



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

SB3524

Introduced 2/14/2014, by Sen. Mattie Hunter

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Sugar-Sweetened Beverages, Syrups, and Powder Tax Law. Imposes a tax on distributors of bottled sugar-sweetened beverages, syrups, or powders. Provides that the tax is imposed at the rate of \$0.01 per ounce of bottled sugar-sweetened beverages sold or offered for sale to a retailer for sale in the State to a consumer. Provides that the distributor shall add the amount of the tax to the price of sugar-sweetened beverages sold to a retailer, and the retailer shall pass the amount of the tax through to the consumer. Requires those distributors to obtain permits. Contains provisions concerning the distribution of the proceeds. Effective January 1, 2015.

LRB098 19435 HLH 54597 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 1. Short title. This Act may be cited as the  
5 Sugar-Sweetened Beverages, Syrups, and Powder Tax Law.

6 Section 5. Findings and purpose. The General Assembly finds  
7 that:

8 Over the past 30 years, the obesity rate in the United  
9 States has substantially increased. The prevalence of adult  
10 obesity has more than doubled during that time. According to  
11 statistics compiled by the Centers for Disease Control, nearly  
12 28% of Illinois' adult residents in 2012 were considered obese  
13 (body mass index (BMI) of 30 and above) and the rate was even  
14 higher among African American (40.5%) and Hispanic (31.2%)  
15 residents.

16 For children, the increase in obesity has been even more  
17 dramatic, with the obesity rate among children ages 6-11 more  
18 than quadrupling over the last four decades. The State of  
19 Illinois is not immune to the problem. 21% of Illinois children  
20 (age 0-17 years) are obese, the fourth worst rate in the  
21 nation.

22 Obese children are at least twice as likely as non-obese  
23 children to become obese adults. Research indicates that the

1 likelihood of an obese child becoming an obese adult increases  
2 with age; adolescents who are obese have a greater likelihood  
3 of being obese in adulthood, as compared to younger children.

4 The obesity epidemic has led to a dramatic increase in  
5 obesity-related health conditions, such as type 2 diabetes,  
6 asthma, and heart disease. These health conditions costs the  
7 nation billions of dollars in health care costs and lost  
8 productivity. Overweight and obesity account for \$147 billion  
9 in health care costs nationally, or 9 percent of all medical  
10 spending, per year. Obesity-related annual medical  
11 expenditures in the State of Illinois are estimated at \$3.4  
12 billion in 2003 dollars. Almost 60% of these costs are paid by  
13 public funds through Medicare and Medicaid.

14 Numerous studies have established a link between obesity  
15 and consumption of sweetened beverages such as soft drinks,  
16 energy drinks, sweet teas and sports drinks. One meta-analysis  
17 of eight studies examining the role of sugar-sweetened beverage  
18 consumption on health found that consumption was significantly  
19 associated with type 2 diabetes based on over 15,000 reported  
20 cases of this condition. Some studies have shown increased risk  
21 for heart disease independent of weight status, suggesting that  
22 sugar-sweetened beverages are unhealthy even for people who  
23 otherwise maintain a normal weight.

24 Sugar-sweetened beverages are the number one source of  
25 added sugar in the American diet (46% of added sugars). A study  
26 of a five-year period between 1999 and 2004 showed that

1 children and adolescents consumed 10-15% of their daily caloric  
2 intake from sweetened beverages, which offer little or no  
3 nutritional value and massive quantities of added sugars. For  
4 example, a single 12-ounce can of soda contains the equivalent  
5 of approximately 10 teaspoons of sugar; the American Heart  
6 Association recommends that women consume no more than 6  
7 teaspoons of added sugar per day, men consume no more than 9  
8 teaspoons of added sugar per day, and children consume no more  
9 than 4 teaspoons of added sugar a day.

10 A study found that a penny-per-ounce excise tax on  
11 sugar-sweetened beverages in Illinois would result in a 23.5  
12 percent reduction in sugar-sweetened beverage consumption,  
13 185,127 fewer obese Illinoisans (a 9.3% reduction in youth  
14 obesity and 5.2% reduction in adult obesity), 3,442 fewer  
15 incidences of diabetes, and a \$150.8 million reduction in  
16 obesity-related healthcare costs.

17 It is the intent of the Legislature, by adopting the  
18 Sugar-Sweetened Beverages, Syrups and Powder Tax Law, creating  
19 the Illinois Wellness Fund, and providing targeted prevention  
20 and additional health care funding to Medicaid, to diminish the  
21 human and economic costs of obesity in the State of Illinois.  
22 This Act is intended to discourage excessive consumption of  
23 Sugar-Sweetened Beverages by increasing the price of these  
24 products and by creating a dedicated revenue source for  
25 programs designed to prevent and treat obesity and for the  
26 state Medicaid program to reduce the burden of related health

1 conditions.

2 Section 10. Definitions. For purposes of this Act:

3 "Advisory Board" means the Board established under Section  
4 75.

5 "Bottle" means any closed or sealed container regardless of  
6 size or shape, including, without limitation, those made of  
7 glass, metal, paper, plastic, or any other material or  
8 combination of materials.

9 "Bottled sugar-sweetened beverage" means any  
10 sugar-sweetened beverage contained in a bottle that is ready  
11 for consumption without further processing such as, without  
12 limitation, dilution or carbonation.

13 "Caloric sweetener" means any caloric substance suitable  
14 for human consumption that humans perceive as sweet and  
15 includes, without limitation, sucrose, fructose, glucose, or  
16 other sugars. "Caloric sweetener" excludes non-caloric  
17 sweeteners. For purposes of this definition, "caloric" means a  
18 substance which adds calories to the diet of a person who  
19 consumes that substance.

20 "Consumer" means a person who purchases a sugar-sweetened  
21 beverage for consumption and not for sale to another.

22 "Council" means the Council of State Agencies established  
23 under Section 70.

24 "Department" means the Department of Revenue.

25 "Distributor" means any person, including manufacturers

1 and wholesale dealers, who receives, stores, manufactures,  
2 bottles, or distributes bottled sugar-sweetened beverages,  
3 syrup, or powder, for sale to retailers doing business in the  
4 State, whether or not that person also sells such products to  
5 consumers.

6 "Fund" means the Illinois Wellness Fund.

7 "Non-caloric sweetener" means any non-caloric substance  
8 suitable for human consumption that humans perceive as sweet  
9 and includes, without limitation, aspartame, saccharin,  
10 stevia, and sucralose. "Non-caloric sweetener" excludes  
11 caloric sweeteners. For purposes of this definition,  
12 "non-caloric" means a substance that contains fewer than 5  
13 calories per serving.

14 "Person" means any natural person, partnership,  
15 cooperative association, limited liability company,  
16 corporation, personal representative, receiver, trustee,  
17 assignee, or any other legal entity.

18 "Place of business" means any place where sugar-sweetened  
19 beverages, syrups, or powder are manufactured or received for  
20 sale in the state.

21 "Powder" means any solid mixture of ingredients used in  
22 making, mixing, or compounding sugar-sweetened beverages by  
23 mixing the powder with any one or more other ingredients,  
24 including without limitation water, ice, syrup, simple syrup,  
25 fruits, vegetables, fruit juice, vegetable juice, carbonation  
26 or other gas.

1 "Retailer" means any person who sells or otherwise  
2 dispenses in the State a sugar-sweetened beverage to a consumer  
3 whether or not that person is also a distributor as defined in  
4 this Section.

5 "Sale" means the transfer of title or possession for  
6 valuable consideration regardless of the manner by which the  
7 transfer is completed.

8 "State" means the State of Illinois.

9 "Sugar-sweetened beverage" means any nonalcoholic  
10 beverage, carbonated or noncarbonated, which is intended for  
11 human consumption and contains any added caloric sweetener. As  
12 used in this definition, "nonalcoholic beverage" means any  
13 beverage that contains less than one-half of one percent  
14 alcohol per volume. The term "sugar-sweetened beverage" does  
15 not include:

16 (1) beverages sweetened solely with non-caloric  
17 sweeteners;

18 (2) beverages consisting of 100% natural fruit or  
19 vegetable juice with no added caloric sweetener; for  
20 purposes of this paragraph, "natural fruit juice" and  
21 "natural vegetable juice" mean the original liquid  
22 resulting from the pressing of fruits or vegetables, or the  
23 liquid resulting from the dilution of dehydrated natural  
24 fruit juice or natural vegetable juice;

25 (3) beverages in which milk, or soy, rice, or similar  
26 milk substitute, is the primary ingredient or the first

1 listed ingredient on the label of the beverage; for  
2 purposes of this Act, "milk" means natural liquid milk  
3 regardless of animal or plant source or butterfat content;  
4 natural milk concentrate, whether or not reconstituted; or  
5 dehydrated natural milk, whether or not reconstituted;

6 (4) coffee or tea without added caloric sweetener;

7 (5) infant formula;

8 (6) medically necessary foods, as defined in the  
9 federal Orphan Drug Act; and

10 (7) water without any caloric sweeteners.

11 "Syrup" means a liquid mixture of ingredients used in  
12 making, mixing, or compounding sugar-sweetened beverages using  
13 one or more other ingredients including, without limitation,  
14 water, ice, a powder, simple syrup, fruits, vegetables, fruit  
15 juice, vegetable juice, carbonation, or other gas.

16 Section 15. Permit required.

17 (a) Every distributor doing business in the State shall  
18 file with the Department an application for a permit to engage  
19 in such business, for each place of business owned and operated  
20 by the distributor before the sooner of January 1, 2015 or a  
21 distributor's first acts which constitute the doing of business  
22 in the State. An application for a permit shall be filed on  
23 forms to be furnished by the Department for that purpose. An  
24 application must be subscribed and sworn to by a person with  
25 legal authority to bind the business. The application shall

1 identify the owners of the applicant, the applicant's mailing  
2 address, the place of business to which the permit shall apply,  
3 and the nature of the business in which engaged, and any other  
4 information the Department may require for the enforcement of  
5 this Act.

6 (b) Upon receipt of an application and any permit fee  
7 hereafter provided for, the Department may issue to the  
8 applicant, for the place of business designated, a  
9 non-assignable permit, authorizing the sale of sugar-sweetened  
10 beverages, syrups, and powder in the State. No distributor  
11 shall sell any sugar-sweetened beverage, syrup, or powder  
12 without first obtaining a permit to do so under this Act.  
13 Permits issued pursuant to this Section shall expire on January  
14 31 of each year and may be renewed annually.

15 (c) A permit may not be transferred from one person to  
16 another, and a permit shall at all times be prominently  
17 displayed in a distributor's place of business. The Department  
18 may refuse to issue a permit to any Person previously convicted  
19 of violations of this Act under such procedures as the  
20 Department may establish by regulation.

21 Section 20. Tax imposed.

22 (a) There is hereby imposed an excise tax on every  
23 distributor for the privilege of selling the products governed  
24 by this Act in the State, calculated as follows:

25 (1) \$0.01 per ounce of bottled sugar-sweetened

1 beverages sold or offered for sale to a retailer for sale  
2 in the State to a consumer.

3 (2) The tax on syrup and powder sold or offered for  
4 sale to a retailer for sale in the State to a consumer,  
5 either as syrup or powder or as a sugar-sweetened beverage  
6 derived from that syrup or powder, is equal to \$0.01 per  
7 ounce for each ounce of sugar-sweetened beverage produced  
8 from that syrup or powder; for purposes of calculating the  
9 tax, the volume of sugar-sweetened beverage produced from  
10 syrup or powder shall be the larger of (i) the largest  
11 volume resulting from use of the syrup or powder according  
12 to any manufacturer's instructions or (ii) the volume  
13 actually produced by the retailer, as reasonably  
14 determined by the Department.

15 (3) The tax amounts set forth in this Section shall be  
16 adjusted annually by the Department in proportion with the  
17 Consumer Price Index: All Urban Consumers for All Items for  
18 the Midwest Statistical Area, as reported by the United  
19 States Bureau of Labor Statistics or any successor to that  
20 index.

21 (b) A retailer that sells bottled sugar-sweetened  
22 beverages, syrups, or powders in the State to a consumer, on  
23 which the tax imposed by this Section has not been paid by a  
24 distributor, is liable for the tax imposed in subsection (a) at  
25 the time of sale to a consumer.

1           Section 25. Pass-through of the tax. A distributor shall  
2 add the amount of taxes levied by this Act to the price of  
3 sugar-sweetened beverages sold to a retailer, and the retailer  
4 shall pass the amount of the tax through to the consumer as a  
5 component of the final retail purchase price. The amount of the  
6 taxes may be stated separately on all invoices, signs, sales or  
7 delivery slips, bills, and statements that advertise or  
8 indicate the price of those beverages.

9           Section 30. Report of sales and tax remittances.

10           (a) Any distributor or retailer liable for the tax imposed  
11 by this Act shall, on or before the last day of March, June,  
12 October and December of each year, return to the Department  
13 under oath of a person with legal authority to bind the  
14 distributor or retailer, a statement containing its name and  
15 place of business, the quantity of sugar-sweetened beverages,  
16 syrup, and powder subject to the excise tax imposed by this Act  
17 sold or offered for sale in the 3 months immediately preceding  
18 the month in which the report is due, and any other information  
19 required by the Department, along with the tax due.

20           (b) The State Treasurer shall credit the proceeds of the  
21 tax to the Illinois Wellness Fund and to the Illinois Medicaid  
22 program, as described in Section 65.

23           Section 35. Records of distributors. Every distributor and  
24 every retailer subject to this Act shall maintain for not less

1 than 2 years accurate records, showing all transactions that  
2 gave rise, or may have given rise, to tax liability under this  
3 Act. Such records are subject to inspection by the Department  
4 at all reasonable times during normal business hours.

5 Section 40. Exemptions. The following shall be exempt from  
6 the tax imposed by Section 20:

7 (1) Bottled sugar-sweetened beverages, syrups, and  
8 powder sold to the United States Government and American  
9 Indian Tribal Governments.

10 (2) Bottled sugar-sweetened beverages, syrups, and  
11 powder sold by a distributor to another distributor that  
12 holds a permit issued under Section 15, if the sales  
13 invoice clearly indicates that the sale is exempt. If the  
14 sale is to a person who is both a distributor and a  
15 retailer, the sale shall also be tax exempt and the tax  
16 shall be paid when the purchasing distributor-retailer  
17 resells the product to a retailer or a consumer. This  
18 exemption does not apply to any other sale to a retailer.

19 Section 45. Penalties.

20 (a) Any distributor, retailer, or other person subject to  
21 the provisions of this Act who fails to pay the entire amount  
22 of tax imposed by this Act by the date that payment is due,  
23 fails to submit a report or maintain records required by this  
24 Act, does business in the State of Illinois without first

1 obtaining a permit as required by this Act, or violates any  
2 other provision of this Act, or rules and regulations adopted  
3 by the Department for the enforcement of this Act, shall be  
4 guilty of a misdemeanor and shall also be liable for the  
5 penalties set forth and incorporated by reference into this  
6 section.

7 (b) Incorporation by reference. All of the provisions of  
8 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 6, 6a,  
9 6b, 6c, 8, 9, 10, 11, 11a, and 12 of the Retailers' Occupation  
10 Tax Act, and all applicable provisions of the Uniform Penalty  
11 and Interest Act that are not inconsistent with this Act, apply  
12 to Distributors of Sugar-Sweetened Beverages to the same extent  
13 as if those provisions were included in this Act. References in  
14 the incorporated sections of the Retailers' Occupation Tax Act  
15 to retailers, to sellers, or to persons engaged in the business  
16 of selling tangible personal property mean Distributors and/or  
17 Retailers when used in this Act. References in the incorporated  
18 sections to sales of tangible personal property mean sales of  
19 Sugar-Sweetened Beverages, Syrups, and/or Powder when used in  
20 this Act.

21 (c) In addition to any other penalty authorized by law, a  
22 permit issued pursuant to Section 15 shall be suspended or  
23 revoked if any court of competent jurisdiction determines, or  
24 the Department finds based on a preponderance of the evidence,  
25 after the permittee is afforded notice and an opportunity to be  
26 heard, that the permittee, or any of the permittee's agents or

1 employees, has violated any of the requirements, conditions, or  
2 prohibitions of this chapter.

3 (1) For a first violation of this Act within any  
4 60-month period, the permit shall be suspended for 30 days.

5 (2) For a second violation of this Act within any  
6 60-month period, the permit shall be suspended for 90 days.

7 (3) For a third violation of this Act within any  
8 60-month period, the permit shall be suspended for one  
9 year.

10 (4) For a fourth or subsequent violation of this Act  
11 within any 60-month period, the license shall be revoked.

12 (d) A decision of the Department under this Section is a  
13 final administrative decision and is subject to review under  
14 the Administrative Review Law.

15 Section 50. Unpaid taxes a debt. All taxes and penalties  
16 imposed under the provisions of this Act remaining due and  
17 unpaid shall constitute a debt to the State, which may be  
18 collected from the person owing same by suit or otherwise.

19 Section 55. Records of Department. At the end of each  
20 month, the State Auditor General shall check the books and  
21 records of the Department and its accounts with any bank or  
22 banks, and shall verify the amounts collected pursuant to this  
23 Act and paid into the Illinois Wellness Fund. Any duty herein  
24 required of the State Auditor General may be performed by any

1 duly trained clerk in his office, designated by the State  
2 Auditor General for that purpose.

3 Section 60. Revenue distribution and establishment of  
4 Illinois Wellness Fund. The Illinois Wellness Fund is hereby  
5 created as a special fund in the State treasury. Fifty percent  
6 of the moneys collected pursuant to the taxes imposed by  
7 Section 20 and all interest on those moneys, shall be paid into  
8 the Illinois Wellness Fund. The remaining 50% of the moneys  
9 collected pursuant to the taxes imposed by Section 20 and all  
10 interest on those moneys, shall be paid to the Illinois  
11 Medicaid program. All costs to implement this Act shall be paid  
12 for prior to distribution of the funds to the Illinois Wellness  
13 Fund and Medicaid program.

14 Section 65. Governance and expenditure of Illinois  
15 Wellness Fund.

16 (a) Except as otherwise provided in subsection (b), all  
17 moneys in the Illinois Wellness Fund shall be used as follows:

18 (1) Up to 4% of the moneys collected into the Fund each  
19 year shall be dedicated to administration of the Fund by  
20 the Office of the Governor, with administrative support  
21 from the Illinois Department of Public Health, State Board  
22 of Education, and the Governance Board.

23 (2) At least 3% but not more than 5% of the moneys  
24 collected into the Fund shall be dedicated to evaluation of

1 the impact of the Act on the health and wellness of  
2 Illinoisans. Evaluation of the Act shall be conducted by an  
3 independent evaluator selected by the Department of Public  
4 Health in consultation with the Council and Advisory Board.  
5 The evaluation shall encompass the impact of the Wellness  
6 Fund and the effect of the tax on the consumption of  
7 sugar-sweetened beverages. The evaluator shall report  
8 annually to the Council of State Agencies and the Advisory  
9 Board on the progress and results of the evaluation.

10 (3) At least 3% but not more than 5% of the moneys  
11 collected into the Fund shall be dedicated to providing  
12 technical assistance to and statewide coordination of  
13 strategies and activities of recipients of funding from the  
14 Fund.

15 (4) The remainder of the moneys in the Fund shall be  
16 used for the following purposes:

17 (A) school health and wellness, including  
18 increased consumption of healthy foods, increased  
19 physical activity and physical education, increased  
20 health education, improved health, mental health, oral  
21 health, and social services in schools, and school  
22 facility improvements that support health;

23 (B) public health leadership and infrastructure  
24 for obesity and chronic disease prevention; this  
25 funding shall support leadership, coordination,  
26 technical assistance, quality improvement, and

1 training for programs or coalitions led by health  
2 departments, associations, or institutes that use  
3 educational, environmental, policy, and other  
4 evidence-based public health approaches that achieve  
5 the following goals: eliminating racial, ethnic, and  
6 socioeconomic disparities in obesity and chronic  
7 diseases; improving access to and consumption of  
8 healthy, safe, and affordable foods; reducing access  
9 to and consumption of calorie-dense, nutrient-poor  
10 foods; encouraging physical activity; decreasing  
11 sedentary behavior; raising awareness about the  
12 importance of nutrition and physical activity to  
13 chronic disease prevention; supporting local food  
14 systems production and distribution; supporting  
15 clinical preventive services;

16 (C) oral health improvement, including increased  
17 access to oral health education, dental sealants for  
18 children, and use of community prevention and health  
19 education strategies that reduce risk factors for oral  
20 and pharyngeal cancers;

21 (D) community nutrition and access to healthy  
22 foods, including nutrition education, healthy cooking  
23 programs, healthy vending, healthy food procurement,  
24 education regarding shopping for healthy foods, and  
25 increasing access to healthy foods;

26 (E) physical activity in communities, including

1 active transportation, community walkability and  
2 bike-ability initiatives, multi-use trails, joint-use  
3 agreements, safe routes to schools, educational  
4 programs that promote physical activity, environmental  
5 changes that increase physical activity;

6 (F) worksite wellness, including promotion of  
7 nutrition, physical activity and preventive services  
8 in worksites, workplace policies and environmental  
9 changes that support employee wellness;

10 (G) local food systems, including promotion of  
11 access to and consumption of local foods,  
12 farm-to-school and farm-to-institution programs,  
13 healthy food procurement, community gardens, , urban  
14 agriculture projects, community-supported agriculture  
15 programs, farmers markets, food hubs, beginning farmer  
16 training programs, and farm stands;

17 (H) regional public health hubs as described in the  
18 Illinois Alliance for Health State Healthcare  
19 Innovations Plan.

20 (b) In the first year after the Fund is established, the  
21 allocation shall be as follows:

22 (1) 10% for administration, evaluation and technical  
23 support of the Fund, as provided in item (1) of subsection  
24 (a);

25 (2) 20% for school health and wellness;

26 (3) 20% for public health leadership and

- 1 infrastructure for obesity and chronic disease prevention;
- 2 (4) 10% for oral health;
- 3 (5) 10% for community nutrition and access to healthy
- 4 foods;
- 5 (6) 10% for physical activity in communities;
- 6 (7) 10% for local food systems;
- 7 (8) 5% for worksite wellness; and
- 8 (9) 5% for regional health hubs.
- 9 (c) All moneys in the Illinois Wellness Fund shall be
- 10 expended only for the purposes expressed in this Act and shall
- 11 be used only to supplement existing levels of service and not
- 12 to supplant current federal, State, or local funding for
- 13 existing levels of services as provided in fiscal year 2014.
- 14 Entities that are eligible to receive moneys from the Fund
- 15 include:
- 16 (1) local, regional, and State governments or
- 17 governmental departments;
- 18 (2) non-profit organizations;
- 19 (3) school districts and schools;
- 20 (4) federally Qualified Health Centers, community
- 21 health centers, and organizations which operate a
- 22 school-based health center certified by the Illinois
- 23 Department of Public Health;
- 24 (5) hospitals;
- 25 (6) Illinois farms producing primarily fruits,
- 26 vegetables and tree nuts for direct human consumption by

1 Illinois residents; and  
2 (7) policy, research, or training institutes or  
3 centers.

4 Section 70. Illinois Wellness Fund; governance;

5 (a) The Illinois Wellness Fund shall be governed by a  
6 Council of State Agencies with input from a multi-sector  
7 Advisory Board. The Council of State Agencies shall be  
8 comprised of one representative from each of the following  
9 Departments: the Department of Public Health, the Department of  
10 Human Services, State Board of Education, the Department on  
11 Aging, the Department of Transportation, and the Department of  
12 Agriculture.

13 (b) The Council's functions shall include:

14 (1) distribution of the Illinois Wellness Fund monies  
15 to eligible entities each year, including:

16 (A) allocation of funds for staff and resources to  
17 State agencies responsible for administering the  
18 Wellness Fund, including a Health in All Policies  
19 Coordinator to support the Council of State Agencies  
20 and Advisory Board;

21 (B) selection of and allocation to eligible  
22 entities, including organizations, associations, and  
23 universities, that provide technical assistance to  
24 request for proposal grantees and evaluation of the  
25 impact of the Act;

1 (C) distribution of one-half of the funds  
2 allocated for public health leadership and  
3 infrastructure under Section 70 directly to Local  
4 Health Departments via an allocation formula developed  
5 by the Department of Public Health for the purpose of  
6 providing local coordination of Illinois Wellness Fund  
7 grantees within their jurisdiction, if any, and for  
8 local leadership of educational, environmental,  
9 policy, and other evidence-based public health  
10 approaches;

11 (D) distribution of the remaining funds to  
12 eligible entities as recommended by the Advisory Board  
13 based on a request for proposal process or processes;  
14 and

15 (E) to advise on the selection of evaluators and  
16 provide input on the evaluation design, goals, and  
17 methods, at least annually receive and review a  
18 progress report on the results of the evaluation.

19 (2) Submission of a report to the General Assembly  
20 every 3 years on the allocation of the funds and summary  
21 results of the impact evaluation of the wellness fund and  
22 the tax.

23 Section 75. Expenditures for the Illinois Medicaid  
24 Program. Fifty percent of all moneys collected from the tax  
25 shall be paid to the Illinois Medicaid program into a Medicaid

1 Fund to include payment for the following services:

2 (1) restoring adult dental services and expand  
3 services to include prevention services;

4 (2) providing payments for medical nutrition therapy,  
5 care coordination, weight management programs, and other  
6 multi-disciplinary obesity treatment programs for  
7 overweight and obese patients, including coverage for  
8 services from dietitians, social workers, psychologists,  
9 and pharmacists;

10 (3) pilot program to cover community-based physical  
11 activity and nutrition programs for obese children and  
12 adults to change health behaviors (including, but not  
13 limited to, cooking classes for obese patients, assistance  
14 learning how to shop for healthy foods, participation in  
15 the evidence-based Diabetes Prevention Program, Chronic  
16 Disease Self-Management Program, and Diabetes  
17 Self-Management Program);

18 (4) funding coverage for all US Preventive Services  
19 Task Force A & B Recommendations; and

20 (5) supporting and expanding language access services  
21 for Medicaid recipients.

22 Section 80. Rulemaking. The Department of Public Health,  
23 the State Board of Education, and the Department of Revenue may  
24 adopt rules to implement the provisions of this Act.

1           Section 97. Severability. The provisions of this Act are  
2 severable under Section 1.31 of the Statute on Statutes.

3           Section 99. Effective date. This Act takes effect January  
4 1, 2015.