Ch. 111, par. 8301-35)

9 (Section scheduled to be repealed on January 1, 2023)

10 Sec. 35. Fees; Illinois State Pharmacy Disciplinary Fund.

11 (a) The Department shall provide by rule for a schedule of  
12 fees for the administration and enforcement of this Act,  
13 including but not limited to original licensure, renewal, and  
14 restoration. The fees shall be nonrefundable.

15 (b) All fees collected under this Act shall be deposited  
16 into the Illinois State Pharmacy Disciplinary Fund and shall be  
17 appropriated to the Department for the ordinary and contingent  
18 expenses of the Department in the administration of this Act.  
19 Moneys in the Fund may be transferred to the Professions  
20 Indirect Cost Fund as authorized by Section 2105-300 of the  
21 Department of Professional Regulation Law (20 ILCS  
22 2105/2105-300).

23 The moneys deposited into the Illinois State Pharmacy  
24 Disciplinary Fund shall be invested to earn interest which  
25 shall accrue to the Fund.

1           The Department shall present to the Board for its review  
2 and comment all appropriation requests from the Illinois State  
3 Pharmacy Disciplinary Fund. The Department shall give due  
4 consideration to any comments of the Board in making  
5 appropriation requests.

6           (c) Any person who delivers a check or other payment to the  
7 Department that is returned to the Department unpaid by the  
8 financial institution upon which it is drawn shall pay to the  
9 Department, in addition to the amount already owed to the  
10 Department, a fine of \$50. The fines imposed by this Section  
11 are in addition to any other discipline provided under this Act  
12 for unlicensed practice or practice on a nonrenewed license.  
13 The Department shall notify the person that payment of fees and  
14 fines shall be paid to the Department by certified check or  
15 money order within 30 calendar days of the notification. If,  
16 after the expiration of 30 days from the date of the  
17 notification, the person has failed to submit the necessary  
18 remittance, the Department shall automatically terminate the  
19 license or certificate or deny the application, without  
20 hearing. If, after termination or denial, the person seeks a  
21 license or certificate, he or she shall apply to the Department  
22 for restoration or issuance of the license or certificate and  
23 pay all fees and fines due to the Department. The Department  
24 may establish a fee for the processing of an application for  
25 restoration of a license or certificate to pay all expenses of  
26 processing this application. The Director may waive the fines

1 due under this Section in individual cases where the Director  
2 finds that the fines would be unreasonable or unnecessarily  
3 burdensome.

4 (d) The Department shall maintain a roster of the names and  
5 addresses of all registrants and of all persons whose licenses  
6 have been suspended or revoked. This roster shall be available  
7 upon written request and payment of the required fee.

8 (e) A manufacturer of controlled substances, ~~or~~ wholesale  
9 distributor of controlled substances, or third-party logistics  
10 provider that is licensed under this Act and owned and operated  
11 by the State is exempt from licensure, registration, renewal,  
12 and other fees required under this Act. Nothing in this  
13 subsection (e) shall be construed to prohibit the Department  
14 from imposing any fine or other penalty allowed under this Act.  
15 (Source: P.A. 95-689, eff. 10-29-07.)

16 (225 ILCS 120/40) (from Ch. 111, par. 8301-40)

17 (Section scheduled to be repealed on January 1, 2023)

18 Sec. 40. Rules and regulations. The Department shall make  
19 any rules and regulations, not inconsistent with law, as may be  
20 necessary to carry out the purposes and enforce the provisions  
21 of this Act. Rules and regulations that incorporate and set  
22 detailed standards for meeting each of the license  
23 prerequisites set forth in Section 25 of this Act shall be  
24 adopted no later than September 14, 1992. All rules and  
25 regulations promulgated under this Section shall conform to

1 wholesale drug distributor licensing guidelines formally  
2 adopted by the FDA at 21 C.F.R. Part 205. In case of conflict  
3 between any rule or regulation adopted by the Department and  
4 any FDA wholesale drug distributor or third-party logistics  
5 provider guideline, the FDA guideline shall control.

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

7 (225 ILCS 120/57)

8 (Section scheduled to be repealed on January 1, 2023)

9 Sec. 57. Pedigree.

10 (a) Each person who is engaged in the wholesale  
11 distribution of prescription drugs, including repackagers, but  
12 excluding the original manufacturer of the finished form of the  
13 prescription drug, that leave or have ever left the normal  
14 distribution channel shall, before each wholesale distribution  
15 of the drug, provide a pedigree to the person who receives the  
16 drug. A retail pharmacy, mail order pharmacy, or chain pharmacy  
17 warehouse must comply with the requirements of this Section  
18 only if the pharmacy or chain pharmacy warehouse engages in the  
19 wholesale distribution of prescription drugs. On or before July  
20 1, 2009, the Department shall determine a targeted  
21 implementation date for electronic track and trace pedigree  
22 technology. This targeted implementation date shall not be  
23 sooner than July 1, 2010. Beginning on the date established by  
24 the Department, pedigrees may be implemented through an  
25 approved and readily available system that electronically

1 tracks and traces the wholesale distribution of each  
2 prescription drug starting with the sale by the manufacturer  
3 through acquisition and sale by any wholesale distributor and  
4 until final sale to a pharmacy or other authorized person  
5 administering or dispensing the prescription drug. This  
6 electronic tracking system shall be deemed to be readily  
7 available only upon there being available a standardized system  
8 originating with the manufacturers and capable of being used on  
9 a wide scale across the entire pharmaceutical chain, including  
10 manufacturers, wholesale distributors, third-party logistics  
11 providers, and pharmacies. Consideration must also be given to  
12 the large-scale implementation of this technology across the  
13 supply chain and the technology must be proven to have no  
14 negative impact on the safety and efficacy of the  
15 pharmaceutical product.

16 (b) Each person who is engaged in the wholesale  
17 distribution of a prescription drug who is provided a pedigree  
18 for a prescription drug and attempts to further distribute that  
19 prescription drug, including repackagers, but excluding the  
20 original manufacturer of the finished form of the prescription  
21 drug, must affirmatively verify before any distribution of a  
22 prescription drug occurs that each transaction listed on the  
23 pedigree has occurred.

24 (c) The pedigree must include all necessary identifying  
25 information concerning each sale in the chain of distribution  
26 of the product from the manufacturer or the manufacturer's



1 third party logistics provider, co-licensed product partner,  
2 or exclusive distributor through acquisition and sale by any  
3 wholesale distributor or repackager, until final sale to a  
4 pharmacy or other person dispensing or administering the drug.  
5 This necessary chain of distribution information shall  
6 include, without limitation all of the following:

7 (1) The name, address, telephone number and, if  
8 available, the e-mail address of each owner of the  
9 prescription drug and each wholesale distributor of the  
10 prescription drug.

11 (2) The name and address of each location from which  
12 the product was shipped, if different from the owner's.

13 (3) Transaction dates.

14 (4) Certification that each recipient has  
15 authenticated the pedigree.

16 (d) The pedigree must also include without limitation all  
17 of the following information concerning the prescription drug:

18 (1) The name and national drug code number of the  
19 prescription drug.

20 (2) The dosage form and strength of the prescription  
21 drug.

22 (3) The size of the container.

23 (4) The number of containers.

24 (5) The lot number of the prescription drug.

25 (6) The name of the manufacturer of the finished dosage  
26 form.

1 (e) Each pedigree or electronic file shall be maintained by  
2 the purchaser and the wholesale distributor for at least 3  
3 years from the date of sale or transfer and made available for  
4 inspection or use within 5 business days upon a request of the  
5 Department.

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

7 (225 ILCS 120/80) (from Ch. 111, par. 8301-80)

8 (Section scheduled to be repealed on January 1, 2023)

9 Sec. 80. Violations of Act.

10 (a) If any person violates the provisions of this Act, the  
11 Director may, in the name of the People of the State of  
12 Illinois through the Attorney General of the State of Illinois  
13 or the State's Attorney of any county in which the action is  
14 brought, petition for an order enjoining the violation or for  
15 an order enforcing compliance with this Act. Upon the filing of  
16 a verified petition in the court, the court may issue a  
17 temporary restraining order, without notice or bond, and may  
18 preliminarily and permanently enjoin the violation. If it is  
19 established that the person has violated or is violating the  
20 injunction, the Court may punish the offender for contempt of  
21 court. Proceedings under this Section shall be in addition to,  
22 and not in lieu of, all other remedies and penalties provided  
23 by this Act.

24 (b) Whoever knowingly conducts business as a wholesale drug  
25 distributor or third-party logistics provider in this State

1 without being appropriately licensed under this Act shall be  
2 guilty of a Class A misdemeanor for a first violation and for  
3 each subsequent conviction shall be guilty of a Class 4 felony.

4 (c) Whenever in the opinion of the Department any person  
5 not licensed in good standing under this Act violates any  
6 provision of this Act, the Department may issue a rule to show  
7 cause why an order to cease and desist should not be entered  
8 against him. The rule shall clearly set forth the grounds  
9 relied upon by the Department and shall provide a period of 7  
10 days from the date of the rule to file an answer to the  
11 satisfaction of the Department. Failure to answer to the  
12 satisfaction of the Department shall cause an order to cease  
13 and desist to be issued immediately.

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

15 (225 ILCS 120/155) (from Ch. 111, par. 8301-155)

16 (Section scheduled to be repealed on January 1, 2023)

17 Sec. 155. Temporary suspension of license; hearing. The  
18 Director may temporarily suspend licensure as a wholesale drug  
19 distributor or third-party logistics provider, without a  
20 hearing, simultaneously with the institution of proceedings  
21 for a hearing provided for in Section 85 of this Act, if the  
22 Director finds that evidence in his or her possession indicates  
23 that a continuation in business would constitute an imminent  
24 danger to the public. In the event that the Director  
25 temporarily suspends a license or certificate without a

1 hearing, a hearing by the Department must be held within 10  
2 days after the suspension has occurred and be concluded without  
3 appreciable delay.

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

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